

TRADE

ESTABLISHMENT OF PAPER MILL IN MALAYSIA—GOVERNMENT FINANCING

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my question is directed to the Minister of International Trade. Charges laid in 1980 against Stadler Hurter Ltd. officials are still pending, including charges against Peter Oberleitner. Stadler Hurter Ltd. is a company which was folded into Klockner-Stadler Hurter Ltd. which was a recipient of financing by the Government—and the Minister's press release indicated this—to the extent of \$144 million U.S. with respect to a pulp and paper complex in Malaysia.

In view of the fact that Mr. Oberleitner is the senior vice-president in charge of international finance and continues on with the successor corporation, has the Minister satisfied himself with respect to the reliability of the corporation in terms of this very substantial funding by the federal Government?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I am really not sure what the Hon. Member is getting at. There was a corporation which had some difficulties. It is not a question of folding in, but rather of a new incorporation, and a very new presence by the Klockner people in the corporation that is presently seeking the sale of Canadian goods and services in various parts of the world.

This company, in competition with those of all other competing nations, was successful in achieving a contract for the construction, in South Sabah, Malaysia, of a fine paper mill which will result in the creation of jobs in Canada and the sale of \$144 million worth of Canadian goods. It is a pretty darned good deal as far as I am concerned.

The money is not advanced to that company. The money is advanced as a loan to Malaysia which it pays back over the regular course of the loan, providing in the meantime jobs in Canada and the sale of goods over there. I do not know if the Hon. Member would suggest that it would have been better to have allowed Japan to win that contract, or France, or one of our other competitors, with the jobs going to those countries, or whether he feels that as part of an enlightened trade policy we should be prepared to sell machinery as well as raw materials when there are opportunities which otherwise would be lost to other countries.

● (1440)

NEGOTIATION OF FINANCING

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, the people at the Bowater mill in Newfoundland, and the 12,000 Canadians not now working in the forest industry in British Columbia, will be interested in the Minister's answer.

I will address my supplementary question to the Prime Minister. Did Senator Jack Austin, who was a director of Klockner-Stadler Hurter until he was appointed to the Cabinet, participate in the negotiation or approval of the financing to this corporation, Klockner-Stadler Hurter Ltd?

Oral Questions

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I first want to say that the negotiations were conducted through my Department and EDC, and that Senator Austin was not involved, to the best of my knowledge, in any manner, way or form, and I cannot see how he could have been without me knowing.

Second, the Hon. Member touched on an important point when he referred to the workers in Corner Brook in particular, and he mentioned others. There is a very important difference between enlightened trade policy and the position he seems to be taking. I am sure the Leader of the Opposition does not condone that position. The mill in South Sabah is making a product totally different from that of Corner Brook and in no way affects the future of that mill. May I say to the Hon. Member in that regard that if we do not sell the machinery and do not sell the ability to make that plant to Malaysia, then 15 other competitors would have done so. Are we going to deny Canadians the job of making and exporting machinery because of misguided thinking such as the Hon. Member has just shown?

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FISHERIES

HIGH SEAS INTERCEPTION OF CHINOOK AND COHO SALMON

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, in the absence of the Minister of Fisheries and Oceans, who, I appreciate, is meeting with fishermen at this time, I will direct my question to the Secretary of State for External Affairs. The survivors' coalition of the fishermen from British Columbia pointed out in their brief two concerns that they have which involve us internationally.

Is the Minister aware of the high seas Japanese interception of Canadian salmon, in particular the 107,000 chinook salmon and the 1.2 million coho salmon that have been taken by the Japanese fishery on the high seas in large gillnet factory ships? What can he do immediately to stop that interception of Canadian fish so that we can preserve not only the salmon resources but also some jobs for Canadian fishermen who are in dire straits at the moment?

Mr. Brian Tobin (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I say to the Hon. Member that he is correct, that the Minister is meeting with the entire delegation of fishermen from British Columbia at this very moment. The question he asks has been raised and acknowledged by the Minister. It is one we are going to look into. As he knows, we do not have jurisdiction as we might have within the 200-mile limit, on the high seas, but this will be raised and explored.

It needs to be said, and I know the Hon. Member appreciates that there is a whole variety of very complex issues and different user groups accessing salmon on the West Coast. It is in that spirit of trying to have co-operative discussion versus confrontation that a meeting is taking place at this moment between the Minister and those fishermen. I hope that the