

Adjournment Debate

the previous year's supply and, as he knows, 1977 was not a year of high sales to western Canada. This means that sales will be decreasing. To suggest that Algoma will do everything it can to supply the western Canadian market is, as I said, nothing short of misleading.

On June 20 I asked the Prime Minister (Mr. Trudeau) the following question:

Since Algoma produces only 13,000 tons, and Canadian consumption is 17,000 tons, obviously Algoma cannot produce for the entire Canadian market. Algoma has already put western fabricators on an allocation system, thereby permanently ensuring they cannot supply that market. Will the Prime Minister now recognize the reality of the regional market that exists in British Columbia and give assurance that the anti-dumping duty will not be re-instated at the end of this month?

The Prime Minister replied in part that it was a temporary measure made with the agreement of British Columbia and other provinces which expressed satisfaction in order to permit all parties to readjust to the current situation. Surely it is the objective of producers in Canada, including Algoma, to try to produce for the entire Canadian market, said the Prime Minister. He went on to say that the temporary measure was reinstated to permit the various parties to adjust to the current reality.

The Prime Minister's reply is great on theory but not great on realism or reality. I know he went to the London School of Economics, and perhaps he pretends he is still there, that Canada is a small island like Great Britain and that one central producer can supply the whole island. Well, I have news for him. The continent on which Canada sits is 4,000 miles across, and one single supplier cannot do what the Prime Minister imagines he should be able to do. The reality is that we have distance to contend with, we have transportation cost to contend with, we have familiarity of market to contend with, and it is human and natural for those producers to supply the market close to home first. They understand that market best and they are doing just that. That is what Algoma is doing. It is even supplying the U.S. market, which is closer to them, before it takes care of the B.C. market, and therefore it is neglecting the domestic market.

Then there are the realities of cause and effect on the construction industry in B.C. Just this afternoon I spoke to one processor in B.C. who told me that in January of this year the price of Japanese plate was \$14.50. Today, that same product costs \$25 because the Japanese have been scared off from the market in Canada by the anti-dumping decision of this government.

As I have already indicated, Algoma has put the Canadian western market on the allocation system, but they do not call it that any more. Now they call it restricted delivery. They cannot say when they will deliver and they do not confirm the orders. Anybody who has been in business for a short period of time knows that if you want to supply, you have to make a promise of delivery. If you cannot promise that delivery, how can you bid for the contract? The Prime Minister does not seem to understand that kind of economics. Various industrial companies in a telegram to the Prime Minister dated June 5 said, and I quote:

[Mr. Friesen.]

● (2222)

The B.C. industry is therefore unable to purchase their total wide flange requirements from Canadian mills within the necessary time frame, neither can wide flange be purchased from normal offshore sources, because importers are unwilling to import wide flange before determination of dumping duty.

Therefore B.C. industry is unable to fulfill some orders on current projects on schedule or quote competitively on future projects because of uncertainty of supply and prices.

That is the reality of the marketplace in British Columbia today. The Prime Minister says that the B.C. government and others have expressed satisfaction. Then why did the B.C. government in its brief of April 14 ask for two major revisions in that decision on the part of the anti-dumping tribunal, and why in its closing presentation does it say, and I quote:

While the logic of applying uniform economic policies within a single country can be justified the fact that these policies have highly differential impact between the various regions of Canada is factual and it is on this basis that we therefore request that you reflect your understanding of this principle in response to our submissions.

The Prime Minister was nothing less than misleading the House.

Now I come to the human element. I read from a letter from a Kitimat man operating a small fabricating industry. He says this:

Being a reasonably new company of four years, having just completed a new extension giving us 5600 square feet of working area which will enable us to hire from fifteen to twenty men.

Presently we employ six men, three of which are married with families, the extra cost brought on by the this tariff could possibly decrease our work load forcing us to lay-off our present employees adding to the already unemployment situation.

The tragedy and the great irony is that the loss of jobs in British Columbia will create no extra new jobs in Algoma because they are already operating at capacity. What is the sense of this kind of policy that is creating misery for those employed in British Columbia? The role of the government is to make life easier and more equitable for people. Why does the government not admit its mistake and back off and say that there is a regional market that deserves special treatment in British Columbia?

Mr. Ed Lumley (Parliamentary Secretary to Minister of Finance): Mr. Speaker, it is most unfortunate that in the adjournment debate the government has only three minutes to reply to each question. On an important question such as the one raised by the hon. member for Capilano (Mr. Huntington) and the one raised by the hon. member for Surrey-White Rock (Mr. Friesen), as well as members on this side who made representation to the minister before, we should have more time in order to prepare a more comprehensive answer.

Without repeating some of the statements I made earlier in answering the hon. member for Capilano, I would suggest most sincerely that the hon. member for Surrey-White Rock refer to section 16(4) of the Anti-dumping Act, which requires the Anti-Dumping Tribunal to take fully into account in its determination of injury the definition of domestic industry as provided for in the GATT anti-dumping code. This definition sets out the circumstances in which a country may be divided