

*Exports of Primary Products*

major cities. These are not present to the same extent in the areas where primary production takes place.

I do not suppose that this bill will be passed, Mr. Speaker. However, if the Canadian people do not soon give some consideration to developing the resources of this country to as highly a finished state as possible before allowing the exportation of them, we will lose considerable industrial development in Canada, and the country will be the worse for it. In my opinion, Canada is in the beautiful position of being able to get into the Common Market through the agricultural door, and at the same time to take large quantities of finished products as part of the price for directing our agricultural products to that area.

If the government had the foresight to introduce legislation of the very simple nature outlined in this bill, we in Canada would have a much greater development of secondary industry, not entirely confined to the urban centres but spread across the mid-Canada corridor. It is in this area that real wealth of Canada still lies, where the unemployment picture is the darkest, and where secondary industry would be a distinct asset and not a liability. I heartily commend this idea to the members of the House.

• (1720)

**Mr. B. Keith Penner (Thunder Bay):** The hon. member for Timiskaming (Mr. Peters) has presented us with a bill which certainly embodies a sentiment well accepted throughout Northern Ontario, namely, that our region should be something more than a producer of raw materials and that we need more secondary industry. We need more secondary industry requiring highly skilled employees because one of the things that disturbs and distresses us in this vast geographic part of Ontario is that we are losing our young people. We are unable to retain them because we do not offer a wide enough variety of highly skilled jobs which will keep them there following their training or attract them back following studies in other parts of the country. In addition, if we had a higher degree of secondary industry in Northern Ontario it would give many of our communities a long-term future instead of the short-term future some of them have at the present time, particularly those communities which are based on the extraction of non-renewable resources.

I can tell you, Mr. Speaker, how depressing and disturbing it is to see those non-renewable resources running out and to witness the anxiety which goes through a community as the years fall away, when they know that each year brings them one step closer to the time when they will have to go to another mining town and start all over again.

The purpose of the bill introduced by the hon. member is, as indicated in the explanatory note, to ensure that primary resource exports are in the Canadian interest now and in the foreseeable future, and that opportunities for further processing in Canada are not overlooked. This sentiment is fine and no doubt the hon. member will receive the applause which he is seeking back home. That we should have a more effective resource upgrading policy there can be no doubt, but Bill C-15 has a number of weaknesses which I do not think commend it as a serious proposal.

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One of the major defects of Bill C-15 is that it does not sufficiently define for us a "primary product". First, it is not clear whether the bill is intended to apply only to agricultural products or to mineral, forest and fishery products as well. The hon. member elaborated on this in his speech, but it is not in the bill. The title of the bill refers to the "growth and produce of Canada" while the explanatory note refers to "basic and primary resources". If the bill is intended to apply to the products of all resource industries, then I think there are a number of observations that can be made. The bill could presumably apply to some products which are already subject to government regulation for export such as oil, natural gas and uranium ores which are now so governed.

It may be appropriate to ask whether Bill C-15 would apply to livestock or only to feed grains and forage crops. Would it apply to pelletized iron or only iron ore, to other mineral concentrates or only to mineral ores in their most crude form? Would it apply to crude forms of minerals obtained as a byproduct in the processing of other ores? In the case of forest products, is it intended that Bill C-15 apply to wood chips and pulp or only to logs? The hon. member for Timiskaming was quite correct in pointing out that in Northern Ontario the export of pulp logs is prohibited by provincial law and he spoke extremely well of the benefits of that prohibition. We all know that it fostered a number of mills along the north shore of Lake Superior and that gives testimony to the kind of action that the hon. member is suggesting.

The nature of the problem that the hon. member is seeking to solve concerns many Canadians, and I do not think we should let it pass without saying that it concerns the government as well. The government is well aware of the desirability of obtaining the optimum benefits from the production of primary materials in Canada, such as minerals. I might say, and perhaps this may be thought of as a commercial, that Canada is fortunate in having a substantial stock of deposits of ore which are either in production or proven. Northern Ontario particularly is a region of Canada which is richly blessed by having large areas of potential mineral-bearing lands. There is so much, particularly iron ore, that it has lulled some people into thinking that the reserves are so vast as to be practically inexhaustible. This is a dangerous dream because such is not the case. We know from studies related to resource depletion that these reserves are not inexhaustible.

Many people at the present time fear that these ores are being sold much too cheaply. As time goes on they are going to become more and more valuable, and more and more expensive to buy. Although many people in Northern Ontario want to see a rapid development of those resource areas, there is something to be said for conservation, leaving something to benefit those who will follow us and perhaps benefit them in a much more extensive way than is the case now.

It is right to suggest, as the hon. member has, that there must be more processing and manufacturing in Canada. We do want more processing, more manufacturing, to do more with this raw material and to reap the benefits. If the hon. member believes that, surely he is telling us in his own way that he is going to support those measures which