

Government orders

• (1550)

I come now to my conclusion, Madam Speaker. My message is: the Hibernia project is good for Canada. It is excellent for Quebec. It carves us a place in the oil industry. It will be necessary, essential, for my riding in the years 1992 to 1996. That is what we, in this government, had in mind when in 1987 we started preparing, developing the technology in my Lauzon shipyard to improve it, and until this program gets under way, in 1992, we will continue to help the people of Lauzon, the MIL people whom we are also supporting in the frigate program they are building for the Canadian government.

So, Madam Speaker, I feel my government is making an excellent contribution to Lévis and to the province of Quebec, a magnificent investment for the whole country.

Mr. Mark Assad (Gatineau—La Lièvre): Having heard what the Hon. Member had to say about Hibernia, Madam Speaker, I would not want to repeat the arguments which were used in the past to support this major project which people have been waiting for over 18 years. It is clearly a major project which certainly was supported by the general public, considering the high unemployment rate in that province. Yet, having seen some of the figures dealing with this project and the huge amounts of money invested by the Federal Government, I became very much interested and I examined some elements. In fact, I feel that the Hon. Member for Richelieu has moved an amendment which I find somewhat interesting for the simple reason that it suggests most contracts should be awarded to Canadian firms. That is clearly desirable. What is clear is that he has failed to consult for instance the MIL, the SNC, the major Quebec firms which know everything there is to know in that field.

The MIL and SNC experts—I am not going to give their names, because they would not want to be quoted as such—provided me with interesting data. They told me that the previous government had a shipbuilding policy. For instance, late in 1979, the MIL had built supermodular drilling rigs in the Gulf of Mexico. It was a great success. MIL built 12 of them. They acquired some kind of expertise in that area. They achieved success in spite of the international competition because the federal government at the time had a shipbuilding policy which no longer exists today whereby they were subsidi-

dized in an effort to help them first of all obtain these contracts. Because of a lack of shipbuilding policy, whenever supermodules are built in Great Britain or in Scandinavian countries such as Norway, there is no tariff. The legislation on this is so vague that foreign competition can be unfair. Again, because there is no policy, Canadian firms may experience great difficulties in obtaining most contracts.

But to return to the amendment moved by my colleague the Hon. Member for Richelieu, when we examine the amendment, we realize that it is unrealistic for various reasons. First of all, as far as supermodules for Newfoundland are concerned, the experts say that the five of them must be built at the same time and not one after the other. And I was told that, in fact, even across Canada, we don't have the capacity to build them simultaneously because, for many years, in other countries, technology has improved and we don't have the same capacity. This is one of the factors working against Canadian companies.

Second, if the government insisted on building all five supermodules in Newfoundland, the cost would be higher. Under the agreement now in effect between the international consortium and the federal government any additional costs would have to be borne by the consortium. In this event, they would be put in a bind and the project would then be in jeopardy. There is talk that they might even withdraw from the agreement.

Consequently, for these two reasons, we must realize that our colleague from Richelieu has tried, in good faith, to help Canadian firms. But we must be realistic! When we get an amendment like the one he has moved, we must look at the facts. One can move totally redundant amendments, but if they are not realistic, they do not mean anything. And that is the case here.

Which forces me, then, Madam Speaker, to move:

That the amendment be amended, by striking out all the words following the word "platform" and substituting the following therefor:

"provide for maximum Canadian content consistent with not harming the project".

This is supported by my colleague, Fred Mifflin, the member for Bonavista—Trinity—Conception.