

Mr. Paproski: Where are you going to sell it after you have put another \$12 million into it? China?

Mr. Breau: We are not going to sell it. In consultation with the Department of National Defence, the Department of Supply and Services determined that it would be both imperative and cost-effective to proceed immediately to arrest the persistent erosion and repair the known damage. A contract was negotiated and placed with Halifax Shipyards in October, 1972, at an estimated cost of \$583,000.

Mr. Paproski: Shame!

Mr. Breau: The work was completed in May, 1973, at an approximate price of \$400,000. In accordance with normal practice in cases of this nature, the Department of Supply and Services initiated a legal investigation by the Department of Justice to determine the responsibility and liability for rectifying the cost of corrosion damage to the *Restigouche*, and related costs. This investigation, which included an examination of the DND report of the board of inquiry convened in 1972, has now been completed as far as it is presently possible to do so and a provisional recommendation on the liability aspect has been made by the Department of Justice.

The recommendation was qualified to the extent that at no time has the corrosion damage or liability question been discussed with Halifax Shipyards or Chemi-Solv. It is always possible that the disclosure of additional facts from these sources would alter the recommendation, and thus it would be premature to reveal its nature at this time.

Some hon. Members: Oh, oh!

Mr. Paproski: Who wrote that stuff?

TRADE—PULP—DISCUSSION OF POSSIBLE PURCHASES BY CHINESE WITH PRIME MINISTER DURING VISIT

Mr. Don Blenkarn (Peel South): Mr. Speaker, some of the things that come out from the ministry are really rather humorous. I address you tonight in connection with a question I asked the Prime Minister (Mr. Trudeau) on October 19 in regard to his trip to China, and particularly about the possibility of exporting pulp to that country. I raised the question with the Prime Minister because of a report I had from the media which suggested that one of the things we might export to China was wood pulp.

In his answer to me the Prime Minister suggested that there had been no definite commitment to export pulp, and that there would be an investigation of the forest industry when Chinese representatives came here to determine which forest industry products we might export to that country.

We have for too long exported from the forests of this country, from our mines and from our wells, job opportunities that belong to Canadians. We have for too long sold commodities that supply the industries of other countries. Pulp is one of those items, like zinc, copper and benzine, that we ship out of this country in vast amounts. With them we ship out our jobs, our future, our hopes and our aspirations.

Adjournment Debate

I draw your attention to the fact that in the forest industries in the province of Ontario, prior to the coming into power of George Drew, we used to ship out pulp logs to Michigan and Ohio so they could make their own paper and paper-oriented products. Those exports were stopped. Then under Leslie Frost as premier we stopped the export of pulp. But we never seemed to learn in the rest of Canada. Going over the export figures for 1972, I note that we exported from Canada some 6,200,000 tons of pulp out of a total production of 19,100,000 tons, or close to one-third. The rest of our production was turned into paper or paper-oriented products, but none the less we still exported more pulp last year than the year before, and more the year before than the year before that.

We never seem to learn that you cannot do a thing with pulp. You cannot eat it, you cannot sleep in it, you cannot wear it, you cannot burn it. All you can make from it is paper-oriented products. You can make J-Cloths with it, you can make toilet tissue with it, you can make newspaper with it, and you can make other kinds of fibres that you can wear. But you cannot do a damn thing with pulp except process it further into other manufactures.

If a nation like China, which has no huge timber resources, needs wood fibres, surely it can buy from this country wood fibres manufactured to the highest degree possible. Any suggestion by this government or any other government that we should sell wood fibres in unprocessed form is a stupid suggestion. Indeed, what this government should do now is to lay out a new industrial policy for Canada. As far as wood fibres are concerned, it should say clearly that while last year we exported some 6,100,000 tons of pulp, next year we will export less, and the year after that even less, until we reach the stage where we no longer export pulp. We will retain this commodity for further manufacture in Canada.

I draw your attention, Mr. Speaker, to the fact that pulp in many cases is produced in areas of Canada that are short of work and work opportunities, areas where industry remains undeveloped. Because it may be convenient and profitable for a corporation to sell pulp rather than to set up industry to manufacture paper or paper-oriented products is no excuse for exporting economic growth and the development of economic enterprise. This government has had before it this possibility for a number of years, yet it has refused to take any positive action to cut down the export of the raw lifeblood of this nation.

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At no time has this government said to any industry, "You will export no more of our raw products: You must export these products in the most highly-finished state." It is high time we had this kind of industrial policy and leadership in Canada. Canada should no longer be considered as hewers of wood. That is what we are asked to be and that is what we have become as a result of exporting pulp. I would ask the parliamentary secretary tonight to give a commitment to the people of Canada that this government will introduce legislation that will over a short period of time eliminate the export of wood pulp from this country.

Mr. Herb Breau (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, Canada