

In both offshore and Canadian waters ships assisting ships in distress will not be subject to the provisions of this Bill. This, of course, is normal international maritime practice.

The Bill will also eliminate the historic anomaly in Canadian legislation of referring to "British" ships rather than "Canadian" ships. Currently, only three British ships remain in the coasting trade.

I wish to address briefly the tariff implications of this Bill. At present, all tariff matters are the responsibility of my colleague, the Hon. Minister of State for Finance (Mr. Hockin). It therefore follows that the new coasting trade Bill contains no direct tariff provisions of any kind. This Bill will make flag requirements for ships compatible with the Canadian customs regime. These two regimes while not identical are very closely aligned. In fact, this Bill will ease the situation for those wishing to operate ships in waters under Canadian jurisdiction by clarifying the flag requirements which must be observed. The tariff schedule requirements are already well known.

Department officials have consulted the provinces on this Bill and I am advised that they support its thrust.

To summarize, the proposed coasting trade and commercial marine activities Bill will extend the jurisdiction of the existing coasting trade laws to include all commercial marine activities within 12 miles, with the exceptions I have already noted, and all commercial marine activities related to resource exploration and exploitation out to 200 miles, again with the exceptions I have noted.

This Bill will protect operators of Canadian flagships wishing to work in Canadian waters and on the continental shelf. As a consequence, jobs for Canadian seamen will be protected. As markets improve more job opportunities will be created for seamen and those in related industries.

[*Translation*]

Hon. André Ouellet (Papineau): Mr. Speaker, I am pleased to rise on second reading of Bill C-52, also known as the Coasting Trade and Commercial Marine Activities Act. Technically speaking, this Bill will enable us to update the Canada Shipping Act, Part XV, concerning the coasting trade in Canada. As a result of the adoption of this Bill, old Part XV will be repealed and replaced by a new legislation dealing specifically with coasting trade.

The basic aim of this measure is to modernize and update a piece of legislation which has not been revised for 50-odd years. It is obvious that a law reflecting post-war realities no longer meets the needs of Canada's merchant marine. I am therefore very pleased to join this debate today, and I can say that in this respect we are going through what I would call a very acceptable and even worthwhile exercise.

I commend the Parliamentary Secretary to the Minister of Transport, (Mr. Thacker) for keeping in mind that, before proceeding with the consideration of this Bill, Opposition

Coasting Trade and Commercial Marine Activities Act

Members would appreciate receiving the kind of background information which will certainly help us gain a better understanding of the legislation. Such consideration on the part of the Parliamentary Secretary cannot however make up for the absence of the Minister of Transport (Mr. Crosbie) who seems to make it a point to stay away from the House whenever we are considering a measure which concerns his department. Again I must deplore this fact, but since I have had opportunities to get to know the Parliamentary Secretary even better and to appreciate his availability and competence, I will not hold it against the Government and the ever absent Minister.

But things get somewhat sour when, over and above the mere technical provisions of this Bill, we get to the basics of this legislative endeavour which, all things considered, is aimed at promoting the use of Canadian ships for coasting trade. I must say, Mr. Speaker, that this is getting interesting. It is interesting because we can now examine more closely the whole shipbuilding policy of the Conservative Government, and I shall come back to this later on.

If I may go back a bit and look at Bill C-52 now under consideration, we find that the whole substance of this Bill resides in Clauses 3 and 4. Clause 3, for instance, prohibits any foreign ship or non-duty paid ship, except under and in accordance with a licence, to engage in the coasting trade or, and I quote:

(a) in Canadian waters, engage in any marine activity of a commercial nature; or

(b) in waters above the continental shelf of Canada, engage in any marine activities of a commercial nature relating to the exploration, development, production or transportation of the mineral or non-living natural resources of the continental shelf.

● (1550)

[*English*]

In order to obtain a licence to operate in Canada, a foreign ship must meet certain requirements set out in Clause 4, the most important being that the Canadian Transport Commission must have determined that no Canadian ship or non-duty ship is suitable to provide the service or perform the activity described in the application. In other words, it is to give priority to Canadian ships in the coasting trade of Canada.

We of the Liberal Party welcome this initiative. Indeed, we accept that it is an appropriate objective for the Government of Canada. On this side of the House we welcome any initiative which will strengthen Canada's shipping and shipbuilding industry. To ensure that this objective could be met, we had hoped that the Bill would have gone further in protecting Canada's interest in this crucial economic sector. Had the Minister read the American Jones Act of 1920, perhaps he may have been tempted to strengthen the Canadian legislation. He may have wished to fashion it in order to be more in tune with what the Americans have done to protect their shipping and shipbuilding interests.