

PAIRED MEMBERS

Arseneault	Bernier (Gaspé)
Canuel	Crête
Dalphoné-Guiral	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard	Gray (Windsor West/Ouest)
Jacob	Loubier
Manley	Minna
Plamondon	Vancielief

**The Deputy Speaker:** I declare the motion carried.

(Bill concurred in and read the second time.)

**The Deputy Speaker:** The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

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PRIVATE MEMBERS' BUSINESS

[English]

MINING EXPLORATION AND DEVELOPMENT

The House resumed from June 5 consideration of the motion.

**Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, it is a pleasure for me to rise in the House tonight to speak on Motion M-292 which reads:

That, in the opinion of this House, the government should consider implementing a new program of mining incentives which would encourage exploration and development in Canada.

[Translation]

But before going any further, I would like to state some very important facts, for the benefit of our viewers. First of all, Canada is the third largest mining country in the world, extracting about 60 metals and minerals, including zinc, uranium, potash and gold. The mining industry provides employment for approximately 335,000 Canadians in 150 communities. Mining companies in Northern Ontario have created 18,000 direct jobs in the metal industry and 5,000 in the non-metallic minerals industry. I am very proud to say that the Williams mine, in Marathon, in the riding of Cochrane—Superior, is the largest gold mine in Canada.

There are, however, many barriers to the survival of the mining industry. First of all, mining exploration is a temporary land use that disrupts small areas for a very short time period. Once the mineral deposit is depleted, cleanup procedures are undertaken and land can be used for other purposes. Unfortunately, land use issues are fraught with uncertainty because of

*Private Members' Business*

the development of new parks and native land claims, some of which are being negotiated as we speak.

The industry is facing new difficulties since countries like Chile, Argentina and Mexico are upgrading their economies and taking steps to attract mining exploration and, thus, investors.

• (1740)

In 1993, Canadian companies with budgets over \$1 million invested nearly \$260 million, or half their budgets, in exploration outside of Canada. This represents an increase over 1992, when these companies devoted 40 percent of their exploration budgets abroad.

Why is that? First of all, at the natural resources committee hearings last year, the Canadian mining industry informed us of the stringent environmental standards—that is the first problem—and the slow licensing process as well. The second problem is non-unionized labour in Latin America and Mexico. Because of this, wages are extremely low; also, the standard of living is lower in these countries than here. Investors enjoy a much higher return on their investments down there than in Canada.

Since the licensing and environmental assessment processes are under federal and provincial jurisdiction, they are characterized by duplication and delay. We need at least \$900 million to \$1 billion a year in exploration capital in Canada to rebuild our ore reserves which have dropped dangerously.

We must bear in mind that, from 1990 to 1994, while 44 mines shut down operations in Canada, only 24 were opened.

[English]

If we want mining exploration to continue and to keep investors interested, there should be incentives from the government. We need a new program of mining incentives that will encourage exploration and development, encourage Canadian companies to keep investing in their country. That will permit the industry to help stabilize the economy and create employment.

Last year, as I mentioned a while ago, the committee for natural resources issued a report after its very long hearings. The report says:

Canada needs to remove existing structural impediments to the achievement of a sound mineral investment climate. These have been identified as: the tax burden on the industry, particularly the one imposed by non-profit taxes; the inefficiencies of the current environmental regulatory regime; and the uncertainty surrounding land use policies and security to mineral title.

Another recommendation coming from the report is that the government has to work with mining communities and the provincial governments to establish those crucial partnerships to work together to ensure that we have a viable mining industry in Canada.

There is a great need for the harmonization of environmental guidelines. As it is today, the federal government's guidelines