

Adjournment Debate

probably see the effects of that for some seven years. However, that will not bring into the yards the new work that is so badly required.

We also know that the federal Government is the mainstay of the industry. That is simply not acceptable. We know that nearly all the work that is now under way, or work that is planned is being financed and undertaken on behalf of and for the federal Government. In a nation with a coastline the size of ours, we cannot accept that the federal Government, it would appear, as the sole supporter of our shipyards and the sole provider of work for those few Canadians today who are able to find work in our shipyards.

● (1845)

I suggest that we now get on with the commitments we undertook during the pre-election period. I understand the serious restraints under which the Government finds itself at the present time. However, now that we have had a full year to assess the situation, I believe it is time—and those who represent shipyards in the Atlantic area and beyond agree—to get on with implementing policies which encourage, not discourage, Canadian and foreign businesses to build and repair ships in our yards. Time is of the essence for these workers. It is time for the Government to undertake the initiative and to implement the policies we said we would implement.

Mr. Claude Lanthier (Parliamentary Secretary to Minister of Finance): Mr. Speaker, my hon. colleague and confrère from Fundy-Royal has raised an important issue, one to which the Government of Canada is devoting close attention. The Minister of Regional Industrial Expansion (Mr. Stevens) is acutely aware of the difficulties suffered by the shipbuilding industry in Canada, and has discussed the situation on several occasions either with representatives of the shipbuilding industry or with union leaders.

There is no easy or magic solution. Our Government has already made an enormous contribution to the survival of this industry by providing, through its own orders, the great bulk of the business now on the order books. It has also shown flexibility in its contractual dealings with the shipyards. For example, it agreed to renegotiate its contracts with Halifax Industries Limited, so that the company could complete work on Coast Guard vessels despite evident financial difficulties.

Our Government will continue to support Canadian shipyards through public procurements. The *Polar VIII* ice-breaker program is under study, and the patrol frigate program is well under way. These two programs together represent 10,000 person-years of work.

However, to assure the future of shipyards for the long-term, they must also obtain commercial work from private industry. In the face of a collapse of world demand, coupled with the addition of new capacity in countries such as Korea, competition is fierce in all ship markets of the world. Therefore, we must ensure that Canadian shipyards work at very high levels of efficiency and without imposing an economic burden upon the users of Canadian-built ships.

The Minister of Regional Industrial Expansion will be most pleased to advise his colleagues in the House as soon as a practical solution can be found.

REGIONAL DEVELOPMENT—ECONOMIC CONDITIONS IN ATLANTIC CANADA. (B) MUNICIPAL INFRASTRUCTURES

Mr. Dave Dingwall (Cape Breton-East Richmond): Mr. Speaker, I rise concerning a question I directed to the Minister of Finance (Mr. Wilson) on October 23, 1985. In my question I indicated some relatively staggering figures regarding unemployment in different regions of the country. Specifically, I talked about Newfoundland and other provinces in Atlantic Canada where unemployment in some communities exceeds 40 per cent to 50 per cent.

Unfortunately the Minister of Finance was not very forthcoming regarding proposals or remedial actions he and his Government were anticipating putting into place over the next number of months. However, he availed himself of the opportunity and talked about the Atlantic Accord, assistance to the Fishery Products International Company and the Cape Breton Island tax credit. These measures to which the Minister referred are certainly far from sufficient. He may allude to the fact that it costs a number of millions of dollars for these particular proposals to be implemented, but the fact of the matter is that those proposals do not reach the magnitude of the bail-out of two western banks in excess of \$875 million. They are in no way equivalent to the billions of dollars provided to multinational oil companies or to the capital gains tax exemptions, which will cost Canadian taxpayers from coast to coast billions upon billions of dollars, providing a benefit to the wealthy.

● (1850)

However, the Government has implemented a Canadian Jobs Strategy Program, a program which I suggest to the Parliamentary Secretary is not working and will not work in the regions.

The Government has refused to carry through with a decentralization of Government offices in the outlying regions. In fact, the Auditor General, astute man that he is, indicated quite clearly that the Government had wasted approximately \$1.5 million by cancelling the decentralization of an office from Halifax to Sydney, Nova Scotia.

The Government has refused to take an active role in the substantive issue of regional development. It has given the sole prerogative in regional development to the provincial Governments. The Minister of Regional Industrial Expansion (Mr. Stevens) has refused to stand up for the poorer regions of the country, whether it be the Provinces of Newfoundland or Nova Scotia or any other community in the country. He has refused to assist them. We have heard his answers regarding the Toyota, Hyundai and Honda plants. The Minister and the Government do nothing.

Some \$2 billion in transfer payments will be cut. This means that those in the less fortunate regions will have to pay more