

Government Orders

Canadian shippers in the marine industry are looking for leadership from this government to help our industry and, sadly, the government's actions in recent times have meant just the opposite.

We do not have to look too far to see that some of the negative policies of this government have adversely affected the domestic Canadian marine industry. One of those irritants is the cost recovery and user fee program. This government's zeal for cost recovery aims to impose user fees on Canadian marine industry companies. We on this side oppose this policy, as does much of the industry.

Do not take my word for it. Let us see what the industry is saying about the government's own policy. First, from Mr. Nicol, president of the Shipping Federation of Canada, who says: "The federal government's cost recovery policy may do irreparable damage to the Canadian maritime industry and its associated infrastructure. The proposal will increase the cost of doing business for some companies by amounts in excess of \$1 million per year". He also says to the minister that "there is no way of applying a cost recovery program".

Do not take just the Canadian Shipping Association's word against this particular economic policy. What does Mr. Cresswell, president and CEO of Algoma Central Marine, the second largest shipping company in Canada involved in transporting commodities on the St. Lawrence and the Great Lakes, say about user fees?

He said in a letter to the former Minister of Transport: "The application of cost recovery is discriminatory and will impede the long-term survival of a shrinking number of operations. The cost recovery policy comes at a time when the marine transportation sector is not in a strong financial position due in part to existing government policy. Moreover the proposed policy falls hard on the heels of transport deregulation. We strongly urge Transport Canada to withdraw this proposed cost recovery policy".

Other individuals have spoken out against the government's policy including Mr. Peter Smith of the Chamber of Maritime Commerce and Mr. Norman Hall of the Canadian Ship Owners Association.

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What about shipbuilding? We all remember the Progressive Conservative agenda for government concerning the shipbuilding industry. It was written in 1984 and

said: "A top priority of a Progressive Conservative government will be to create a more viable and prosperous shipbuilding industry". What has happened to that industry since then?

When this bill was debated as Bill C-52 in 1987 and 1988 Conservative members boasted about the shipbuilding policy. At the time they mentioned that the construction of the Polar 8 ice-breaker would help the sagging industry on the west coast.

As all members no doubt know, not only did this government absolve itself from any commitment to Arctic sovereignty but it backed out of the Polar 8 ice-breaker deal and Versatile Pacific Shipyards breaking the government's credibility in the Canadian shipbuilding industry and sending hundreds of workers scrambling for work.

When the government abandoned Versatile Pacific Shipyards in North Vancouver its mayor wrote the Prime Minister earlier this year and criticized the government's decision to rationalize the shipbuilding industry on the west coast. As yet, no positive response has come from this government.

The Alliance of Shipbuilders Unions in its publication entitled *An Industry in Crisis* states that today there is practically no commercial vessel construction in Canadian shipyards whatsoever. What does Mr. Les Holloway of the Marine Workers Federation say about the government's shipbuilding record and shipbuilding policy? He says: "We are now facing possible extinction in the not too distant future if immediate action is not taken by the federal government to secure the industry". These are but a few of the many testimonials against the government's marine and shipbuilding policies.

If Canadians examine closely this government's inaction concerning the marine and shipbuilding industry, they will discover according to the 1991-92 Department of Transport estimates who the winners in terms of increased funding were. The minister's motor car allowance was increased as was the departmental administration's. The losers were, among others, the marine and Coast Guard sector. Their funding decreased by almost \$58 million. In fact, total departmental expenditures decreased some \$24 million from the year before. Cost recovery, user fees and no shipbuilding incentives are but a few of the concerns currently facing the marine industry.