

*Customs and Excise*

● (1730)

**The Acting Speaker (Mr. Guilbault):** Order. I do not know whether the Hon. Member is reflecting on a ruling made by the Chair or failing to see that the Bill contains much more than the simple Schedule to which he is referring. Other Members have been able to speak about the principle of the Bill. The Chair has been lenient in allowing the Hon. Member to refer to the Schedule from time to time, but he should not make an entire speech on it. That can be done at committee stage.

**Mr. Blenkarn:** With all due respect to the Chair, I would suggest that I am not now referring to the Schedule. I have referred to it. I am really talking about the principle clause in the Bill, which is Clause 3. That Clause imposes a tariff. Then, the Bill goes on to exempt certain parts of the tariff. I am talking about the pith and substance of the Bill. With respect to the Chair, that is what I intend to continue to talk about.

We are looking for some recognition for those provinces which have very little in the way of natural resources. Their people are entitled to the benefits of the resources in the 200-mile limit. The Premier of Newfoundland has expressed his concern with respect to the right to control the oil and petroleum resources in the 200-mile limit. He has also expressed concern with respect to the fishing resources. One of the advantages of having the 200-mile limit is the number of jobs that can be created for Canadians. The purpose of the Bill is to ensure that the goods, the drilling platforms, the drill bits and all types of machinery and equipment which are used in fishing or in oil exploration bear duty and are organized in such a fashion as to ensure that Canadians—particularly those from Atlantic Canada—get the jobs that those resources will provide.

Prior to the 200-mile limit declaration, certain things were exempt. Obviously a person drilling at sea was not drilling in Canada, and therefore he could bring in his drill ships, rigs and supplies from anywhere in the world. They were not subject to duty because they were being used in a non-duty area. The same applied to fishing vessels and fishing gear, indeed, to everything used beyond the normal three-mile limit. They were in international waters and they were not subject to duty. Therefore, the jobs which would come from manufacturing, supplying, and servicing were not subject to Canadian taxes and were not ensuring that Canadians received the protection that Canadians elsewhere, in other businesses and in other parts of Canada, received. The concept of the Bill is to extend that limit and to extend Canada's borders for customs purposes 200 miles out to sea.

We have focused on the fishing vessel exemption. We have said that it is a very major exemption. Indeed, with that exemption the whole purpose of the Bill is damaged—destroyed. But more importantly, it affects the whole substance of what we are trying to accomplish by ensuring that those who come from Atlantic Canada get all of the benefit there is for them in that 200-mile resource area. For example, equipment that is presently on lease or that is presently

servicing the area and which is owned by foreigners is exempted. Those are exemptions which take away the jobs and the benefits that Atlantic Canadians should have.

All along we have been taking away what we should have. My friend from the New Democratic Party mentioned a merchant marine policy. We could have our own Canadian merchant marine if we were prepared to operate a merchant marine that was based on international tax levels instead of Canadian domestic tax levels, and on international labour standards instead of domestic labour standards. After all, if ships are to travel the world they must operate under international standards to be competitive. We could have a merchant marine, but everything that we do in Ottawa seems to be directed from a central Canadian concept that does not bear any relation to the benefits that should accrue to Atlantic Canada, to Pacific Canada and to northern Canada. By the extension of the 200-mile limit in this Bill, we in a sense promise Atlantic Canadians the resource benefits, the job benefits, the manufacturing benefits and the supply and service benefits that that extension of Canada's boundaries should give them. To the extent that this Bill does not do that, the Government should be castigated. In a sense, the Government has promised something that it seems to have no intention of delivering.

We do not seem to have developed any shipping or shipbuilding policy. We had a 20 per cent subsidy for shipyards which has been reduced to 9 per cent. It will soon be phased out completely. If we were to substitute that subsidy arrangement with a tariff arrangement that covered all ships that took advantage of the 200-mile limit, and if we had a tax situation or a tariff that protected our shipbuilding industry so that our industry at least would have a captive or home market for our coastal ship requirements, then perhaps we could justify the removal of that 9 per cent subsidy. We are not only going to let the subsidy die, but we are going to allow a good portion of the ships that should be subject to tariff come in tariff-free. That is a derogation of responsibility.

● (1740)

The problem is that the Bill is presented in such a way that it really looks as if Atlantic Canadians are getting something. Do not look too closely at the fine print, though, because what it says it gives in Clause 3 is taken away in the Schedules. It is that kind of deceit, to put it that way, Sir, which I suppose prompted the Minister to refuse to answer questions. He knew that if we really started asking questions, the real pith and substance of what was happening would come out. The Government would be exposed for what it is; the Bill would be exposed for what it is.

The Bill is better than nothing, Sir, I suppose, but not much better. I am very disappointed that the Government did not come forward, recognizing the kind of Bill it had, to make sure that the jobs which are supposed to come to Atlantic Canada from the 200-mile limit would in fact come to it, that the 200-mile limit would not be just a promise in the air. It should make sure that the fish resources in the 200-mile limit come to