

process it along with raw materials from other origins in another country, and market the entire output without regard to origin.

Equally significant is the fact that foreign firms have ownership interests in Canadian mining and metallurgical facilities. Earlier in our history these foreign enterprises were typically American or British. However, for several years Canada has attracted French, German and Italian companies, and more recently, Australian, Brazilian, Korean and Japanese firms. Like their Canadian partners and competitors, these companies also spread their loyalties across national boundaries. They are usually fiercely competitive and independent when it comes to corporate details relating to marketing.

Throughout its history, the Canadian industry has evolved and flourished on the strengths of exports. Certainly over the past few decades our industry has established a strong footing in the international marketplace. The larger companies in particular have created complex and sophisticated marketing organizations that are capable of identifying and taking advantage of market opportunities anywhere in the world. Some regularly trade and hedge commodities as an integral part of their business, and a few even maintain seats on the prestigious London Metal Exchange.

In countries where markets operate differently from those familiar to us in North America, such as the Soviet bloc, our companies often seek the advice and assistance of our federal and provincial governments. Such assistance may be in the form of information, arranging contracts with high-level officials, organizing mining missions and, in rare cases, even participating in the negotiating process.

Other government facilities such as the support of the Export Development Corporation in providing insurance, assistance with market studies under the auspices of federal-provincial mineral development agreements and demonstration projects such as the fertilizer mixing plant funded by the Canadian International Development Agency and donated to China have played an important role in fostering Canadian exports.

Private Members' Business

In view of the many minerals and metals produced by Canada, it should not come as a surprise that there are a multitude of very different marketing activities in place. Each corresponds to a particular case which may stem from the business ideology of individual players, the specific commodity under consideration, domestic and international practices that have a proven track record, the way in which each firm is organized, and market conditions at a particular point in time. Let me elaborate.

One of the most structured and successful co-operative marketing undertakings by a Canadian mine is Canpotex Limited. The company was incorporated in 1970. It is owned by all of the Saskatchewan potash producers, except one small company.

Under its charter, Canpotex was organized to buy, sell and deal in potash and associated and allied derivative products for export to all destinations other than Canada and the United States. The company is also engaged in the transportation of potash. It owns or leases 1,700 covered hopper cars, warehouses and docks. It ships products by chartered ships through its subsidiary Canpotex Shipping Services.

More recently Canpotex has initiated agronomic and development programs in overseas countries. In China, for example, it is engaged in organizing farmers' demonstration plots, holding harvest field days and broadcasting television and radio education programs highlighting the results of these activities.

Canpotex is by far the largest world supplier of potash to major markets in Asia, Latin America and Oceania. It is currently developing a substantial market in Europe. Canpotex is responsible for between 40 per cent and 45 per cent of Canadian potash exports that were valued at \$1.365 billion in 1988.

• (1810)

Although many companies prefer to market their products independently, some join organizations which may have as an objective the global development of demand. Usually these organizations are international institutions or study groups. Membership may be limited to companies, as is the case for sulphur, nickel, cobalt, tungsten, gold and others, or it may comprise governments with industry advisers, such as the International Lead and Zinc Study Group. In nearly all cases, however, the companies contribute specified statistics and