

I have the pleasure to announce that my colleagues, the Minister of Transport and the Minister of International Trade, met this morning with Versatile Pacific Shipyards Incorporated of Vancouver. They informed Versatile that the government proposes to build the world's largest icebreaker, the Arctic Class 8, at Versatile Pacific Shipyards and they conveyed a draft letter of intent outlining the conditions the shipyard is expected to meet.

Canada must be able to exercise our sovereignty over our North. That requires tools as well as will, and this government attaches the highest priority to advancing Canada's national interests in the North. No government in Canadian history has done more, in so short a time, to reaffirm and consolidate northern sovereignty.

In my statement in the House on September 10, 1985 I set out the policy of this government in respect of Canadian sovereignty in Arctic waters. I said: "The policy of the government is to maintain the natural unity of the Canadian Arctic archipelago, and to preserve Canada's sovereignty on land, sea and ice undiminished and undivided."

A key element in the implementation of that policy is the adoption of measures to enhance effective control over the waters of the Arctic archipelago. The construction of a Class 8 icebreaker is central to that objective. An icebreaker, with the capacity to break ice and navigate in Arctic waters virtually year round, will constitute the most effective means of asserting control over the waters we claim. It will facilitate safe and lawful navigation through Canada's Arctic waters. The decision to build the ship signals to the world Canada's serious commitment to Arctic sovereignty. The ship will put Canada in the first rank in icebreaker capability, commensurate with our position as a major Arctic state.

The ship construction contract will provide upwards of 1000 person-years of employment for the British Columbia shipbuilding industry during the four-year construction period. Sub-contract benefits will accrue to other provinces. In addition to having the highest possible Canadian content, we will give high priority to high quality long-term offsets from foreign suppliers, involving joint ventures and technology transfers.

In addition, Canada's Arctic infrastructure and control are being strengthened in such areas as ship construction for support of northern commercial operations, aids to navigation, ice reconnaissance and forecasting,