

Oral Questions

This is compared with only \$400 million from Canadian shipyards. The minister well knows the reason for this—much higher subsidies and interest free financing which foreign shipping companies enjoy. For example, British shipbuilders receive subsidies valued at close to 40 per cent, whereas Canadian government subsidies were cut down to 9 per cent, and 19 per cent financing rates were added. Since the minister provides much higher subsidies through the Export Development Corporation for Canadian companies to build ships for export, will he change this irrational policy and implement an equivalent subsidy rate for vessels built in Canada for domestic use? It is only common sense.

Hon. Herb Gray (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, this issue is one which is being actively worked on by the government. We hope to have some policy decisions in this area before too long. Certainly it is one which has to be taken very seriously. I am glad my hon. friend confirmed that \$400 million of purchasing has been placed with Canadian shipyards because of offshore exploration activities.

ABSENCE OF CUSTOMS DUTY ON FOREIGN-BUILT VESSELS

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, my supplementary question is directed to the Minister of Finance. It concerns the unfair customs policies which favour foreign-built ships over Canadian industries. Since no customs duties are now charged on foreign-built vessels purchased by Canadian companies which operate between our 12-mile limit and our 200-mile limit offshore, in fairness to the Canadian shipbuilding industry will the minister, through the Privy Council, implement customs rate changes for those deep sea foreign-built ships that operate within the 200-mile limit? Will he also increase the existing 10 per cent tariff which favours foreign-built oil exploration vessels over Canadian-built vessels?

[Translation]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, the suggestion of the hon. member will be given careful consideration by cabinet.

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[English]

EMPLOYMENT

WORK-SHARING AGREEMENT WITH MANITOBA PROVINCIAL CROWN CORPORATION

Hon. Jake Epp (Provencher): Madam Speaker, I should like to direct my question to the Minister of Employment and Immigration on behalf of the residents of the riding of Churchill, seeing their member does not ask questions about employment in that area. In view of the work-sharing agreement which was signed between the Government of Canada and a provincial government Crown corporation—I understand that work-

sharing project has now lapsed and that there have been lay-offs despite the assurances of the Manitoba government that no one would lose his job or his business—could the minister give us an update on whether or not those jobs will be saved, whether the work-sharing projects are in fact still in place, or have they ended as the reports state?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, a provincial minister in the Manitoba government announced that lay-offs would take place even though the work-sharing agreement was in effect. Therefore, it suspends the work-sharing agreement.

I should point out that I wrote to the premier of the province on Monday indicating that we were quite open to any proposals for job-creation schemes for forestry workers in northern Manitoba. I made that offer to provincial ministers as early as February, indicating that under Section 38 we could provide alternative employment in that area. I am hoping the Manitoba government will now respond with some degree of clarity to that particular offer, so that we can help the workers of ManFor to gain alternative employment in an area where there is a tremendous demand for forest management because of the fires which occurred a year and a half ago. I hope to enlist the support of the hon. member and other Members of Parliament from Manitoba to see if we can persuade the Manitoba government to enter into a job-creation program.

WORK SHARING IN NORTHERN AREAS

Mr. Jake Epp (Provencher): Madam Speaker, my supplementary question is directed to the same minister. I regret that those jobs now appear to be in jeopardy. The minister has appeared before cabinet asking for not only an extension but also for an increase in terms of work sharing. Could he report whether or not that has been approved and whether there are additional work-sharing arrangements being made in Canada's north?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, at the present time we have signed over 900 work-sharing agreements covering close to 50,000 workers. Many of them are in northern parts of Canada, particularly in resource industries such as lumber and other areas. I could not give the precise numbers if the hon. member is speaking about the Territories, but I could get that information for him.

As far as future considerations are concerned, we met with the users of work sharing a few weeks ago. We are now analyzing the results of that. I spent last week consulting with business and labour groups to determine what were their responses. I am now preparing proposals for cabinet. It has not yet had a chance to review them, but I hope that the proposals will be considered by cabinet before the end of May when we will make an announcement. Obviously the very demand for work sharing by business and labour demonstrates that it is providing a very important support during the downturn in the