

The hon. member knows full well that there is no basis whatsoever for his accusation of this being allocated in advance. We have a process that is fair, that is equitable, and that provided for six companies to compete, and a committee of civil servants made the recommendation.

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### SHIPBUILDING

**Mr. Howard McCurdy (Windsor—St. Clair):** Mr. Speaker, I will try the Prime Minister too.

For \$3 billion of taxpayers' money Hibernia should be expected to provide considerable procurement benefits for the Canadian shipbuilding industry. Not only were Canadian shipbuilders not allowed to bid on the first supermodule contract worth \$200 million, the government even kicked in cancellation of a 25 per cent tariff to help Hyundai win the contract.

My question for the Prime Minister is: What action will the government take to see that Canadian shipbuilders get a chance to bid on the two remaining supermodules? Or, will the government do as it did before and actually help ship jobs elsewhere?

**Hon. Otto Jelinek (Minister of National Revenue):** Mr. Speaker, I dealt with this question late last week when I indicated to the House that an extensive survey of Canadian companies was made, including the sending of formal questionnaires to the Canadian industry, to ascertain whether parts of these supermodules or indeed the whole supermodule could in fact be constructed in Canada. The response to this survey and the questionnaires was negative.

Having said that, I also pointed out last week and I repeat today that if there is new evidence on the part of any Canadian companies I would be delighted to arrange meetings with officials to review the situation once again.

**Mr. Howard McCurdy (Windsor—St. Clair):** Mr. Speaker, I am sure from our conversation today that the minister will get telephone calls as soon as he gets back to his office.

There is 100 per cent overcapacity in the Canadian shipyards in Quebec and in Atlantic Canada. Many have

closed or are about to close. Yet Hibernia will require three supply ships, two barges and a number of shuttle tankers to be built.

Is the government prepared to take action to ensure that these are built in Canada as the Norwegians and the British did to their advantage for the North Sea project, or will it lose this opportunity to strengthen Canadian shipbuilding for the future and to assure jobs for Canadians on a permanent basis for the future as a result of this Hibernia project?

**Hon. Otto Jelinek (Minister of National Revenue):** Mr. Speaker, the hon. member and the House know that it is the government's priority to encourage as much Canadian content in the Hibernia project as is possible. That commitment stands, and I look forward to receiving as many telephone calls as the hon. member can arrange.

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### TRADE

**Hon. Roy MacLaren (Etobicoke North):** Mr. Speaker, Canadians are uncertain whether the Prime Minister obtained from President Clinton a commitment that the United States now intends to proceed with ratification and implementation of the North American free trade agreement or whether it will, as President Clinton said during the election campaign, await the negotiation of supplemental accords on the environment and on labour standards.

In light of this continuing ambiguity, would not Canadian interests, at a minimum, be better served by awaiting negotiation of the two supplementary accords?

• (1440)

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, I do not know why my hon. friend persists in suggesting that he has difficulty understanding the President's position. The President's position is the one that he stated quite clearly and the one that has been debated on the floor of the House.

Friday afternoon in a joint press conference, in response to a question, I said that the President has indicated—

**Mr. Tobin:** It is a long way to go for a photo-op.