of corporate members poses its own set of difficulties. The individual members are often contributing directly to several organizations and may be less willing or able to provide funding for a council removed by one layer of hierarchy.

The grass-roots opinions of a large number of shippers are filtered through representatives. In negotiations with conferences these representatives have only a limited mandate to speak on behalf of individual shippers. This difficulty is further complicated by the presence at such negotiations of representatives of associations and corporate members who are there in their own right. As a result, there is some concern that small shippers, who rely on organizations such as the CSC to look after their interests, may not be adequately represented.

It has been suggested that the interests of small shippers are closer to those of the freight forwarders, and the possibility of admitting the Canadian International Freight Forwarders Association (CIFFA) to the CSC has been discussed. However, because of the dual nature of freight forwarders as both shippers and carriers this suggestion has been rejected by the CSC membership.

In conclusion, the CSC suffers from two interrelated problems, underfunding and difficulties inherent in representing diverse groups of shippers.

(11) Conference Legislation in Canada

When the government passed the *Shipping Conferences Exemption Act, 1987* it confirmed its long-standing recognition of shipping conferences and their important role in liner trades. At the same time, however, there was concern that legislation should accord more importance to the position of shippers and should increase competition.

The proximity of Canada to US ports and the interdependence of the transportation systems of the two countries make it necessary that transportation legislation be comparable and compatible. It has been stated that if the Canadian *Act* was to curtail the exemption of conferences, conference operators would then prefer the American legal environment and shift to US ports. The consequences of such a shift would apply not only to shippers and carriers but to the entire maritime infrastructure, including ports and related services. In addition to its need to carefully consider US legislation, Canada finds itself closely linked to an international shipping framework which to this day confers a special status to liner conferences. It is therefore unrealistic for Canada to develop maritime legislation based only on narrowly defined national considerations.

The first conference legislation in Canada was passed in 1970. Prior to that, conferences were not exempted from the *Combines Investigation Act* and, in fact, were challenged by the Canadian Competition authorities in the Helga Dan case.[15] The first *Shipping Conferences Exemption Act* defined the rules under which conferences were allowed to operate in Canada. It stipulated that conferences had the right to:

- .use collective tariffs
- .implement loyalty contracts
- .allocate ports of call
- .regulate the timing of sailings and other conditions of service
- .share cargo and/or earnings and losses from the transportation of goods
- .regulate admission and expulsion of members to and from a conference.[16]

Moreover, conference lines had the right to negotiate through rates ("door-to-door") of