

Supply

MIL Davie would need new, more powerful cranes and its staff would have to be trained in computer-assisted design and production techniques and in the use of new procedures such as plasma welding.

The Quebec Minister of Industry and Trade has expressed his concern about the federal government's commitment to defence industry conversion and with good reason. However, the Quebec government is not alone in supporting conversion. The *Conseil du patronat du Québec*, not known as an advocate of sovereignty, also supports this process.

I would like to call to mind the resolution passed by *Rendez-vous économique 1993*, an economic summit meeting organized by the *Conseil du patronat* in Montreal. This resolution called on the federal government to extend adequate financial support for conversion to all industries that depend on military contracts. This financial support would continue for however long it took to complete the adaptation, conversion and diversification process.

In recommendation 1B, the *Conseil du patronat du Québec* also called on the federal government to award a \$6.5 million design contract and three-year \$200 million construction contract for the smart ship prototype. This would also be the prototype for a series of similar ships for the international market, a highly promising and expanding market.

• (1540)

With the expertise acquired in building the smart ship, MIL Davie wants to enter the international market for commercial ships between 40,000 and 70,000 tons. It is estimated that half the current fleet of oil tankers and bulk carriers should be scrapped and replaced in the next few years. Moreover, the rise in global demand due to the increase in international trade is estimated at 2.5 per cent until 2005.

Under these conditions, average demand should grow by 30 per cent from an average of 780 ships per year in the last ten years to an annual average of 1,025 ships until 2005, with peaks of 1,500 ships weighing over 2,000 tons. Since the average ship lasts 23 years and almost half the fleet is 15 years old or more, large orders are to be expected.

When they were in opposition, some influential members of this government's Cabinet, like the current Minister of Human Resources Development who was the critic on External Affairs, clearly stated that the Defence Industry Productivity Program had to be redesigned for the conversion of defence industries.

In a March 26, 1993 press release from the Office of the Leader of the Opposition, the current Minister of Human Resources Development noted: "Canada has a golden opportunity to stake out new market niches for the Canadian defence industry in peacekeeping and environmental technologies". We

can only conclude that the Liberal government is suffering from amnesia today.

On April 19, I asked the Parliamentary Secretary to Minister of Defence whether the contract for building the smart ship would soon be awarded to MIL Davie. He told me it would not happen before 1995. This answer shows this government's lack of concern for the tens of thousands of defence workers whose jobs are threatened. At MIL Davie alone, excluding companies like CAE, Canadian Marconi, Oerlikon, Paramax and many others, nearly 2,800 jobs would be lost. The shipyard would probably have to close for an indeterminate period of time or even permanently. Another 8,000 indirect jobs would vanish in the Quebec City region. So it is very important.

While I have a few minutes left, so you will not feel that MIL Davie and Quebec complain or demand too much, I will quote some figures concerning contracts awarded since 1986 to various shipyards in Canada. The ferry *Smallwood*, \$130 million to MIL Davie; destroyer modernization, \$286 million to MIL Davie but \$1.2 billion to Toronto-based Linton; frigate construction, \$400 million to MIL Davie but \$6.2 billion to Saint John Shipbuilding; defence contract adjustments, only \$263 million to MIL Davie; the Pictou ferry, \$50 million to the Pictou shipyard; minesweepers, \$450 million to Fenco Halifax.

In conclusion, I would like to come back to the press release of March 26. Just before, I would like to say that I did not complete the list, but in all, \$13 billion was invested in the marine sector, of which the MIL Davie shipyard got only \$1.094 billion, or about one thirteenth.

I come back to the press release in which the Leader of the Opposition, who is now the Prime Minister, said this: "Canadians deserve a government that can lead the way, a government that brings new ideas and new strategies, a government that helps them adjust to change. Our defence conversion policy is an example of how a Liberal government would meet the needs of Canadians in years to come".

I have only this to say to this government in conclusion: "Prove to the workers of MIL Davie and the employees of the 649 other defence companies in Quebec that what you said, Mr. Prime Minister, when you were in opposition was not just empty words".

• (1545)

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I would like to address a brief comment to my colleague from Lévis. I know that he is familiar with the employer, MIL Davie, which is located in his riding. As the Minister of Industry and the Minister of Transport have already indicated in this House, the government is perfectly aware of the important role this company plays in the economy of the Quebec City region. The government has also received MIL Davie's