

marine systems, 10,000 in shipbuilding and 11,000 in the engineering sector. Jobs in individual sectors should also help sustain a highly-skilled defence and shipbuilding industry.

THE NUCLEAR INDUSTRY

For Canada's declining nuclear industry, which is operating at about 20 to 25 per cent of capacity, the submarine project would provide "high-quality employment in the short term and a definite stabilizing influence in the medium to long term," RAdm Anderson stated. Although the nuclear technology to be acquired is "mature" and not likely to generate a great deal of new research, manufacturing parts could enable Canadian companies to extend their expertise.

RAdm Anderson also suggested that "20 or 30 years" from now, a Canadian-designed reactor could take the place of the initial imported design. The project is also expected to have a significant impact on research and development, small business, and give a boost to local construction industries on the east and west coasts that land infrastructure contracts.

CANADIAN INDUSTRIAL CAPABILITIES

James Clarke, President of the Canadian Maritime Industries Association, testified that Canadian industry is capable of manufacturing virtually all of the major components of the nuclear-powered submarines and assembling all the boats in Canada. However, in some instances, such as the manufacturing of special quality steel plating and government-supplied armaments, decoys and cryptographic equipment, it would be more cost effective to acquire the finished product outside Canada. At present, Canadian companies produce pressure hull components and other submarine equipment for United States nuclear-powered submarines.

The Maritime Industries Association estimated that Canadian content in the project could be as high as 70 per cent and would enhance the country's defence industrial base and defence preparedness.

...Another significant benefit stemming from maximum Canadian participation in this project would be the adoption by our shipyards and maritime industries concerned of highly sophisticated quality assurance, quality control, as well as nuclear and vessel safety processes. These will result in a major enhancement to Canadian maritime industrial technology.

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