

*Supply—Trade and Commerce*

backstairs as it were so they could disown him if he did get into trouble, and he comes back and informs us that there are possibilities of trade. Well, you know, it does me good to repeatedly be able to get up in this house and finally find that the things this group have been saying for years previously have been proven to be correct and have been accepted by the government in power.

Then, coming to British Columbia, I am particularly interested in the problems of trade which affect that province and, more particularly, those which affect my constituency. I do not usually enter into local and parochial matters and things of that sort. However, this is such an important subject that I must deal with one or two matters that concern employers and employees in my constituency. However, I must turn to some capitalist sources to support my arguments on behalf of this group and with respect to surplus commodities we have for sale in Canada. There is no doubt that we have a great deal of surplus commodities in this country at this time. At the same time we have hundreds of thousands of unemployed. I want to deal briefly with some of the things we have in surplus based on information from capitalist sources, strong supporters of free enterprise. Then I want to deal briefly with some of the support for trade with China and the attitude of prominent industrialists and organizations in British Columbia. I am going to deal with this question particularly because while we are all for the development of trade with the other countries that have been mentioned, there are limitations to the possibility of that development. We are moving in that respect into fairly well harrowed fields. We in this group may believe that the greatest possibility for the cultivation of a market in Asia is to a great extent in China. Therefore, Mr. Chairman, on that account I am going to confine my remarks this afternoon to that country.

Before doing so, however, I want to put on the record a few facts which indicate the things we have in surplus in Canada at the present time and the situation with respect to the mining, lumbering and smelting industries and with respect to agriculture. However, I am going to leave the question of dealing with the problems of the lumber industry to another colleague of mine who is also greatly interested in this question, and the problems of the wheat producers and their requirements with respect to the sale of wheat to another colleague of mine, namely the hon. member for Assiniboia who on occasion has been known to rise in his place in this house and have a few words to say on the

marketing of wheat. I now want to quote from the *Financial Post* of February 15, 1958. That paper has this to say with respect to copper:

It becomes increasingly evident that the copper industry needs an increase in consumption, particularly in North America.

Copper producers are fighting hard to build up demand. Now that they have cut back output by about 10 per cent on a world basis (excluding Russia), they want to improve their markets . . .

Canadian producers are in a difficult position, depending on both the United States and United Kingdom markets since domestic use isn't a vital factor.

They have got to find some other markets than the United Kingdom and the United States before their problems are going to be solved. Then the *Financial Post* of March 8, 1958, commenting on the copper situation, states:

Canadian copper is largely produced in conjunction with other metals like nickel, lead, zinc and gold. It is difficult to reduce production of copper since often the "other" metal is the one sought and copper is the byproduct.

That is the situation that exists in British Columbia in a number of mines.

Thus Canadian mines—ranking fourth as suppliers—so far have largely been forced to ride along the bumps of the confused world copper picture. They could not readily reduce production, conserve ore and generally pull in their belts.

Instead they have had to go on producing the metal . . . at substantially reduced prices.

Then, Mr. Chairman, I want to deal briefly with the comments of the *Financial Post* with respect to the situation concerning the marketing of lead and zinc. The *Financial Post* of March 8, 1958 comments as follows on the lead and zinc situation, and this is an extremely important question to the mining fraternity, both employers and employees in British Columbia:

Lead and zinc are among Canada's troubled minerals. They are riding out the storm of falling prices that also hit copper, and the general slump in lead and zinc business occurred for the same basic reason as in the case of copper—an oversupply of metal in relation to the market . . .

The world squeeze out in the two metals resulted in some casualties in Canada. In British Columbia, giant Consolidated Mining and Smelting closed down two mines. Galkeno Mines in the Mayo district in the Yukon suspended operations. Consolidated Sudbury Basin, a potential supplier of lead and zinc, cancelled its plans to get into production.

The same *Financial Post* notes as follows:

It is estimated that some 68 per cent of Canada's zinc production is sold in the United States and some 25 per cent of lead.

Then the *Financial Post* deals with the wheat situation and gives an analysis of it but I am going to leave that question to the hon. member for Assiniboia. Then we come to the question of lumber and fertilizers. This