

the devil", (Toronto), and accept the reality that certain states insist that their national merchant marine participate in their national trades.

Having registered their unanimous opposition to the concept of 100% cargo reservation, subsequent discussion centered on how to achieve maximum competition in circumstances where the other state insists on its equitable share of cargoes.

One workshop (Edmonton) accepted the concept of an equitable (i.e. 50-50%) division of cargo between the vessels of an LDC and those of Canadian registry, however **the majority favoured and took cognizance of the 'Brussels' interpretation of the UN Code of Conduct for Liner Conferences** which achieves competitive conditions for 60% of all cargoes covered in a bilateral trade between an OECD signatory and an LDC. Participants stressed that their qualified support for these approaches recognized the fact that in LDC trades even partial competition was better than none at all, and that they supported such approaches only, *"where absolutely necessary to maintain or enhance Canadian Trade and after full consultation with the industries concerned."* (Montreal)

Those who accepted **the need to consider the proposition of cargo sharing** emphasized that this should be regarded as acceptable only in situations where it was absolutely necessary to maintain Canada's access to trade. This "less than ideal" solution to exceptional cases was not regarded by some as sufficient reason for Canada to ratify the UN Code of Conduct for Liner Conferences, but for the moment was seen rather as a defensive solution to be selectively utilised and applied to resolve bilateral impasse. (Toronto)

The proposition that Canada adopt the UN Liner Code was given careful and thorough consideration in each of the five cross-Canada seminars, and generated a wide range of thoughtful comment by participants. The cautious endorsement of the Code was best summed up by one of the workshop chairman as *"the Code if necessary, but not necessarily the Code"*. (Vancouver)

The Halifax seminar enlarged upon this theme and gave another variant in its

conclusions: *"acceptance of the UN Liner Code may be justified from the Canadian shippers' point of view, if acceptance increases open competition in trades, and with the proviso that Canada would only apply the cargo sharing provisions of the Code with respect to those countries which impose the same on Canada"*. The seminar in Edmonton concluded in the following terms:

"So long as the Canadian portion of the trade can be negotiated as open and available to free competition, including national designated lines, the adoption of the cargo sharing provisions of the UN Liner Code would be justified, with the Brussels Package provisions protecting intra-OECD trade".

A number of governments reserve certain cargoes to their national fleets on grounds relating to national security or support to their merchant marine. Discussion of this subject was from the perspective of a Canadian exporter or importer forced to use the designated shipping line of the trading partner. Most participants concluded that this practice was legitimate in cases where government was directly involved in the disposition of the cargoes, for example with respect to aid shipments, or military cargoes. In the workshops there was reluctant acceptance of this form of cargo reservation only in instances where it was "the only possible option and absolutely required in order to do business". (Halifax) Nevertheless participants had less difficulty accepting this practice than the implementation of more general untied cargo reservation schemes.

Discussion of situations where conference monopoly was encountered generated strong negative comment in all workshops. There was nevertheless widespread acceptance of the reality of shipping conferences. In discussing the subject of trades where a conference monopoly exists, it became clear that Canadian exporters and importers regard such situations as no more acceptable than instances where the imposition of a national fleet also creates a monopoly. (Vancouver) Most acknowledged however that conference service is usually more reliable, and the lesser of two evils, when compared to the reliability and service of many "national fleets".