

Customs Tariff

because they are a developing nation. However, South Korea is not a developing nation in terms of shipbuilding capabilities. With the amount of subsidization in that country, availability of concessionary financing, and a very low customs tariff boundary, they can drop those ships into Canada. You cannot, in some respects, blame the companies for going offshore to purchase when the Government of Canada, and the Official Opposition do not care enough to stand up and say this Bill should be amended to put in the prohibition which puts Canadian firms on an equal footing and those firms, with whom the Government has gone through a consultation process, are not asking for an advantage. They just want to be put on an equal footing with other countries so they can put Canadians back to work, and that is not happening. Commonwealth nations and developing nations should be put on an equal footing with other nations.

● (1730)

There is another ironic twist to the marine and shipbuilding situation. If a Canadian company, which cannot produce all the components with respect to a major vessel construction, has to import parts, they have to pay the full tariff price on those parts. When the Saint John drydock, or those along the Great Lakes or St. Lawrence, bid against those foreign countries, they are paying full customs tariff on the parts which they are bringing into the country, and still have to put together a competitive bid. We have the shipyards with the capabilities, but the Government of Canada and the Official Opposition are trying to tie one hand behind their backs. I would suggest what we need is a last minute look at this particular legislation.

The shipbuilding policy, as with the customs legislation, does shape the nature of Canadian trade. It does shape the nature of industry within the country. I would urge the Hon. Members of this House to take a look at the possibility of putting some amendments before the House which would put Canadian shipbuilders at least on an equal footing. Beyond this particular situation we have to look at improvements in those customs tariffs to provide at least the same footing by blocking the dumping, if you will, of those subsidized vessels into Canada. We should push it out 200 miles, as the Government's own advisers are already recommending.

The second thing we need is to raise the customs tariff to the equivalent of other nations and require a 25 per cent tariff on vessels brought from developing nations and from Commonwealth nations so they cannot dump vessels into the country. We should be looking seriously at removing all tariffs where a shipbuilding company is in a position to bid for a contract and they require some of the key parts brought into Canada. Our industrial development people should examine very closely the fact that these parts cannot be built in Canada, and they should be looking at ways down the road of producing them here.

We also need to look at the question of concessionary financing. If other nations are providing reduced financing on these major constructions, if our own export development

nation is providing to companies offshore an opportunity to purchase, then, certainly, we should provide the Canadian ship owners and operators an opportunity to have access to concessionary financing in the shipbuilding process.

It is interesting, Mr. Speaker, that the Government has already drafted that policy. It is my understanding that it has been approved at the departmental level and at the Cabinet level, but it is frozen in place so that we are not allowed to make major changes. The Federal Government, in terms of the policy it has drafted is absolutely passive. Proper customs legislation would mean thousands of jobs. A proper marine industrial strategy would mean thousands of jobs. It is interesting though, that the Government, in its wisdom, does not want to build major vessels in Canada. They are under the mistaken impression that if Japan, Korea, Taiwan, Singapore, Belgium, Norway, Finland, can all build this equipment cheaper, and offshore, we will win a few industrial offsets rather than building the ships.

That policy has been expounded also by the Members on the other side of the House, and it would certainly pay us to hear somebody from that side stand up and tell us what they are going to do with customs tariffs in order to complement this particular industrial sector which would put thousands of people back to work. Maybe we should talk about where they would go back to work, because certainly that is important. The normal operating capacity at the Halifax shipyard runs at about 950 people. They are down to 450. There are 500 people who could go to work there. They have a brand new drydock where very large vessels could be built. Where are those vessels going to come from? They are certainly not going to pull them from the mid-Atlantic into Halifax en route to somewhere else. They are not going to get new shipbuilding contracts if the Government does not put its marine industrial strategy into place and does not make proper amendments to the customs legislation.

An Hon. Member: Your voice is giving out. Sit down.

Mr. Skelly: If the Hon. Member from Saskatoon, and the Official Opposition, do not care about 500 jobs in Halifax, why do they not stand up in the House and say so instead of sending minor aggravating bits of abuse over here? There are certainly people from Halifax who are concerned about those 500 jobs because their families do not have the income they had in the past. When Hawker Siddeley ran that yard, its capacity allowed 2,000 people to be employed. And if the Hon. Member from Saskatoon does not care about that, then he should get up and speak against the marine industrial strategy on this Bill. He has the opportunity.

An Hon. Member: After listening to you there is nothing more to be said.

Mr. Skelly: Mr. Speaker, if we look at the shipyard at Saint John, New Brunswick, the capacity there is in the order of 1,700 to 2,000 people, but only 500 to 600 people are working there. There are 1,200 people out of work in Saint John, and if the Government would put in place its marine industrial