

[Translation]

Mr. Fortin: Mr. Speaker, I first wish to express my regret that only an English copy of this statement was made available to us, not that I have particular separatist or nationalist feelings, but rather because I think the minister does not in the least try to respect both official languages in this House when he issues those statements. That is indeed shocking.

Mr. Speaker, this statement by the minister today is meant to give the impression that his department will take the necessary steps to restore public trust in the dredging contracting out system, although this is by no means achieved in spite of the government's good intentions. We should be aware that the companies concerned in that statement now have legal troubles, but that those troubles finally amount to very little. The companies have been organized and clearheaded enough in the past to set up subsidiaries which would not ruffle the political feathers of the government of the day. Dredging contracts were awarded to different series of companies according to government colour. Just remember when Prime Minister Bennett was in office for instance. I was reading a document to that effect no later than yesterday. When government change occurs, other companies get the contracts. What is more amazing is that we are realizing today, through revelations in this House, that companies in both cases belonged to the same people: that was a case of collusion.

Mr. Speaker, the assurances or intentions stated today in the House by the Minister of Public Works (Mr. Drury) show that he cannot take any step or that he is not interested anyway in taking any step to prevent the collusion of dishonest companies and to prevent those companies from ripping off public funds and depriving people of their interests. May I remind the minister once again that in the future, if he had the kindness and the regard to issue his statements in French or keep them in his office, we would reach approximately the same point. I think, Mr. Speaker, the minister should be scolded a little more by his party so that he would respect that entity, for it is one. As I said, such unilingual statements are an outrage.

● (1220)

[English]

Mr. Stanfield: Mr. Speaker, I should like a little information from the minister regarding the practices followed by the Department of Public Works. Is it the practice of the Department of Public Works, when tendering a dredging contract, to develop its own bid? I do not mean simply to develop a rough estimate, but to put in a bid of its own—as is common practice, for example, in the department of highways in my own province—as a means of having a really solid check on the competitiveness of any bidding put forward?

Mr. Drury: Mr. Speaker, perhaps the hon. gentleman has reference to the quality of the estimates made. We have some direct experience, particularly on the west coast and with the Mackenzie River, of the elements of dredging contracts, such as overhead, transportation, equipment costs, and so forth. These are tested against the bids that are put in. Under the new system, all the elements making up the total bid will have to be spelled out, and these will

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be compared with our own government experience of the various elements. So that what the hon. gentleman is suggesting will be done.

Mr. Stanfield: A supplementary question, Mr. Speaker. I do not want to misinterpret what the minister has said, but am I to take it that to date, in terms of asking for bids before letting a dredging contract, there has in fact been no accurate or precise computation of the costs of the project by the department which could by any stretch of the imagination be regarded as a sound method of comparison by which actual bids could be judged?

Mr. Drury: Mr. Speaker, the hon. gentleman used the term "by any stretch of the imagination". There have been, and there will continue to be sound estimates made. Certainly, they are not "off the top of the head" bids. The hon. gentleman will appreciate that there will be, in the Department of Public Works alone, some 75 contracts for dredging in various parts of Canada. Some are quite large; others are very small indeed and may be done entirely from the shore. I cannot assure the hon. gentleman that this rather elaborate procedure has been applied to every single contract, but in the case of the larger contracts a serious analytical appraisal has been made in order to arrive at a valid over-all price.

Mr. Broadbent: Mr. Speaker, may I ask the minister this question? Most dredging operations are done for the federal government. I do not know what the percentage is, but I am sure that substantially 80 or 90 per cent of dredging is done for the federal government. In view of the fact that there are very few firms now in the field, and that quite apart from the question of honesty in this sector of the economy, it is widely accepted that there is very little competition but there is what economists call price leadership—which means implicitly that the biggest firm sets the price and the others fall in line—would the minister tell the House why the government did not decide to take over dredging operations and get the Department of Public Works to do them?

Mr. Drury: Mr. Speaker, I think the hon. gentleman has a slightly incorrect picture of the dredging industry. What he says is true of very large contracts, such as the port of Vancouver, the Fraser River, the Mackenzie River and the St. Lawrence River, but in this country a very considerable number of relatively small ports require a limited amount of dredging for a relatively short period. A great many small contractors in the past have effectively and efficiently been doing this work.

To suggest that the dredging industry in Canada is comprised of only four or five firms is really not correct. For large contracts there are relatively few contractors who have the necessary equipment. But there are a great many small contracts for dredging for a relatively short period of time in the year, and their services are usable for other purposes at no cost to the Crown.

Mr. Broadbent: A supplementary question, Mr. Speaker. I will accept the minister's description of the operation in Canada, but it seems to me he is locked in to part of my argument anyway, so I want to see what his answer is. Assuming there are few big firms available to deal with the major operations under the control of the federal