

Jan. 20, 1942, the Board issued a new schedule of time charter rates materially reducing those of Aug. 1, 1941. Parallel action was taken by the United Kingdom Ministry of War Transport and the United States Maritime Commission.

The system of Ships' Privilege Licences, introduced to parallel and supplement the British Ship Warrant System, gave the Board power to deny facilities at Canadian ports to vessels that fail to co-operate in the Allied war effort. This control is administered through the Department of National Revenue and the Collectors of Customs at the various ports. One of the chief functions of the Board is to obtain shipping space to service Canada's essential overseas trade. Until recently, in the absence of any Canadian agency to decide on shipping priorities, the Board had in large measure to assume the responsibility of deciding which materials should be granted shipping space available, and in what order. On Oct. 31, 1941, the Shipping Priorities Committee was created, and the Board now allocates shipping space on the basis of the priority ratings given by this Committee, which in turn bases its decisions and formulates its requests to the Board on the reports and representations received from the various commodity controllers and administrators of the Wartime Industries Control Board and the Wartime Prices and Trade Board.

As a result of such control measures, Canadian shipping is making a valuable contribution to the war effort. Practically all of Canada's sea-going merchant marine has been placed in war service, and an appreciable number of its vessels have been lost. Apart from ocean-going vessels, a large number of Canadian canal-type inland navigation vessels have been sent across the Atlantic for service in the United Kingdom. Many vessels of this type have also been converted and directed to deep-sea work, carrying essential materials for Canadian war industries and construction materials to such regions as Newfoundland for defence projects.

An appreciable number of Upper Great Lakes vessels were withdrawn from the carriage of Canadian cargoes and allocated to assist in the movement of United States Lake Superior ore during the 1941 navigation season. Arrangements were made to withdraw, if necessary, every serviceable canal-type vessel capable of deep-sea work from the Great Lakes during the winter of 1941-42, and a large number of these were allocated, in collaboration with the United States Maritime Commission, for United States coastal service. Smaller Canadian vessels, such as salvage vessels and towage tugs, have been or are about to be withdrawn from Canadian service and sent across the Atlantic to the United Kingdom.

Ship Repairs.—One of the most vital needs of the Allied nations in the present war has been that of shipping tonnage with which to transport cargoes of food, essential materials, munitions and troops, to beleaguered countries. Voyages of cargo ships in war-time often take twice or three times as long as formerly, owing to the necessity of special routings for reasons of safety. Despite precautions, many ships have fallen prey to enemy action. In addition, blackouts at sea, and the fact that ships cannot use their wireless equipment, have resulted in frequent accidents causing a considerable percentage of the total shipping tonnage of the Allied nations to be under repair almost daily.

In November, 1940, the Director General of Shipbuilding was appointed Controller of Ship Construction and Repairs. Because of the urgent need for organizing and regulating ship repairs, it was decided, in April, 1941, that the Controller should devote his time exclusively to matters connected with the repair of ships, including the construction, maintenance, and use of drydocks.