

Mr. C.S. Dickson, General Manager, Atlantic Provinces Transportation Commission (APTC) addressed the question:

How far are Canadian exporters and importers prepared to go to ensure two-way trade is not impeded?

Conclusions

- Participants in all the seminars across the country were most concerned to ensure that Canada's competitiveness not be dulled or blunted by the unilateral actions of governments of our trading partners in the realm of shipping.
- As Canadian exporters and importers, seminar participants concluded that such **unilateral intervention is unacceptable**, and should not be ignored by the Canadian government.
- **Exporters expect active intervention by the Canadian government** to ensure that Canadian trade competitiveness is enhanced and improved.
- Seminar participants emphasized that the critical importance of exports to the Canadian economy dictates that the **government's priority will be to protect and enhance the ability of exporters to compete**. Participants believed it essential therefore, that there be **full consultation with industry** preceding any such intervention, following which, government would be in a stronger position to approach our trading partners with a broad range of commercially sound options and the flexibility to deal effectively with particular situations.
- Participants in the seminar series acknowledged that traditionally Canada has followed a non-interventionist policy in relation to international shipping, but agreed that this **policy should be re-examined** in light of the increasing number of foreign governments which are implementing national flag fleet policies, restricting or inhibiting competition.
- All agreed that under no circumstances should Canada accept the unilateral action of such governments which create a monopolistic situation in our trades.

Mr. David Gillilan, Corporate Traffic Manager, Erco Canada, summarised seminar views on the question:

To what degree should we emulate other countries in our response to this situation?

Conclusions

- Opinions among seminar participants varied widely concerning to what extent and under precisely what circumstances the Canadian Government could usefully adopt policies similar to those some other nations have chosen in the face of shipping restrictions detrimental to trade.
- Policies discussed at the seminars included the U.S. Federal Maritime Commission (FMC), which has extensive powers to impose punitive or corrective measures in response to harmful actions by foreign shipping lines, and the U.K. Merchant Marine Act, which empowers government to intervene if British shipping or trade interests suffer from the implementation of discriminatory shipping practices. While these were regarded as possible models for "*a made in Canada policy*", there was a strong view that Canada should not implement such punitive measures unless all other possible options had been totally exhausted, and the issue was judged to be of national importance.
- While seminar participants were reluctant to endorse full implementation of punitive measures along the U.S. and U.K. lines, except in the most extreme circumstances, they agreed that **together with joint action with OECD partners, having trade and shipping countermeasures available in legislation** would be a valuable defence, and useful in advancing Canadian interests — particularly in negotiations with countries which impose restrictive shipping policies through national legislation.
- Accordingly, seminar participants expressed qualified support for the enactment of **defensive trade and shipping legislation** to provide "teeth" in support of Canadian trade interests. This was agreed with the proviso that actual implementation be restricted to extreme situations **where vital Canadian economic interests are threatened**, and only **after full prior consultation with industry**.