

*Government Orders*

the port of departure and make a call at a foreign port in order to be excluded from the coasting trade.

This provision does not apply to the Great Lakes, thereby protecting the important tour boat industry that operates day cruises in the Thousand Islands region and on the Great Lakes.

As with the current legislation, we must appreciate that there is not always a suitable Canadian ship available or capable of carrying out all the required activities. Thus, Bill C-33 retains the possibility to issue a coasting licence to foreign ships and non-duty paid ships in all waters under Canadian jurisdiction.

It goes further by establishing a pecking order if there are no suitable Canadian ships available. In such cases, first priority is given to the Canadian registered non-duty paid ships and second priority to foreign ships.

For the purposes of Bill C-33, a non-duty paid ship is a foreign built, Canadian registered ship upon which applicable duties and taxes have not been paid. This legislation contains a number of exemptions.

First, a specific exemption is granted to a foreign ship used as a fishing vessel as defined by the Coastal Fisheries Protection Act, as well as to a ship engaged in any ocean research activity commissioned by the Department of Fisheries and Oceans.

Similarly, exemptions are provided for ships operated or sponsored by a foreign government and authorized by the Secretary of State for External Affairs. These exemptions will ensure a minimum of conflict with other legislation.

It also exempts salvage by U.S. flagships in water contiguous to the United States as permitted by our Canadian legislation and known as the U.S. Wreckers Act, on the basis that a similar treatment is granted to Canadian ships in U.S. waters contiguous to the Canadian border.

During the discussions of the standing committee, various motions for amendments were defeated because these amendments were considered unacceptable by government representatives. One of these motions intended to move the demarcation line established at Saint

Lambert lock for the protection of the Great Lakes day cruise and the tour boat industry to the Inland Water Limited and Anticosti Island.

The proposal would also eliminate the possibility of granting a coasting trade licence to a foreign ship in this area even if there is no suitable Canadian ship available to provide the service. Such a change would prevent the operation of a foreign cruise ship currently operated by a Canadian operator with a Canadian crew in that region. It would also inhibit any opportunity to develop a world class cruise ship industry out of Montreal, Quebec City and the Saguenay River.

Certain movements and activities cannot be carried out by the Canadian fleet because the required technology does not exist in Canada due to the fact that there is not enough demand and the operation of such a vessel would not be viable. Therefore, denying temporary access to foreign vessels would be detrimental to shippers and to the shipping community.

A second defeated motion was aimed at the imposition of a minimum 30-day application period prior to the issuance of a coasting licence. Further amendments suggested perhaps 14 days, as we discussed this morning. The imposition of such a delay was considered an unacceptable interference in the normal business practice and administration of private enterprise. A mandatory waiting period would unnecessarily impede the timely and efficient movement of passengers and goods in Canadian waters.

The third defeated motion was aimed at the crewing of all foreign ships granted temporary coasting licence to engage in an activity within Canadian waters. The crewing of foreign ships temporarily imported in Canada is currently administered by manpower and immigration pursuant to the Immigration Act. It would be unacceptable to add provisions with respect to immigration and labour in legislation dealing with transportation and other commercial marine activities.

As stated earlier, we have agreed to several amendments presented by our colleagues with respect to certain clarification of the definition of coasting trade and other provisions of the bill regarding the protection of the interests of the Canadian shipping industry.