



Huge lathe peels a Douglas fir log into sheets of veneer for Canfor plywood. The Canfor Group of companies – Canadian Forest Products Ltd. and its affiliates – is based in Vancouver, British Columbia.

nounced last August. Mr. Andras said that the Federal Government now wanted to: re-examine existing forest-management agreements with the provinces to upgrade them in light of the new push to modernize plants and machinery; and invite British Columbia and other interested provinces to enter into similar agreements.

“The forest products industry is of crucial importance to the Canadian economy,” Mr. Andras said. “The industry’s increased earnings in 1978, stemming from the impact of exchange rates on export earnings and from high demand, have masked some fundamental problems facing the industry.

Shipbuilding industry

Speaking of the Government’s policy of support for the shipbuilding industry in the face of a world-wide slump in demand, Mr. Andras noted that the Government would open discussions with business people, labour and the provinces, to work out details of new measures to assist the industry. The total level of support being offered will continue. However, funds will be reallocated: to maintain a shipbuilding and repair capacity in Canada; to help the industry specialize in several areas and to reinforce its technical and innovative capacity; and to provide assist-

ance to workers who may no longer be able to find employment in the shipyards.

While details of new measures, planned to start in 1980, will evolve from discussions with industry and labour, current suggestions include special contributions to upgrade existing facilities, for research and development and for planning productivity improvement. “It is not intended through this program to establish new facilities nor assist in any major expansion of existing facilities,” said Mr. Andras.

The Government will also make available \$173 million over the next three fiscal years to the industry for special economic development, of which \$70 million would be spent in 1979-80.

Plans for dry docks

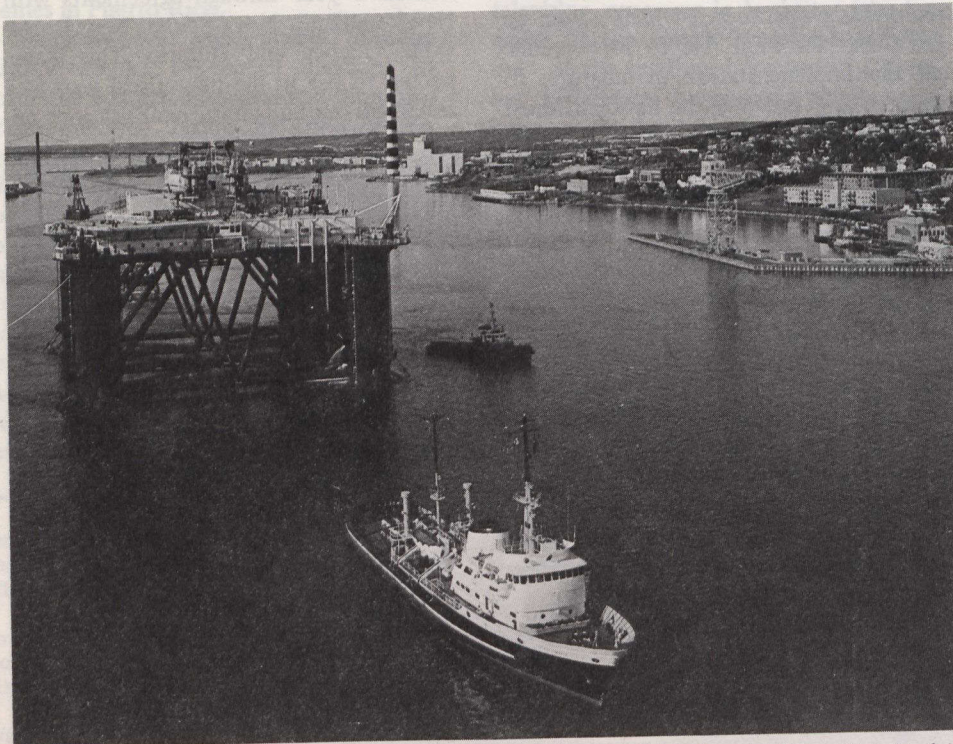
Some of the money will assist in the expansion of dry dock facilities on both coasts to help companies take advantage of some of the ship-repair business now being turned away for lack of facilities. The remainder will be allocated to advance procurement of government vessels which would otherwise have been put off until the early 1980s.

These measures are expected to generate some 2,500 man-years of employment, and provide for a continued increased level of employment in ship repair of from 600 to 1,000 workers.

Expansion of the dry dock facilities, which have been announced earlier, involve federal support for the floating dock for Burrard Yarrow Corporation, formerly Burrard Dry Dock Co. Ltd. at Vancouver; lengthening the existing dry dock at Saint John, New Brunswick; and construction of a 4,000-ton synchrolift at the CN Dockyard in St. John’s Newfoundland.

The advance ship procurement will include:

- construction of an “R” class Arctic icebreaker to replace the 25-year-old *D’Iberville*;
- replacement of a ferry on the Prince Edward Island-Cape Tormentine run by a new icebreaking vessel;
- construction of a fisheries-patrol vessel to replace the *Cygnus*, based in Halifax, Nova Scotia;
- refit of HMCS *Preserver*, naval support vessel, now operating in the Atlantic, so that it may be used in the Arctic;
- construction of seven search and rescue vessels for the Canadian Coast Guard service on both coasts.



Halifax Shipyards Division of Hawker Siddeley Canada Ltd. builds ships like Stadler (above), which moves through Halifax harbour in Nova Scotia. It is a semi-submersible offshore drilling vessel. Some of the yard’s rigs are at work in the North Sea.