

Shipbuilding has a long and honourable tradition in this country. Almost from the beginning of settlement in Canada shipbuilding has been an important part of the work that Canadians have done.

During World War II we built one of the strongest, most effective shipbuilding industries in the whole world. Canada's effort in World War II was a remarkable achievement for this country. At that time we built up an enormous capacity to build effective, good, high quality ships with a high level of technical skill on both coasts of Canada and central Canada as well.

The tragedy has been that since World War II successive Canadian governments operating under the principles of so-called private enterprise have allowed the Canadian shipbuilding industry to slowly sink into decline. Today it is barely kept alive by government procurement, in particular defence spending. Every so often communities are given a final respite in the form of some kind of government project which keeps them alive for just a little bit longer.

Canada is one of the few countries with a shipbuilding industry that fails to provide concessionary financing for its own shipbuilding industry. This alone has put Canadian shipbuilding at a significant international disadvantage.

It is said that over the next number of years there will be 60,000 ships built in the world. What we as a country need to decide is whether we are going to compete effectively for that shipbuilding. We also have to decide whether we as a country are even going to compete effectively for our own domestic shipbuilding.

Government studies have indicated that over \$1 billion a year is spent on shipbuilding domestically in Canada. Yet much of that is beginning to go outside our borders.

Canada is a maritime nation. Many of its exports are carried by ships. The United States requires, under the Jones Act, that shipping from the United States be done in American-built ships. Canada does no such thing.

The number of U.S.-built ships purchased by Canadian operators alone since the free trade agreement came into force has increased from 10 to 28. The free trade agreement has been perhaps the final nail in the coffin of the shipbuilding industry of this country. However, we still retain because of government procurement

Government Orders

policies at least the shell of an industry. It is essential that we on all sides of this House, and the transport committee perhaps can take some leadership because certainly the government has not taken any leadership, begin to develop a comprehensive shipbuilding industry for this country.

We must make the first and fundamental decision. That is that we in Canada can again lead the world in shipbuilding. We have a highly skilled population. We have a solid domestic industry. We are familiar with how it works and we have the capacity to build an effective shipbuilding industry that can compete internationally.

If we are going to do that we are going to require a comprehensive set of policies of which the bill before us is only one small part.

Let me outline some of the comprehensive policies adopted by the New Democratic Party at its convention in Halifax in June. First, we must require that new fishing vessels be issued licences to fish in Canadian waters only if they are constructed and maintained in Canadian shipyards and all present fishing vessels must be maintained in Canadian shipyards as a requirement of a Canadian fishing licence.

We must understand that we start at home in providing markets for our Canadian industry. We must be willing to recognize that we want to build an industry on both coasts, the east coast and the west coast, and provide long-term continuity of employment on both coasts and in central Canada.

On the west coast we have seen the government break a fundamental commitment it made to the Canadian people and in particular the west coast of Canada when it cancelled the *Polar 8*, the new icebreaker that was to be built on the west coast of Canada. That firm commitment made to Canadians and British Columbians was broken by the government after the last election when it went to the voters of British Columbia and Canada specifically on the understanding that if it was re-elected the *Polar 8* would be built. As a result of that fiasco and the broken word of this government and failure of this government to provide any alternative to the *Polar 8*, to the frigate program or to the most recently announced mine sweeper program, we find that there has been no serious effort by this government to take leadership in retaining and building a west coast shipping industry.