

*Order Paper Questions*

largely in the form of loans, assistance, in fact, is often complementary.

3. See answer to part 2.

**PRODUCTION COSTS IN SECONDARY SECTORS**

**Question No. 1,405—Mr. MacDonald (Egmont):**

1. Do (a) DREE (b) the Department of Industry, Trade and Commerce accept the viewpoint that in general the costs of production in the secondary sector are higher in the Atlantic Region than in Ontario?

2. For the industries (a) food and beverages (b) wood products (c) paper and allied (d) primary metal (e) metal fabricating (f) machinery (g) chemical and allied (h) textiles and clothing (i) electrical products (j) transport equipment (k) furniture and fixtures (l) printing and publishing, which factors or costs of production (i) financing and financial services (ii) land (iii) buildings (iv) machinery and equipment (v) energy (vi) transport of inputs (vii) tariff on inputs (viii) material inputs (ix) wages to labour (x) management and other professional salaries and fees (xi) fringe benefits for employees (xii) profits (xiii) transport of product to market (xiv) marketing (xv) local taxes (xvi) provincial taxes (xvii) federal taxes, are significantly higher or lower than those in Ontario and by what percentage?

3. As an average over the past five years for the secondary sector for (a) Atlantic (b) Quebec (c) Ontario (d) West, what percentage of (i) financing (ii) material inputs (iii) machinery and equipment came from within the region?

**Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council):** I am informed by the Departments of Industry, Trade and Commerce and Regional Economic Expansion as follows: 1. (a) and (b) See answer to part 2.

2. The answer to this question would vary from one firm to another depending on many factors, including type of product, specific location, markets, collective agreement provisions and corporate structure. To obtain the data requested would entail a detailed survey of all firms in the industries specified. The costs of such a survey, and the work that would have to be carried out by reporting firms, is considered to be prohibitive. Specific investigations are undertaken from time to time as may be necessary, particularly as part of the administration of the regional development incentives program.

3. The departments do not have the data required to answer this question.

**LABRADOR LINERBOARD MILL LIMITED**

**Question No. 1,645—Mr. Marshall:**

1. Has the Province of Newfoundland approached the government to assist in overcoming the problems in marketing being experienced by Labrador Linerboard Mill Limited in Stephenville, Newfoundland, through the Department of Industry, Trade and Commerce, the Department of Regional Economic Expansion or the Department of External Affairs?

2. Has any approach been made to the Export Development Corporation or to CIDA, to help explore markets for linerboard produced at the Labrador Linerboard Mill by the Province of Newfoundland?

3. (a) What is the productive capacity of linerboard in Canada (b) what are the names of the mills producing linerboard (c) how much of it is sold to foreign and domestic markets and to which markets?

4. Is Canada able to meet the demand of foreign and domestic markets for linerboard?

5. Has there been any follow up by officials of the Department of Industry, Trade and Commerce after meeting with the hon. member for Humber-St. George's-St. Barbe, expressing concern over the deterioration of the Labrador Linerboard Mill?

[Mr. Goodale.]

6. As a result of the tour of Trade Commissioners to Canada in December 1976 from seven European posts, what opportunities were elicited to and what information was given as to how Canadian businessmen could take advantage of opportunities in their countries?

7. Did the series of seminars include Eastern Canada to provide the resources available in that part of the country and, if not, for what reason?

8. (a) Who were the individual businessmen who met with the Trade Commissioners on December 7 and 8, 1976 (b) did any of them represent the fishing, mining or pulp and paper industry and, if not, for what reason?

9. Were interest free loans or grants provided to foreign countries through the Export Development Corporation or CIDA or loan specialists for the establishment of pulp and paper mills or logging industries and, if so (a) in what amount (b) for what reason (c) did the government consider the effect on the Canadian market potential of such loans?

10. What are the names of pulp and paper mills coming on stream in foreign countries on whom Canada now depends for pulp and paper markets?

**Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council):** I am informed by the Departments of Industry, Trade and Commerce and External Affairs as follows: 1. The province of Newfoundland did approach the Department of Industry, Trade and Commerce to assist in overcoming the problems being experienced by Labrador Linerboard Limited in marketing kraft linerboard to world markets. Officials have supplied data on kraft linerboard exports, world trading patterns and pricing and current trade enquiries received through trade commissioners on a continuing basis.

2. No.

3. (a) The potential production capacity of kraft linerboard in Canada is some 1.3 million short tons. (b) The name of mills producing kraft linerboard in Canada are: Labrador Linerboard Limited (Stephenville, Newfoundland); Minas Basis Pulp and Power Limited (Hansport, Nova Scotia); Consolidated Bathurst Limited (New Richmond, Quebec); Canadian International Paper Company (La Tuque, Quebec); Domtar Limited (Red Rock, Ontario); Crown Zellerbach (Elk Falls, British Columbia); MacMillan Bloedel Limited (Port Alberni, British Columbia); Eurocan Pulp and Paper Company Limited (Kitimat, British Columbia). (c) About 65 percent of Canadian kraft linerboard shipments (excluding recycled liner) is sold in the domestic market. During 1976 domestic shipments of kraft linerboard were some 70 percent of total mill shipments; the balance was exported. The approximate percentage distribution of domestic kraft linerboard shipments to the various regions of Canada is as follows: Atlantic provinces (5 percent; Quebec (25 percent); Ontario (50 percent); prairies/British Columbia (20 percent).

The major export market for Canadian kraft linerboard is western Europe which, during the 1973-75 period, accounted for 70-76 percent of total export shipments; this percentage increased to 83 percent in 1976. Central American/Caribbean area accounts for some 10 percent of total Canadian kraft linerboard export shipments. Exports to the United States, the world's largest exporter of linerboard, are minimal. The trading pattern of kraft linerboard exports from Canada to other world areas is inconsistent and fluctuates extensively between countries.