

more than doubled their share of Canada's domestic market.

What will the minister of industry do to restore these 8,400 steel workers jobs to Canada?

**Hon. Benoît Bouchard (Minister of Industry, Science and Technology):** Mr. Speaker, obviously that was the same kind of question that the member for Willowdale asked me at a committee recently. He knows very well what the steel industry has faced recently, in fact more than in the last 20 years, much more competition than before from many developing countries. For that reason the industry has to be restructured.

What we see today, particularly in Ontario, are consequences of that reality. We are working with the industry. The member knows very well what we did for Algoma. We are trying to find, particularly with the government of Ontario, answers to that kind of question.

He knows very well that the steel industry, as with any other industry in Canada, particularly exporting industries, has to have good conditions, including interest rates, the dollar and the inflation rate. With those kinds of conditions, they will face the reality they have to face and the industry agrees with us.

The member knows well that in the years that the dollar was higher than it is today, the steel industry did not face any problem because conditions were different. I believe he knows that very well.

• (1450)

**Mr. Jim Peterson (Willowdale):** I am incredulous. Our steel industry has for a long time told us that it is more modern than the Americans. Our steel industry has repeatedly told this government that it's high interest rate, high dollar policy, has cost it a 20 per cent decline in competitiveness.

When will this government stop delivering on rhetoric and start delivering on jobs? When will this minister for industry stop his deindustrialization of Canada?

**Hon. Benoît Bouchard (Minister of Industry, Science and Technology):** I am sorry, but I will have to give a few figures to my friend so that he can be very well informed as to what happened. In the 1960s the dollar was at \$1.05 and the steel industry did not have any problems. But amazingly, the worst period for the steel industry in

Canada was when the dollar was at 70 cents in 1982. That was a one-year period.

**Mr. Russell MacLellan (Cape Breton—The Sydneys):** Mr. Speaker, my question is to the Prime Minister. The free trade agreement does not define as yet what a subsidy is. Yet, Sydney Steel Corporation has been countervailed against for having received a subsidy—not after the free trade agreement was signed, or even while it was being negotiated, but long before it was even contemplated.

Why is this industry being punished retroactively for having in good faith accepted federal and provincial assistance which was in accordance with Canadian laws and international agreements? Why is this government not standing up against this injustice?

**Right Hon. Joe Clark (Secretary of State for External Affairs):** Mr. Speaker, I think the hon. member on reconsideration would recognize that there is not prejudicial action being taken against the Canadian steel industry. There is, as my colleague has just indicated, a period of difficulty being experienced by that industry now in various parts of the country. We are in close regular contact with leaders of that industry, and indeed others involved in the industry, to ensure that full access is had to all government programs, and that they are able to take advantage of provisions set out under Canadian trade law.

**Mr. Russell MacLellan (Cape Breton—The Sydneys):** Mr. Speaker, I would just like to suggest to the Secretary of State for External Affairs that there is a double standard here.

During the 1980s, the U.S. steel industry received \$30 billion in assistance from governments in the United States, while in Canada, Sydney Steel was the only one to receive such assistance.

I want to know when the government is going to organize a countervail against the importation of U.S. steel into Canada.

**Right Hon. Joe Clark (Secretary of State for External Affairs):** I know the hon. member is a serious member. I would be interested in considering a response to that question in two pieces of information. First, I would like him to provide me with documentary indication as to the extraordinary sum of the subsidy that he alleges, and second, I would be interested in knowing about what I