

let it grow up in yellow weeds and scrub brush just so that it remains in its natural state. In my opinion there is nothing more beautiful than a 400- or 500-acre field of wheat, potatoes or hay, or even 100 acres of pasture with beautiful cattle roaming about. I believe that most people who visit a national park in a rural area such as in Prince Edward Island would much prefer to see agricultural land being used to its fullest potential than to see it growing up in yellow weeds or scrub brush just so that a national park can be preserved in its natural state.

● (1520)

Therefore, I believe that if the subject of this inquiry is referred to the Standing Senate Committee on Agriculture, some recommendation to the National Parks Branch should be made for a change of policy in the smaller rural areas of this country, such as Prince Edward Island.

Honourable senators, it is not my intention to discuss this matter any further because, as I said before, it is basically a provincial problem. The subject is within provincial jurisdiction. It is a problem which is certainly growing in intensity and immensity, but it is something which the governments of our provinces are well able to handle without too much interference from the Government of Canada.

On motion of Senator Carter, debate adjourned.

EXPORT AND IMPORT PERMITS ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker *pro tem* informed the Senate that a message had been received from the House of Commons with Bill C-4, to amend the Export and Import Permits Act.

Bill read first time.

SECOND READING

The Hon. the Speaker *pro tem*: Honourable senators, when shall this bill be read the second time?

Hon. Charles McElman, with leave of the Senate and notwithstanding rule 44(1)(f), moved that the bill be read a second time now.

He said: Honourable senators, under the Export and Import Permits Act the Governor in Council may establish a list of goods, called an export control list, whereby the export of any article can be made subject to control for certain purposes as specified in section 3. The first objective of Bill C-4 is to add the following two purposes to those already set out in section 3 for which exports can be made subject to control:

(a.1) to ensure that any action taken to promote the further processing in Canada of a natural resource that is produced in Canada is not rendered ineffective by reason of the unrestricted exportation of that natural resource;

(a.2) to limit or keep under surveillance the export of any raw or processed material that is produced in Canada in circumstances of surplus supply and depressed prices and that is not a produce of agriculture;

[Hon. Mr. Bonnell]

Under the same act, the Governor in Council may also establish a list of goods, called an import control list, whereby the import of any article may be made subject to control for certain purposes as now specified in section 5. The second objective of the bill is to add the following purpose to those already set out in subsection 5(1).

(a.1) to restrict, for the purpose of supporting any action taken under the Farm Products Marketing Agencies Act, the importation in any form of a like article to one produced or marketed in Canada the quantities of which are fixed or determined under that Act.

The third objective of the bill is to repeal section 27 of the Export and Import Permits Act, which sets out the expiry date of the act.

The first point to note is that the amendments being proposed to the Export and Import Permits Act, apart from the deletion of its expiry date, are enabling legislation.

The objective of the amendment which would enable the Governor in Council to put items on the export control list to promote the further processing of a natural resource that is produced in Canada is self-evident. The amendment will provide one of the means which may or may not be needed for promoting processing of resources in Canada in those cases where such processing can be internationally competitive and consistent with a sound industrial structure.

This is not to imply that the most desirable or most effective way to encourage processing of resources is by introducing export controls. The government's general approach is to focus on constructive cooperative tools, such as multilateral trade negotiations, taxation policy, existing programs of industrial support, consultation with industry, and the foreign investment review process. Nevertheless, it is conceivable that an occasion might arise when, despite such positive efforts, or in conjunction with them, it may be necessary to make the exportation of some natural resources subject to control if further processing in Canada is desirable and is to be achieved.

The objective of the proposed amendment to limit or keep under surveillance the export of the raw or processed material that is produced in Canada in circumstances of surplus supply is to establish a provision which can be used, if needed, for ensuring that proper economic advantage is derived from raw or processed materials produced in Canada. Occasions may arise where Canada has a particular material in abundance, as well as an influential place in the international market in respect to its price, so that oversupply from Canadian sources could result in reducing or holding prices at an inappropriate low level, having regard to factors such as the capital invested in production and the long-term need and future value of the material involved. In the circumstances, various steps might be possible to promote appropriate pricing, such as international or national cooperative marketing arrangements. However, in certain situations, one advisable step could be to make the material in question subject to export control for a time. The proposed amendment in respect of material in surplus supply would make it possible to initiate such action, and to do so with the promptness that would yield best results.