

Customs Tariff

is the kind of effective, tough trade approach which should be applied not just to Korea. It is very easy for us to be tough on Korea because Korea cannot fight back. What we have to do is take that kind of shrewdness, that kind of use of every policy mechanism we have, to force the giant companies which are making their investment decisions throughout the world to start making those investment decisions in the interests of this country. You cannot do it by simply legislating free trade with the U.S. You have to work at it; you have to be effective, strategic and, above all, tough. I challenge this Government to take that kind of tough, effective, hard-hitting attitude in defining its trade strategy. Above all, I challenge the Government to define that strategy because, so far, it has not.

● (1630)

The Acting Speaker (Mr. Paproski): Questions or comments?

Mr. Angus: Mr. Speaker, having listened to my colleague and his very excellent presentation, I want to pursue the question I asked the previous speaker. In this Bill we have in effect free trade in mining machinery. Not having a mining machinery manufacturing component in this country, I would like to ask the Hon. Member what other avenues are left to Canadians in order to develop that sector? Is it going to take subsidies from the Canadian Government in order to get them on their feet so they can compete, or is it going to be some other mechanism?

Mr. Langdon: Mr. Speaker, I thank my colleague for raising an interesting question. One of the exciting things we learned this past year in looking at the export potential of this country is that there is a very fascinating relationship developing between some of our electronic firms and the Mining Association of Canada. They are attempting to develop an approach to the production in Canada of mining machinery by making use of some of the new high-tech breakthroughs which have occurred in electronic control systems, and adapting those to the specialized equipment we use in our mines. I do not think the way to realize this opportunity is by cutting back all our tariff protection. The answer is to try to work out agreements with the large mining multinationals in this country whereby they commit themselves to purchasing mining machinery in Canada in return for some of the tax assistance they receive from the Canadian Government. We have argued consistently in this House that this kind of conditional tax assistance makes more sense than the unconditional tax give-aways which have characterized both the Liberal and Conservative Governments.

We challenge the Government to help companies like Spar and Inco in carrying forward this development partnership. If that is done there is a potential for a tremendous number of jobs being created in Canada. I do not think it will take direct subsidies of the kind my colleague feared might be necessary, but it does have to be part of a broad and effective industrial strategy which this country has always lacked and which it so desperately needs.

Mr. Brisco: Mr. Speaker, the Hon. Member made reference to the need to assist Spar. Does he have any idea of the type of contracts which Spar has handled over the past four or five years? For example, the total value of their contracts for 1985 amounted to \$159,345,000. Does he really believe that Spar needs help?

Mr. Langdon: Mr. Speaker, the question that was asked had to do with mining machinery which I am certain my friend realizes is a new field for Spar. Despite that, Spar is quite intrigued with its potential. They have formed a partnership with Inco Corporation to explore this potential. Inco is contributing expertise regarding mining machinery and Spar is contributing expertise in electronic data control systems.

This country imports something in the order of 92 per cent of its mining machinery. To me it is shameful that a country with a mining sector which is so important to its economy has not developed over the years the capacity to supply that sector with machinery. I am very pleased to see the private sector taking the lead in this area. That is the kind of good corporate citizenship we on this side hope will come from more private sector companies. I also think, and perhaps this is an area of disagreement between the Party opposite and myself, that it is an important responsibility of Government to offer some leadership and support to the private sector as it takes on new challenges. This kind of partnership between Government and the private sector in areas such as this where we import such a high percentage of equipment is one way of ensuring the creation of thousands of much needed jobs.

Mr. Brisco: Mr. Speaker, I suggest that the Hon. Member look at the business practice of the Canadian industry in this field and compare it to those of the European sector. When equipment utilizing the latest technology is developed in Europe and finds its way to Canada, it goes to the door of a major mine and they are asked to try it out. On the Canadian side, we go to the door of a major mine and say here it is, it costs \$150 million, will you buy it? That is the difference. That is why the Europeans have the market.

Mr. Langdon: Mr. Speaker, the Hon. Member has demonstrated my point that Government leadership and support is required to open up the imagination of Canadian producers to this massive market. As I said already, this partnership between Spar and Inco is an exciting development and it should make us a more aggressive and more effective player in the mining machinery sector. If that happens, then perhaps some of the inadequacies of past marketing practice with respect to our producers can be overcome. I hope the Hon. Member will join with me in trying to press his Government to take that leadership and remedy some of the problems he has identified.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Is the House ready for the question?

Mr. Hnatyshyn: Mr. Speaker, there have been discussions between the House Leaders of the Parties represented here. I