

not be able to offer any excuse to our people, and they will think I have been very lax in my duty, and I have always tried to avoid that in my public life. I have always tried to hew close to the line and stand by those who sent me here to look after their interests.

MR. KINLEY: I rather agree that Shipping should be put in the hands of people who know the business, but it seems to me that in the reorganization or cleaning up of the Canadian National Railway System we down on the sea coast are likely to receive the first blow. We cannot hope to compete with the Englishmen in the matter of sailors or ships. They pay their men less than we do. Their ships are heavily subsidized. The English heavily subsidize their ships, and so does the United States. Now they are forming a Canadian company, which is all to the good. To all intents and purposes it will be a Canadian company, but they will bring in British ships, and that means that so far as our aspirations with regard to shipbuilding in Canada for the next few years are concerned, they are doomed. They say they pay their men seven per cent less than we do. As conditions are to-day on our coast, pay does not mean very much; it is a chance to go to work. They can get men in the maritimes to-day just as cheap as in China, if they will give them a job at sea. There is no use talking about what has been done.

Can I impress upon the committee or the trustees or whoever are in charge that in the making of this agreement provision should be made that these ships shall be manned by Canadians, and that Canadians shall have the first opportunity. The United States have before their Congress at this moment a bill that provides that in their coastal trade and in their foreign trade their men shall be adequately protected. That is, they must represent a large percentage of the crew in the foreign trade and one hundred per cent in the coastal trade. After all, this part of the Canadian National movement has not served us so badly. These ships enormously increased our trade with Australia and the Antipodes. You cannot make a profit in any business during the first period. It appears that they received no subsidy from the Canadian Government. If you had given the subsidy to these boats it would have been a great deal more than the deficit. They carry the flag of Canada which is thought of with some little pride by the Canadian people. So far as the maritimes are concerned, there is nothing our men can do except go fishing or go to sea, and if you deprive them of the opportunity to go to sea there is nothing else left for them to do, because they must live by the sea. There was a time when Nova Scotia was one of the greatest shipping countries in the world. They have that tradition behind them. The centralizing of shipping has destroyed that condition. I thought that with the advent of Diesel power we might get back on the sea, but with the Merchant Shipping agreement scrapped in England we have no chance, because even our coastal trade is open to the whole Empire. I say it is not fair. I think we have a grievance; and when this bargain is made I must impress upon everybody that we must protect our men.

MR. HEAPS: Under what registry will these ships sail?

HON. MR. HOWE: British registry.

MR. HEAPS: But these ships that we are going to receive from the new company? It may be a Canadian company, but the ships could be registered in any part of the world. I am inclined to think that they will not be under Canadian registry, and that they will not perform the services that the Canadian Merchant Marine performed.

HON. MR. HOWE: I am inclined to think that is true. That is what we contemplated.

MR. FINN: Let me point this out as an illustration. We had the D.A.R. and the Dominion Atlantic Steamships, an English company. They built the Prince Arthur, Prince George and Prince Edward. These boats plied between Yarmouth