

*Coasting Trade and Commercial Marine Activities Act*

We all know that the Canadian shipbuilding and ship repair industries are in a crisis. The Government of Canada is making a conscious effort to rationalize the shipyards because their capacity is in excess of the contracts that exist.

Legislation is a tool that may be used for economic purposes. My colleagues and I believe that we should use this particular Bill as a tool to improve the lot of those people who work in our maritime industries, particularly those whose jobs and whose very existences depend on the ability of the industry to create new vessels, whether they be lakers, salters, ice-breakers, fishing vessels or tugs.

We as a country have a responsibility to do what we can to help maritime facilities in Atlantic Canada, Quebec, Ontario, British Columbia and even Manitoba which has a small shipbuilding sector. All these facilities would be enhanced by a piece of legislation that would maximize our ability to build Canadian ships, to crew Canadian ships, to own Canadian ships and not to bring vessels and crews from offshore. We should not allow vessels of other countries to trade between Canadian ports unless they get an exemption.

Let me deal with the regulations that would allow exemptions for foreign ships and for what are called non-duty-paid ships. First let us define a foreign ship. It means a ship other than a Canadian ship or a non-duty-paid ship. What is a non-duty-paid ship? It is a ship registered in Canada in respect of which all duties and taxes under the Customs Tariff and the Excise Tax Act have not been paid.

If the powers that be have been told that there is not a Canadian vessel available or in fact even in existence to carry a certain commodity from one Canadian port to another Canadian port, an exemption can be sought. That exemption allows those ships to trade within our waters for a set period of time after paying certain dues or tariffs, I would suspect. However, this means that in the short term, that income is not available to Canadian vessels and workers.

I understand that in certain cases, there may not be vessels capable of carrying some unique cargoes. Over the last number of years, I have been aware of one such vessel that has been plying the Great Lakes during the winter months. It comes from overseas and is specially equipped to deal with icebreaking. It carries a chemical of sorts. It has been allowed an exemption for at least two years and perhaps for longer. I am not aware, though, of any attempt on the part of any arm of the Government to see an opportunity for a shipyard. Obviously there is a market for the movement of this commodity. The Government should see if it can put something together, perhaps totally under the private sector or under a mix of public and private sectors, to build such a vessel in Canada so that it can be crewed and owned by Canadians.

The situation could go on and on. It is kind of like imposing quotas to protect an industry that is either fledgling or does not yet exist in Canada. I can think of at least one industry that did not exist in Canada a few years ago, in one of the sporting goods fields. However, we never took the second step

which is to build up that fledgling industry so that it could compete not just in Canada but in the world market-place.

Let me deal with some of the other exemptions. I wish to express some concern about them. I appreciate the comments made by the Parliamentary Secretary earlier today about looking at this Bill in detail when we get into a legislative committee, and I look forward to that.

Clause 3 contains a list of exemptions to this particular clause. The clause does not apply to any foreign ship or to a non-duty-paid ship that is used as a hydrocarbon production platform. For those who are unfamiliar with the nuances of the search for oil and gas in the coastal areas of Canada, a drilling rig goes in first and then once whatever energy substance being sought is struck, the drilling rig is replaced with a platform. This exemption provides permission to bring a platform to Canada from some other country. It does not force the companies to build platforms here in Canada and to create jobs here in Canada.

I understand that the kind of platform that is used in the Atlantic is made to a certain extent out of concrete and can in fact be constructed in Newfoundland. Perhaps that is the case. I hope that testimony before the legislative committee will offer us the evidence we need to tell the Government that this exemption is no longer appropriate and must be removed from the Bill so that we can create jobs in Atlantic Canada and particularly in Newfoundland.

• (1620)

Another area I want to deal with is one I am less sure of because I have not had the opportunity to compare this Bill with previous legislation. However, some of my colleagues have expressed concern to me, and I hope during their presentations today they will be in a position to more forcefully and more knowledgeably explain those concerns. That area is with respect to Clause 3(2) which says in part:

(3) Subsection (1) does not apply to any foreign ship or non-duty paid ship that is

(b) used as a fishing vessel, as defined by the *Coastal Fisheries Protection Act*, in any activity governed by that Act and that does not carry any goods or passengers other than incidental to any activity governed by that Act;

The fear we have is that that kind of exemption would allow the continued importation of fishing vessels in excess of 100 feet. I gather if they are less than 100 feet they have to be built in Canada. However, the paying of duty on vessels over 100 feet does not create jobs on the West Coast, the East Coast, in Quebec or Ontario. It is important that we look at this exemption to make sure we are not continuing a loophole which, quite frankly, I think the Government would not want to continue.

I am not talking about a vessel which might come in for a month to replace a Canadian vessel under repair. I do not think any of us would suggest that. However, when we talk about additional capacity for harvesting of our marine