

the available cargo space is left for the products that Canada wishes to export. That amount is totally inadequate. In addition to that handicap, our Trade Commission found, when it visited European countries and the United Kingdom, that discriminating freight rates exist against Canada.

Canada has been for years handicapped in her export trade, and would be in the future also if it were not for the fact that we are building our own merchant marine. It works out like this, that if the United Kingdom have products to ship to South Africa, we will say, Canada, without ships, cannot compete with the Mother Country, because she gives such a favourable rate from the United Kingdom to South Africa. But now that we have our own merchant marine, Mr. Hanna, who has charge of the ships, intends to meet the competitive rates of the Old Country in order that the manufactured products of Canada can be put on the markets of the other Overseas Dominions and then on the foreign markets on an equality with the Mother Country as far as freight rates go. Would it therefore be an unwise expenditure for Canada to build up a mercantile marine?

As I said a moment ago, we first of all required our mercantile marine to work in conjunction with our railway system. We hope to see Canadian merchant ships carrying cargoes to all parts of the world and bringing back the raw materials required by our Canadian manufacturers. I hope in the very near future, as I am sure all the people of Canada do, to see our splendid merchant ships running to Australia and to New Zealand—excellent markets are available there—also to the Orient, from Vancouver; and to South America, the West Indies, South Africa and the United Kingdom.

There is another point that I would like to drive home—and I am sorry the hon. member for Brome is not in his seat. The millions of dollars that the Government are putting into ships is expected to come back again into the exchequer of the Dominion. When a year ago I introduced on the floor of this House our merchant marine policy I stated that while the rates of freight would probably go down—as they have done since the armistice was signed—that owing to the great loss in the world's tonnage as a result of the enemy's submarine warfare, the rates would still remain sufficiently high to reduce the cost of these ships that we are building, if not to entirely wipe off their initial cost. I am very pleased to say that the nine ships we have in commission at the

[Mr. Ballantyne.]

present time are earning very good gross profits, and I believe that within a year, or at least not more than a year, the initial cost of each one of those ships will be entirely wiped off. The other ships as they are ready to go into commission from time to time are going to make good gross profits, and net profits also, so that the money really is only being put out at the present time temporarily and will again return to the public exchequer.

Therefore, I am at a loss to understand the hon. member for Brome being so opposed to the Government's shipbuilding programme. I am very glad that so many members on his side of the House have given their unqualified consent to our policy, and I do not believe that he has very much of a following in his opposition to it.

We hear again and again that England Scotland or Ireland can build ships cheaper than Canada; and, if the United Kingdom cannot build ships cheaper, then that Australia can do so. When I brought down my Estimates I took the precaution to be well posted on shipbuilding costs, and I have a further Supplementary Estimate to bring down. I stated at that time, and I reiterate now, that all the yards in the United Kingdom are filled up with orders for shipbuilding on what is known as "cost and line." No one can get a fixed price per ton for a finished ship such as the Canadian Government is getting here, and their prices range anywhere from £28 to £33 per ton. I have the prices and the estimated cost on time and line for ships that are being built in the yards of the old country.

Mr. COPP: What class of ships is that?

Mr. BALLANTYNE: Cargo ships just the same as the Canadian Government is building, of 8,000 and 5,000 tons. I have not yet asked for prices until the Supplementary Estimate is approved by Parliament, but I have good reason to believe that this Government and the people of Canada will be able to have similar ships built in our Canadian ports at just as low a price as they can be built for in England, Ireland and Scotland—built just as well, and a better type of ship.

I want to say a word about the labour troubles that unfortunately exist in this country, and I would not have referred to them, only that other speakers have blamed the trouble on the tariff. I for one do not think that the tariff has anything to do with it. I believe it is just the natural unrest that exists in all countries as a result of the