

Oral Questions

Mr. Gray: As our economic development framework document tabled last November made clear, industrial development continues to be one of our very important priorities, both with respect to building our industrial strength on our resource strength and to developing international competitiveness in other areas of manufacturing activity where we are already achieving or have the capacity to achieve world leadership.

● (1430)

DEVELOPMENT OF RESOURCE MEGAPROJECTS

Mr. Edward Broadbent (Oshawa): Madam Speaker, I thank the minister for his recorded announcement, but let him tell that to the 230,000 workers who have been laid off in the manufacturing sector in recent months.

Considering that the cost of creating one job in resource megaprojects is ten times higher than the creation of one job in manufacturing, and that the Prime Minister has always been critical of suggestions coming from this side of the House as being quick-fix solutions, would the minister answer the following question? Considering these megaprojects produce only temporary construction jobs but do ensure the rapid depletion of our resources, will he admit that the federal government is now trying to bail itself out of a serious balance of payments situation by a quick-fix resource sellout?

Hon. Herb Gray (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, I certainly do not accept or agree with the premise of my hon. friend's question. We are certainly trying and in fact we are successfully working to build up our exports in many areas of high technology. For example, the aerospace sector has exports in the area of 90 per cent of our production of over \$3 billion in an industry with 42,000 people. At the same time resource projects offer tremendous opportunities for manufacturing activities. For example, equipment, machinery and engineering involve tens of thousands of jobs in manufacturing in our existing industrial base in areas like Ontario and Quebec, as well as in many other parts of Canada.

Mr. Siddon: It has not happened over the last ten years.

Mr. Gray: Through our program of ensuring the maximum competitive opportunity from these industrial spin-offs, we want to make sure that Canadians in fact have the benefits in manufacturing through resource development. Resource development is very much a building block for industrial development according to our own policy, approach and action.

MANUFACTURE OF MINING EQUIPMENT

Mr. Edward Broadbent (Oshawa): Madam Speaker, I thank the minister for the recorded announcement, part two. The minister has said, and I listened with care, that the government is taking steps to ensure that we get the manufacturing benefits relating to our resource sales. Everyone who has studied the situation knows that this is totally false. Canada is the third largest producer of minerals in the world, yet in this

sector we have a \$1.3 billion deficit in mining machinery which is costing us 13,000 manufacturing jobs. If we were producing the machinery here in Canada to do the work in our mines, we would have those jobs. Instead of going the old route, the quick-fix route of selling off our resources in these megaprojects, why does the government not use a little imagination to ensure that these manufacturing jobs to build mining equipment are kept here in Canada?

Hon. Herb Gray (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, my hon. friend has identified a problem.

An hon. Member: You.

Mr. Gray: As usual, he has no solution. On the other hand we have been working not simply to identify the problem but to develop practical solutions. Last year when we brought together the major mining companies and Canadian manufacturers through the "opportunities in mining conference" we began a process to produce much more of the mining equipment here in Canada. In addition, through the office of industrial and regional benefits and its connected policy, we will do more than we have done in the past—

Mr. Nielsen: I hope so.

Mr. Gray: —to ensure that the mining equipment is made in Canada by Canadian workers for our own resource projects.

Some hon. Members: Oh, oh!

Mr. Gray: In addition, we are already taking tangible and practical steps to improve our resource upgrading.

Some hon. Members: Oh, oh!

Mr. Gray: For example, there was the announcement last fall of federal support making possible the building of the zinc smelter in New Brunswick.

Some hon. Members: Oh, oh!

Madam Speaker: Order, please.

Mr. Nielsen: That was a recorded announcement.

Mr. Benjamin: That is a 1979 speech.

Some hon. Members: Oh, oh!

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RAILWAYS

CROWNEST PASS RATE—REQUEST THAT NEGOTIATOR HOLD PUBLIC MEETINGS

Mr. Doug Neil (Moose Jaw): Madam Speaker, my question is for the Minister of Transport. Indications in the press are to the effect that the hearings on the Crow rate chaired by Dr. Gilson will be held in camera. The minister must be aware that the Crow rate issue is the most important issue that producers