

Japan, Germany, France or Britain. Our industrial strength rests on the pillars of our major primary resource industries such as agriculture, fishing, forestry and mining. These are resources of which our industrial partners in the western world are deprived. They have to buy them from us. We compete with them on an equal basis. I want to touch on this for a moment.

On the question of foreign aid and closing the gap between the developed and underdeveloped world, there is an obvious need to create an economy in the Third World rather than just give foreign aid. The NDP members understand that. They at least pretend to have compassion for people in the Third World, although when they suggest we build barriers around our countries, increase tariffs and deprive poorer countries from trading with us, that is not the way to go. What we have done, in competition and in collusion with our industrial partners, is to say that rather than giving the Third World outright cash grants to buy food or whatever, we should permit them to develop their own industrial base. If I were a Japanese planner, I would ask, what could be better than to develop a copper mine in Chile? That would increase the supply of copper, create keener price competition and be good for Japanese industry.

Is it good for industry in Canada? I say not. We give a loan or a grant of \$200 million to start a copper mine in Mexico or Chile, and we have been active in both countries in this area, we are not just giving away \$200 million. Nobody decries that. We are giving away \$2 billion of the copper production in our country. We are also giving away 200,000 jobs. That is what we are doing.

We recently built a pulp mill in Malaysia. They will have absolutely no problem selling their product in a newly emerging, very powerful trading bloc in the Pacific Rim. The Minister says that if we had not built that pulp-mill, somebody else would have. That is true. However, it also means that if we do not tie a noose around our neck, somebody will tie it around our neck for us. It is absolutely ridiculous for us to compete with other industrial nations for enterprises designed to develop the economy in the Third World.

Mr. Blais: You don't believe that.

Mr. Oberle: I do. The ignorance shows through. What should we be doing in the Third World? Maybe we should tell our industrial partners that we should develop manufacturing plants in Chile and Mexico instead of copper mines. If they want to develop copper mines in Chile or Mexico, let us develop something else. Let us spend our \$200 million differently from our industrial partners. That is an example of how our industries have become instruments of public, domestic and international policy. It is clear that we have no industrial plan. We are competing with players in the international scheme whose economies are structured entirely differently from our own. I have given the reasons for that.

The NDP Members would have us believe that when you build a pulp mill in Malaysia, they will require our motors, machines and engineers during construction and the jobs will

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accrue to the golden triangle. They believe that \$200 million, or a good part of it, will be spent in Canada. That is all that will be spent in Canada. As I demonstrated, it will cost us \$2 billion in the long run because we will be exporting our jobs and giving away our industrial strength.

We have rotted the pillars of our industrial strength. We cannot now turn around and decry the trend that has developed in the post-war period, particularly in the last eight or ten years. Our mining industry is operating today at 50 per cent capacity. Fifteen years ago we satisfied 95 per cent of the world demand for nickel. Today it is approximately 35 per cent. We now decry the fact that we have this competition in the Third World.

At the Macdonald Commission hearings, a former deputy minister of finance questioned the Canadian mining association. He asked whether they would agree that mining in Canada should be looked at as a sunset industry. The mining industry supports 150 small and not so small towns throughout northern Canada, directly employs 300,000 Canadians and indirectly another 400,000. Imagine that industry in the next five years being looked at as a sunset industry! I say it should not.

What is left for us? The NDP members say we simply have to compete with these emerging Third World producers on their terms. Their terms are not profit. They have different criteria. My friend from Skeena should speak to his constituents, those who create jobs in his riding, not those who run to the Minister and ask for another \$30,000 grant to build a ski trail from Smithers to wherever, and they will tell him the same thing. We cannot compete with these new players on their terms. Their motivation is not profit. These are Government owned enterprises and the criteria are jobs and foreign exchange earnings. The copper mine in Chile will operate long after all the copper mines in Canada are shut down. It does not matter how much it loses. As long as there are jobs and a cash flow from foreign exchange, that copper mine will operate. It is operating because we have paid for it and are going to continue to pay for it at the expense of our own workers.

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My friend from Skeena can no longer use the excuse that socialists normally use, that if you have not been a socialist by the time you are 25 you have not got a heart, and if you are a socialist after you are 30, you have not got a head. My friend from Skeena does not fit in this grey area any longer. He either has not got a heart or not got a head.

The fact is that our industrial strength lies in the great entrepreneurial spirit which has rendered Canada an industrial giant in the world. Canadians have had that great spirit and ingenuity to build a better mouse trap, to get out there and deliver a product in a shorter time and in the proper mix required by our customers throughout the world. To rekindle that spirit is our only salvation. We must get out and deliver the proper blend of copper, mineral or forest products to the people in the world who need these products at the right time and in the right mix. We are capable of doing that, but only if