

*Government Orders*

Nobody in this day and age believes that in the global context governments should be heavily subsidizing their industries. We should try wherever possible to let market forces prevail. That is the case. In this type of global environment it is also foolhardy for governments to believe that when every other nation with an industry competing with your industry is offering a level of subsidy, Canadian industries, no matter how efficient, will be able to operate competitively if you are dealing with a highly subsidized international marketplace. That is exactly what has happened in the shipping industry around the world.

Ideally, the thing to do would be to negotiate with all of these other countries to simply not have subsidies for the construction of new vessels. In reality that is not going to work. We see how difficult it is to talk about tariff reduction when you look at the current round of the GATT negotiations.

The fact of life is that in some parts of this country shipbuilding has been one of the reasons we have been able to populate some of our coastal areas. In the province of Nova Scotia, shipbuilding has a very long and proud tradition.

The yards in Nova Scotia produced the *Bluenose I*. It is on our dimes. That is part of our proud Canadian tradition and it was built right there in Nova Scotia; the *Bluenose II* as well.

Increasingly, we find that it does not matter how efficient or modern our shipyards are in places like Dartmouth or Saint John, New Brunswick or Marystown on the Atlantic coast. It does not really matter unless the government seizes the issue and the day and addresses the real imbalance that currently exists internationally which affects even the most efficient yards like the Saint John Shipbuilding in Saint John, New Brunswick, one of the most efficient mid-sized construction yards, not just in Canada, not in North America, but in the world. It is having trouble competing on the international market.

It is fine to say that this bill is going to address the problem of foreign owned vessels coming in and plying the coastal trade in Canada. I would put to this House that there are many nations that are in competition with our yards in Canada that are offering subsidies well in excess of the 25 per cent tariffication that would have to

be paid before a foreign owned vessel could get licensed for the coastal trade.

The bill does fall short in that regard. It is some help, but let us also look at other things that the bill simply does not address. There are two other major exemptions.

The first major exemption is that fishing vessels are not included because they come under the Fisheries Act. We all think that maybe we should deal with the other act. The fact of life is that if you go out on the high seas off Newfoundland or on the Scotia Bank in Nova Scotia, you are going to see one heck of a lot of vessels that are licensed to fish in Canadian waters taking Canadian fish from Canadians, taking jobs from Canadians in the fishing industries. Those vessels are not constructed in Canada. There is virtually no benefit at all for industries or individuals in Canada, but because of some international conventions we give our fish away.

We are about the only nation in the world that within our 200-mile limit gives fish to foreigners because somehow we feel that we have made deals in the past and we cannot go back on them. As a result, we have thousands and thousands of people in the fisheries in Atlantic Canada who are out of work, who cannot fish, while we give our fish away. That is one issue.

The second issue is that if you go out just within the 200-mile limit you will find out how many large factory freezer trawlers come in with licences from the Canadian government to fish various stocks, underutilized and utilized stocks, within Canadian waters. None of those vessels has been built in Canada. Maybe one way we can cut down foreign overfishing—and I know it is a bit of a simplistic solution—is by saying that if they want a licence to fish our fish their vessel is going to have to be built in Canadian shipyards. If foreign fleets want to come over to rape and pillage our fishery and want to take hundreds of millions of dollars worth of our fish to sell in their markets and process on their factory freezer trawler, they are going to have to construct that vessel in a Canadian shipyard, or there will be a massive tariffication attached to that vessel before the licence can be given.

Some people would say: "Don't be so crazy. How could you possibly say that?" I can say it because I have been through the shipyards in Atlantic Canada. The federal government is currently undergoing what is called a