

*Supply*

Atlantic Canada, the previous Minister of Finance, who came before this House with three budgets and created total chaos in this country in the name of tax reform. An absolute joke. We have seen many efforts at tax reform, but unfortunately the tax reform of the Official Opposition and the Government is one in which you reform taxes for the rich to leave money in their pockets so they can go out and make more money, and hope some of it trickles down to those individuals who really need federal Government assistance. Mr. Speaker, tax reform pays the bills in this country. It distributes wealth in this country. It shakes the structure of the Canadian economy. But this tax regime we have does not do that. It does not give a break to Canadians generally; it gives a break to a very small minority of people and leaves the rest hung out to dry. This is one of the major problems with the shaping of the Atlantic regional economy. Until you develop a long-term plan based on full employment, the commitment to which is based on a tax regime which will structure the economy of a Province in such a way that it is a desirable place in which to build and nurture industry, that is not going to happen. And the question of the redistribution of wealth is a very important aspect of that problem.

With regard to taking a long-term approach, Mr. Speaker, another thing that the New Democratic Party has brought before this House is the question of an industrial strategy. What we have got from the Liberal Party and what we will get more of from the Conservative Party is the shot-in-the-dark approach to economic planning. They have both stood in the House and criticized the need for the Government to become involved in concentrated, serious long-term planning. We are again back to the engine of growth being the private sector; the plans and goals of the private sector are the ones that should be nurtured and fostered. The end result of that is that we will have economic development in Toronto and Montreal, and the rest of the country will be left hung out to dry. I see my old friend, the Minister of Transport (Mr. Pepin) sitting busily in the House today, and maybe we can go through the question of an industrial strategy once again.

**Mr. Pepin:** One year is enough.

**Mr. Skelly:** That is, the question of shipbuilding. I know the Minister lends both ears to this very vital question and that of the need for a Canadian merchant fleet. He is paying vigorous attention now.

**Mr. Pepin:** I could repeat everything you said.

**Mr. Skelly:** Shipbuilding is extremely important to the Atlantic Provinces. But we do not know where the Government is going with this issue. The Government came before the House and made a policy statement that it was going to extend the customs boundary to 200 miles in order to try to capture offshore benefits for Canadians. It was going to remove the preferential treatment of Commonwealth and developing nations so that Canadians could have an opportunity to bid on and build these ships. But unfortunately that is a very passive policy without the force of law. The Minister of State for

Finance (Mr. Cosgrove) says he will be drafting a Bill, but we have nothing before the House. The Government could afford to become far more active on the question of shipbuilding.

We have two vessels to be refitted, the *Nipigon* and the *Athabasca*. It is a small amount of work, but we have this crazy system throughout the country where everyone goes out and spends an enormous amount of money to bid on that work when only one yard will get the work. There must be a way of rationalizing our shipbuilding and repairing capability in such a way as to eliminate this enormous amount of wasted effort so that yards can plan on work and make investments in leading edge technology and maintain trained crews. But in absolute and rigid adherence to the free enterprise of Adam Smith, the Government has taken the approach of letting the yards go out and bid on and count on work that only one or two yards will get.

**Mr. Huntington:** Tell us about the state enterprise in—

**Mr. Skelly:** The *Athabasca*—I hear the Hon. Member for Capilano (Mr. Huntington) hollering about state enterprise. It is not state enterprise. I think if that Party yanks itself into the twentieth century and takes a look around, it will see many other successful nations which do not use state enterprise but use partnerships in long-term planning with private industry. In that they have serviced their populations well. I hope that the Hon. Member will join us in examining some of those opportunities.

● (1450)

However, to return to the subject of shipbuilding, we certainly have some very serious problems. Two sets of companies across this country are considering the frigate program which, I presume, is in the order of \$2.6 billion. There are yards which are absolutely desperate for the frigate program, yet the Government is back to its old bidding system, and many yards will lose out. The one sector in which Atlantic Canada has an opportunity is the shipbuilding sector. There is a great deal of suspicion that Atlantic Canada will see none of that work appearing in that area.

**Mr. Pepin:** How do you know?

**Mr. Skelly:** How do we know? Well, we will find out very soon.

**Mr. Pepin:** Yes, you will find out.

**Mr. Skelly:** I see that I am coming to the end of my allotted time. I would like to suggest that there are many industrial sectors involving shipbuilding, a merchant fleet, transportation and ports development and, as my colleague mentioned today, the automotive industry, in which we could find many opportunities if there were a commitment to planning and partnership between Government and industry and some determination to do it.

**The Acting Speaker (Mr. Blaker):** Are there any questions or comments? Debate.