

Adjournment Debate

they may not always have available at the Manpower centres men with the necessary skills.

It is very much a requirement of the act, and it is certainly my understanding, that the Department of Manpower and Immigration also has its own arrangements for initiating contact with these particular entrepreneurs. If there are certain specific cases, such as those mentioned by the hon. member during this particular debate, I think they bear some further investigation and I am prepared to undertake that for him.

TRANSPORT—POSSIBLE DISCUSSIONS ON USE OF
"MANHATTAN" TO MOVE OIL THROUGH NORTHERN WATERS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, after 11,146 pages of bombast and balderdash contained in the House of Commons Debates this session, on February 23 I asked the Minister of Transport (Mr. Lang) if he could give me any indication whether he or his officials had any conversations with Panarctic in respect of the removal of oil from the northern slopes of this continent. The minister said he had no such direct conversations but would check to see whether any had been held by any official of his department. I accept that and I am very pleased to see the parliamentary secretary here this evening. I hope he can elaborate on some of those discussions which may or may not be going on.

I raise this question because the minister has given an indication that every effort is being placed by the government on the use of Canadian knowledge, technology, and expertise in any activity in the north. Those are my words and I am not putting them in the minister's mouth. I am sure he agrees with the intent of those words in respect of the removal of extractive resources from the north.

In connection with Panarctic, I raised the question the other day as well because it has now been about three months, to my certain knowledge, that Panarctic officials, indeed, Mr. Heatherington and others, met with agents of Canada Steamship Lines, Camet, which is a Canadian marine architectural firm, and J. J. Henry, a firm of U.S. architects, respecting the conversion of the *Manhattan* for Arctic crude oil carriage.

● (2220)

The scheme under discussion is to have the consortium of Canada Steamship Lines, Hall Corporation, Branch Lines and Fedcom jointly lease the *Manhattan* and undertake the conversion, leasing it in turn to Panarctic. I am in favour of this and would argue strongly for it. I recognize Panarctic's absolute need to get oil flowing now that they have wells, and to get a cash return on their investment in the north. Indeed as a 45 per cent shareholder, the Canadian government and the Canadian people I am sure also would like to see a return.

The *Manhattan* is probably the first vessel we can lay our hands on that has a demonstrated capacity in the Arctic, with limitations. I think it is a good idea to push on with that. The timetable I believe for Panarctic to complete its work in the north probably is three or four years. We have the situation where the Saint John Drydock Company in Saint John, New Brunswick, has demonstrated the capacity to handle a ship in its yard up to 250,000 tons.

[Mr. McIsaac.]

Tonight I should like to know whether any discussions have taken place between Panarctic and the departmental officials on the question of conversion. For the record may I say that the *Manhattan* was converted originally, I believe, at an estimated cost of \$40 million, which in fact included not only conversion but also deconversion which was never carried out, because when it ceased to do some work it went to other carriage. I think the total cost of the program was about \$56 million. It was never deconverted and the work to reconvert it for Arctic purposes could be done fairly easily and quickly, and well within the schedule of the Saint John drydock.

I would ask the parliamentary secretary to respond first of all in respect of whether or not the *Manhattan* is an acceptable concept to the government, and second whether or not the consortium of Canadian companies interested in looking closely at this matter could be persuaded by a 45 per cent shareholder, the Government of Canada, to do this conversion because we have the expertise and the knowledge. Indeed anything the parliamentary secretary can tell me in respect of my beloved Arctic and the use of Canadian flag vessels to remove our extractive resources is to be recommended.

I shall not continue any further. The parameters and the pieces fit into the puzzle. The work can be done in Canada. The *Manhattan* is acceptable to me for the time being. I just do not want to see any more after this, but if we can do the work in Canada and can get the *Manhattan* up there and get our Arctic crude down, then the Canadian taxpayer might see a return on his money which could be used to build Canadian ships to remove extractive resources from other areas of Canada.

Mr. Ralph E. Goodale (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased to have an opportunity to respond to the concerns of my hon. friend this evening.

The last time he and I had an occasion to discuss the matter of Arctic shipping and extractive resources was at the same point in our proceedings one evening just prior to Christmas, when we were on the eve of second reading debate in this House on a very significant piece of legislation, Bill C-61, the Maritime Code Act, in which I know he is very interested. It is a bit of a coincidence that we are back again discussing a similar topic during the course of the same week in which we have seen that piece of legislation, Bill C-61, come to a final conclusion, in the committee stage at least, and have seen it reported back to the House of Commons. So I am pleased to have an opportunity to discuss this matter with him. I hope I might be able to shed some light on the concerns he has raised.

Panarctic discovered oil at Cameron Island, which is north of Bathurst Island in the Arctic Archipelago, and I understand that drilling is continuing to determine whether there is oil in commercial quantities. In the event that there should be oil in commercial quantities in the far northern region, preliminary consideration is being given to various means of transporting it south. Among the options already considered is a pipeline system, the use of ice strengthened tankers, or a combination of these two systems.