

*Inquiries of the Ministry***TRADE****U.S. IMPOSITION OF COUNTERVAILING DUTY ON MICHELIN TIRES ALLEGEDLY BECAUSE OF INCENTIVE GRANTS—REQUEST FOR FURTHER INFORMATION—GOVERNMENT ACTION**

**Mr. David Lewis (York South):** Mr. Speaker, I have another question for the Minister of Industry, Trade and Commerce. In view of reports that the United States intends to impose countervailing duties against Michelin products destined for the United States in part, so the report indicates, because Michelin received grants under DREE, and in view of the fact the reports indicate that similar action is contemplated in Washington against products of other firms that have received or may receive grants under DREE, will the minister give the House any information he has on the subject and also indicate what steps, if any, the government is planning to take to deal with this rather serious threat to Canadian jobs and exports?

**Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce):** Mr. Speaker, the subject is not new. It has been debated between Canadian and American representatives on a number of occasions in the past. We now have a new situation, notice of countervailing. As I said in the House yesterday, there is a period of 30 days after the notice is issued for representations to be made, and further representations will be made by the Canadian government to the United States government in this respect.

**Mr. Lewis:** May I ask the minister whether his answer confirms the report that these countervailing measures by the United States are not only contemplated against Michelin products but also against the products of other firms receiving grants under DREE?

**Mr. Pepin:** Mr. Speaker, this is the first I have heard about countervailing against other companies. The subject in recent times has been Michelin. I assume I am now answering questions on behalf of the Minister of Finance who is responsible for tariff matters. I will bring the question to his attention. If he has heard of other companies against which action has been taken, I am sure he will want to inform the House.

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**HARBOURS****CHURCHILL—PROGRESS IN EXTENSION OF SHIPPING SEASON**

**Mr. S. J. Korchinski (Mackenzie):** Mr. Speaker, my question is for the Minister of Transport. Has any progress been made with regard to the possibility of extending the season in the port of Churchill so that additional shipping may be arranged out of that port? Also, can the minister indicate in what area, if any, progress has been made?

**Hon. Donald C. Jamieson (Minister of Transport):** Mr. Speaker, in three areas, I would suggest. First, we have established a port authority largely made up of local residents in Churchill to help us in the preparation of a plan which would involve the technical aspects, that is,

[Mr. Speaker.]

dredging, icebreaking and the like. Second, we have our own study going on at the present time of the ice conditions, particularly at the mouth of the river. Third, and perhaps most importantly in terms of getting a short extension of the season which would nevertheless be important, is an invitation which has now been accepted to a key group of insurance underwriters from around the world to visit the area and see what conditions are like. That will be done this summer, as far as I know.

• (1150)

**Mr. Korchinski:** In light of the fact that studies were conducted three or four years ago which indicated there was a possibility, would the government be prepared, if the marine insurance companies are not willing to lower their insurance premium rates to extend the season, to put its money where its mouth is in order to prove that it is possible?

**Mr. Speaker:** Order, please. The minister might reply briefly to the question though it sounded more like debate to the Chair.

**Mr. Jamieson:** Mr. Speaker, it is more like putting its money where the mouth of the river is. The problem is not that simple. We are examining the possibility of working with insurance underwriters, and this is why they are going to the spot to see for themselves.

[Later:]

**CHURCHILL—SUGGESTED PAYMENT OF EXTRA FREIGHT COST BY GOVERNMENT TO INCREASE SHIPMENTS FROM PORT**

**Right Hon. J. G. Diefenbaker (Prince Albert):** Mr. Speaker, in connection with the extra cost of freight for charter parties through the Churchill port, has any consideration been given by the government to the suggestion, as I recall, by the Hudson Bay Route Association that the government of Canada absorb the extra cost of freight insurance that has to be paid on shipments through Churchill? If that could be done it would greatly increase the volume of shipments of wheat and other products through that port.

**Hon. Donald C. Jamieson (Minister of Transport):** Mr. Speaker, I think the right hon. member would realize that to give him as full an answer as his question deserves would take a lot of time. A short answer is yes, we have looked at this alternative but we are satisfied, and I think I can also satisfy the right hon. member, that the other two steps have to be taken as well, that is, insurance and the question of water depth.

**Mr. Diefenbaker:** As well?

**Mr. Jamieson:** Yes, as well.