

Adjournment Debate

located to the west of the Entrance. As there is no agreed Maritime boundary between Canada and the United States in the Dixon Entrance and adjacent waters, the Government of Canada considers it unacceptable for the United States to propose to issue leases in any of these waters.

As a result, the diplomatic note which was sent dealt solely with the jurisdictional issue. The environmental aspect of the proposed program is thus not an issue at this time. It would appear to me that making representations in the diplomatic note with respect to environmental and fisheries concerns could be taken as acquiescence on the proposed leases.

Canada did not make representations to the Department of the Interior when it was holding environmental hearings in Alaska on the Environmental Impact Statement that was prepared for the lease area. We are, however, obviously concerned about the potential threat from oil and gas exploration in this area to Canadian fish and fish habitat, including the fish destined for Canadian rivers that pass through Alaskan waters. The Hon. Member can be assured that we will continue to monitor the situation very closely. This is especially important as the Government of Canada and the Province of British Columbia have recently announced their intention to conduct an environmental assessment and review of the proposal to renew oil and gas exploration in the waters off British Columbia, north of Vancouver. Part of the area under review by us is immediately adjacent to the proposed U.S. leases.

I would assure the Hon. Member that for those areas under Canadian jurisdiction, Canadian environmental laws and regulations will apply. I am fully aware of the potential threat to fish and fish habitat of offshore oil and gas exploration. I am sure that the Hon. Member is aware that offshore exploration has been ongoing for over ten years in both the Beaufort Sea and on the east Coast of Canada. My department participates in all aspects of the environmental assessment and review of these projects and co-operates fully with the provincial and federal agencies responsible for the management of offshore activities to ensure that adequate protection measures are in place for fish and fish habitat.

● (1810)

CROWN CORPORATIONS—DE HAVILLAND DASH-8 AIRCRAFT—
FINANCING OF SALES

Mr. Bill Domm (Peterborough): For approximately three months now we have been exploring in this House through questions, statements and adjournment debates why there is so much delay in the sale of aircraft by de Havilland to Time Air of Lethbridge, Air Atonabee of Peterborough, and Norcan Air of Saskatoon. We all realize in this House how important \$100 million worth of aircraft sales by our Crown corporation de Havilland would mean to the future of that organization.

We started out by exploring the possibility of some interest assistance that might be made available to de Havilland in order that it could offer competitive interest rates on the sale of aircraft to Canadian companies that wish to purchase them. We were advised in the House on April 16, 1984, by the Minister Responsible for the Canadian Development Invest-

ment Corporation, the Minister of National Revenue (Mr. Bussi eres) that there are regulations on domestic and international trade which are set under the General Agreements on Tariff and Trade. This matter was pursued in an adjournment debate and later in a question to the Prime Minister (Mr. Trudeau). It was felt at the time by the Prime Minister that GATT did not affect sales of domestic aircraft here in Canada, so there would be no exclusion to the offering of assistance, if assistance were deemed necessary by the Government.

Pursuing that to the next stage, I rose in the House of Commons on May 14, 1984, and asked the Prime Minister if anything could be done in order that we could compete with the company in Ireland that has offered aircraft to Atonabee with interest rates of 7.5 per cent. At that time the Prime Minister said that any further subsidies to de Havilland would be costs. What is the sense of investing hundreds of millions of dollars in de Havilland so it can build an aircraft to sell around the world if we are not prepared to be competitive here in Canada with offshore domestic airlines that come into Canada with interest assistance programs.

Then I picked up the *Globe and Mail* on Thursday, June 7, 1984 to read about the Dash-7 sale to Indonesia. I found out that the Minister for International Trade (Mr. Regan) said the federal Export Development Corporation has signed a financing agreement worth \$20.25 million U.S. to support the sale of the planes and spare parts to Indonesia. If we can offer financial assistance programs to Indonesia so that it can buy Dash-7s manufactured by de Havilland, why can we not offer similar financial packages to Canadian companies that wish to purchase Dash-8s to use them here in Canada? It clearly is not an infringement on GATT agreements.

If we can build an aircraft here in Canada—this is an industry badly needed, and there are 2,500 jobs at de Havilland alone, plus another 10,000 jobs in spin off supply industries—what a shame it is to invest hundreds of millions of dollars in this Crown corporation and not offer an interest assistance package in order to sell the aircraft locally, use it domestically and prove its worth to the rest of the world.

● (1815)

There is not much sense in offering a financial assistance program to Indonesia of \$20.25 million through the Export Development Corporation, as reported in the *Globe and Mail* on June 7, while at the same time procrastinating in the sale of \$100 million worth of de Havilland Dash 8 aircraft to the three Canadian companies—Time Air, Air Atonabee and Norcan Air.

Why is it good that Indonesia receives a financial package? We are not building monuments in Algeria; we are selling aircraft. Why should Indonesia receive this assistance program, while at the same time we are not prepared to offer a similar program to these domestic airlines which are ready to purchase the aircraft if an interest rate package is put together?