

The MINISTER OF TRADE AND COMMERCE. With the exception of what is carried in cold storage, the percentage of American goods carried is very small. The great bulk has been Canadian goods, and our instructions, of course, were that Canadian goods should have the preference.

Mr. BORDEN (Halifax). Of course, it might alter our ideas as to the advisability of a very large subsidy to this line if eventually we found that the cargo consisted largely of products or manufactures of the United States. Therefore we should have as definite information on that point as the hon. minister can give us.

The MINISTER OF TRADE AND COMMERCE. My information is that but a small percentage of American goods is carried, except of the goods carried in cold storage, of which there was a good deal carried at one time; but I understand that now the Canadians are getting the bulk of that.

Mr. CLARKE. If these vessels are paid this subsidy for the purpose of carrying Canadian products, surely they should not be allowed to carry American goods.

The MINISTER OF TRADE AND COMMERCE. I suppose the hon. gentleman would not refuse to carry American goods if there is room, and the shippers pay for carrying them?

Mr. CLARKE. Then it appears that we are subsidizing this line to enable American manufacturers to compete with ours.

The MINISTER OF TRADE AND COMMERCE. No, on the contrary, supposing that these vessels carried 3,000 or 4,000 tons Canadian goods and were able also to carry 1,000 or 2,000 tons of American goods to fill up with, for which they would be paid, that would enable them to carry Canadian goods relatively cheaper.

Mr. CLARKE. But the American government do not have to pay for that privilege.

The MINISTER OF TRADE AND COMMERCE. If we have enough Canadian goods to fill the vessels, the Americans will send none. If there is a deficiency of Canadian goods, the vessels will take American goods. I do not think it would be very good policy to refuse the American goods when we have not enough of our own.

Mr. CLARKE. That may be a matter of opinion. It is news to me that these vessels were permitted to carry American freight.

The MINISTER OF TRADE AND COMMERCE. I never knew of a case in which a clause was put in a contract forbidding the carrying of freight from any port, though preference might be given to Canadian freight.

Mr. CLARKE. We are paying \$146,000 for this service to South Africa and it is

carrying American freight as well as our own.

The MINISTER OF TRADE AND COMMERCE. It may carry some, but the great bulk is Canadian.

Mr. CLARKE. I do not know whether our boards of trade are aware of that fact.

The MINISTER OF TRADE AND COMMERCE. I should say that if we desire to make the best of our routes, particularly the St. Lawrence route, so far from discouraging American goods going by them, I should be glad to see millions of tons of American produce coming down the St. Lawrence and going in our steamships to other parts of the world. These goods will find their way across anyhow, and we may as well have the benefit of the trade.

Mr. HENDERSON. Have Canadians got any better rates by reason of the space being filled up with American products than if American products were not taken?

The MINISTER OF TRADE AND COMMERCE. I think they would. If a vessel has accommodation for 5,000 tons and can only get 3,000 tons of Canadian freight, the chances are that the Canadian producer would get better rates if the other 2,000 tons were made up from any other quarter. You will have to pay this service what it costs to take the vessels from one side to the other.

Mr. HENDERSON. The only point is that we are subsidizing vessels to carry the products of a foreign competitor as well as our own.

The MINISTER OF TRADE AND COMMERCE. The great bulk of the freight which we do send is our own, and I do not see that we will gain anything by prohibiting other goods.

Mr. CLARKE. Can the hon. gentleman inform us what proportion of the freight is Canadian and what American?

The MINISTER OF TRADE AND COMMERCE. I doubt very much if ten per cent is American.

Mr. CLARKE. What is the average tonnage of these ships?

The MINISTER OF TRADE AND COMMERCE. About 5,000 or 6,000.

Mr. CLARKE. I understood that the American part of the cargo consists of goods that have gone in cold storage?

The MINISTER OF TRADE AND COMMERCE. Some portion of it.

Mr. CLARKE. That would be food products?

The MINISTER OF TRADE AND COMMERCE. Yes, of course we ourselves are sending some by New York.