Brazil, and Australia. These are three countries, plus Canada, that have large reserves of iron, and in each case they have good reserves of water. We have the advantage in respect of energy.

We talk about developing the Atlantic provinces. I suggest there is not anything they cannot do, because they know they sit very close to one of the largest and richest mining deposits in the world. They know that these Atlantic areas of Quebec and Baffin Island are all in part of the Labrador trough. They know that the only place they can market this area from the top half of the Arctic islands is not down south into Ontario but must be from the sea around Baffin Island to the ports of Quebec and the Atlantic provinces.

With the energy, with the water, with the iron, and particularly with the new direct reduction plants we are starting to build now in Canada, the future of the Atlantic provinces is not dull. To give you an idea of what I am talking about in volume, the United States economy with 220 million people has been built up on 13 billion tons of iron in the Masabi range in Minnesota and Wisconsin.

Do you know what the reserves are for Canada? They are not 13 billion tons. The official reserves, as I have it here, show 35 billion tons, not 13 billion. That is not the figure that the Japanese give for these reserves; it is not the figure the Russians give for our reserves, or what the Germans give for our reserves. They know what we have got as a potential. Under our figures we show 35 billion tons, and the whole U.S. economy is built on 13 billion.

Our steel industry has paid higher wages per hour in Canada since 1961 than our competitors in Buffalo, Cleveland and Gary, Indiana. Our steel industry in Canada is producing a higher quality of steel at a lower price than our competitors across the line, and that is the fact. There is no need for restrictions because of our prowess, productivity, capital well spent, and workers well employed and well directed. There is a good feeling between the labour unions in Hamilton and management. It is not as good in other places, but it is good, and our industry is competitive with our U.S. competitor. We are having a little bit of a problem in competition with the Japanese. I simply point out that the answer is not in respect of wage levels, it is in respect of a combination of those things that make up productivity.

I mentioned a moment ago that the use of direct reduction plants is a big step forward. We have three now, and I think nine or ten should be in place in the next two or three years if we are to take advantage of this technology and because of our large amounts of energy.

The third matter I should like to mention in relation to basic supply and processing, and where these things should be, is the matter of investment. The Gordon Royal Commission over 20 years ago recommended that we set up a development corporation to help get mining investment and industries started in Canada. We have the Canada Development Corporation in place, but I would like you to name me a new mine with Canadian geologists, Canadian prospectors and investors, struggling to get going that ever received any help from the Canada Development Corporation. That corporation only invests in proven operations. We do need an incentive for investment during the early risk period if we are to give Canadians ownership of these resources.

I differ from the NDP. I want Canadian mines and oil wells owned by Canadians as individuals. We cannot do that without a proper policy of taxation, which means that if they do invest in these things they will not be double taxed through personal income tax, and that the mining companies they invest in will not be double taxed by governments fighting over the revenues of these mines. I would like to see Canadians, as individuals, own this country, as opposed to governments owning it or directing it. That should be included in an industrial strategy.

Before concluding let me give this additional bit of free information. Tariffs today are an obsolete technique between nations. GATT is purely a rich man's club trying to decide how much of the wealth of the new nations it will allow into its protected area. I have proposed, and I repeat again, that the technique of bargaining over the pennies of the tariff is like trying to milk a dried out cow. Sure, you can squeeze the odd drop out, but we are sending our best brains away for four or five years trying to squeeze out that dried up cow. That is all GATT is.

Let us take advantage of our resources in the form of basic supplies of iron, water and energy, and deal with these blocs; the European Common Market, the United States, Japan and any other group or single nation, on our growth rate of exchange.

I end my remarks in support of this motion as amended, to make it clear that we respect the provinces and will work with them, with a feeling of optimism that we are a strong and healthy country, and there is no need to be pessimistic. I am sure I have the right to say that the PC's have demonstrated before, and will again, that this is the only party that has a coherent and logical program to have this development go forward in a free enterprise mode. Thank you very much.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: I should like to put the amendment of the hon. member before his time has expired. That is why I signalled to him just before he concluded. The hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton), seconded by the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) moves:

> That the motion be amended by striking out all the words after the words "industrial strategy" and substituting therefor the following:
>
> "including a reformed resource taxation policy, to preserve and expand employment and to promote further resource exploration, processing, and related manufacturing in Canada."

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order simply to say that we have no objection to the amendment, either procedurally or in terms of substance.