

Private Members' Business

technical data, but rarely get involved in joint marketing activities. Indeed, they carefully maintain their independence and individualities when it comes to marketing strategies and sales activities. One of the more compelling reasons for their caution is the risk of running afoul of anti-trust and competition regulations. This concern is particularly true for any company that operates in the United States.

Industry structure is a prominent factor in the case of iron ore. In North America, the steel companies own or control all of the iron ore mines. Hence the first priority of these mines is to fill the raw material requirements of their owners. Only then are they in a position to market elsewhere. The quantity available to other markets can fluctuate widely over a period of one year, and from year to year, leaving little scope for co-operative marketing initiative. Certainly, it would not be a viable basis on which to build an ongoing marketing program.

Even when considering a single commodity there can be opposing regional views in Canada on marketing strategies. Western copper producers, for example, market concentrates while those in the east largely sell refined copper. The opportunities and problems in marketing copper by these two groups can be very different. An initiative taken by one group, such as the importation of concentrates to satisfy smelter requirements in the east, can be detrimental to the interests of other groups, especially in western Canada.

As my last example, you will recall the Canadian Steel Trade and Employment Congress. This organization was initiated through a conference in 1985 with company and union leadership and with support from universities and federal and provincial government departments. The congress takes an active role in lobbying governments which, depending on the circumstances, might be domestic or foreign. It recently published a document entitled: *Steel Trade between the U.S.A. and Canada*. Membership is now confined to company and union representatives. Two task forces have been formed, one on trade and the other on employment and adjustment. These are very good moves.

I hope that these examples have made clear that the marketing of minerals and metals by Canadian firms is a highly complex subject and takes many forms. As a

general rule, Canadian companies regard marketing strictly as a private sector activity. Furthermore, there are so many variables, whether viewed in the context of the industry, a specific firm or by commodity, that one cannot accept easily the notion of a single marketing approach. Indeed, the facts seem to suggest quite the opposite.

If we perceive an opportunity or a problem in the marketing of Canadian minerals and metals, we would be prudent in analyzing all the circumstances of the specific issue and only subsequently consider options that might improve it. We would then be in a much stronger and better position to judge the merits of any alternative courses of action, if any.

I would like to thank the member once again for bringing this important issue to the attention of the House.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, this evening I would like to talk about the sale and international marketing of refined minerals. The Canadian mineral industry has become mainly a major producer, supplying foreign markets. In the case of certain minerals like asbestos and potash, over 90 per cent of Canadian production is exported. The percentage is over 75 per cent in the case of many other products.

In 1988, Canadian exports of minerals and metals were worth \$34.8 billion. Canada is also a major importer of minerals and metals. The total value of imports in 1988 was \$18.8 billion. Although some of the minerals imported are not produced commercially in this country, most are purchased as feed stock for Canadian refineries and then re-exported. Aluminum is a good example of imported minerals that are subsequently exported.

Madam Speaker, the motion before the House today concerns two issues: A co-operative mineral-marketing agency and promoting the marketing of refined minerals. I shall, if I may, concentrate on the latter.

Some minerals and metals are sold in various forms. Their form, in other words, the amount of processing that takes place before export, varies depending on the product. To a certain extent, the processing depends on the market or international marketing patterns.