

Shipping

In the same breath, or rather in the same release, he mentioned the rehabilitation of the graving dock at Esquimalt costing \$1 million or \$2 million, but he did not say in his press release where the funds were coming from—another vague promise made by the government to rehabilitate an industry which has been the pride of the west coast, as it is the pride of the east coast, and as we have heard previously in this debate the pride of the industry along the St. Lawrence river.

Why, we westerners are bound to ask ourselves, especially those of us from Vancouver Island, should it be so difficult to find one or two million dollars when a \$30 million allocation seems to be available without any problem at all? It is not that this floating drydock for Vancouver harbour is going to be built within the year. Some portion of that money could surely be put aside for the restoration and rehabilitation of the graving dock in Esquimalt harbour, but this is not being done.

I could go on to cite in the estimates many other examples, such as fisheries patrol vessels that are on the stocks. But let me just remind the House that the west does have a memory. We on the west coast recall the promise made in 1968 of the *Estevan* a weathership, which was going to be replaced by a new weathership. Curiously enough, and quite coincidentally I am sure, that promise was made in the middle of an election. It was pure coincidence that it should have been made at election time and that two Liberals were elected in 1968 in the area where the *Estevan* was required. But also perhaps by coincidence the *Estevan* was never built. Also by coincidence—though there might have been something in the minds of westerners that had an impact on this fact—no Liberals were elected in 1972, I suggest because the promise was made but not kept. The Liberals concerned were defeated in 1972.

There is a lesson here and I feel it might be worth recording. If you have got the goods, produce them. If you have not, don't pretend you have, because you really cannot fool the electorate forever. Either you are prepared to go back into the shipbuilding business and the merchant marine on the west and the east coasts on a scale that has been maintained at some cost in terms of credibility on the St. Lawrence, and I would underline that phrase "in terms of credibility", or failure to show your hand and produce the goods will render your conduct and your policies suspect.

● (1710)

Mr. Cliff McIsaac (Parliamentary Secretary to Minister of Transport): Madam Speaker, I just want to refer briefly to part of the motion put forward by the hon. member for Dartmouth-Halifax East (Mr. Forrestall) in order to bring the debate back to the topic, if you like, not that it has not been good a good debate in itself.

The points raised in his motion, and with the indulgence of the Chair and the House I will follow these comments fairly closely because of the terminology involved in the various codes of conduct, conferences, and other phrases that occur fairly regularly, were related first of all to a request in December last as follows:

That an Order of the House do issue for a copy of all studies, notes, position papers, memoranda, etc., relating to the requirements of

[Mr. Munro (Esquimalt-Saanich).]

Canadian shipping with respect to the proposed formula for import/export conference rated seaborne trade—

As I said, we have had an excellent debate on marine issues, but one that has departed a bit from the particular request.

A reply was tabled on January 29, and I should like to go over that to some extent in order to amplify what was meant. At that time I asked the hon. member to withdraw the motion. The first point I made was that the bulk of Canadian seaborne trade is not carried by liner conferences. I think that is certainly borne out, and the intention here is to put the whole question in its proper perspective.

An hon. Member: It is carried by ocean-going vessels.

Mr. McIsaac: Yes, but not by that particular category of vessels. The major shipping out of Canada is bulk freight such as wheat, coal, and potash, as I am sure is known to hon. members.

In addition there are liners operating outside the conferences such as tramp vessels, and the liner conferences themselves carry only a small proportion of Canadian tonnage. Officials of the department tell me it is probably in the neighbourhood of 10 per cent to 15 per cent.

As indicated in reply to questions asked by the hon. member for Dartmouth-Halifax East at about the time this came up, we said we are attempting to develop more statistical procedures which will enable us to measure better the kind of things here referred to, that is, what proportion of Canadian cargo is actually carried by the conferences.

The second point made in that earlier reply was that if and when the convention on a code of conduct for liner conferences becomes effective, and is acceded to by Canada and by Canada's major trading partners, it is not clear what influence the proposed non-mandatory 40-40-20 cargo shipping formula would have, Madam Speaker.

The UN convention on a code of conduct for liner conferences, which opened for signing on July 1, 1974, will only become effective when it is ratified by 24 countries having 25 per cent of the world value of general cargo and container ships. To date, and this is about a month ago, only six countries had signed this convention, and even those signatures are subject to ratification. They are Iran, the Philippines, Gabon, Guatemala, Equador and Yugoslavia.

In practical terms the attitude which Canada's major trading and shipping partners take to implementation of the code of conduct will necessarily affect its relevance to Canada. Most of Canada's trading and shipping partners are also members of the Organization for Economic Co-operation and Development. They were very split in their attitudes when the convention was negotiated. Denmark, Finland, Norway and other countries opposed it. Canada abstained, and other OECD countries such as Japan, Australia, and France voted in favour.

Canada is bound by the OECD code of liberalization of current invisible transactions. This code lists maritime freights as among current invisible operations in relation to which, according to Article 9 of the code, OECD members shall not discriminate as between other members. A