

met at a European management seminar in Davos, Switzerland. The priority topics were what the multinational corporation can do "to bridge the North-South chasm in living standards" and how to cope with investment obstacles in many Third World countries.

What can we hope to see emerge from such industry assessments and the CIEC? It's a little too early to say. What they clearly indicate, however, is that, among most industrialized nations today, a new awareness exists that global economic problems must be solved.

One solution may be through reforms in international commodity arrangements.

Agreement at Lomé

The Lomé Convention is perhaps an example of the kind of thing we can expect. This agreement, recently signed between the European Economic Community and 46 African, Caribbean and Pacific developing countries, known as the ACPs, is to my mind a bellwether accord of some significance.

The convention allows 96 per cent of agreed commodities – mostly edible but including iron ore – to enter the EEC completely free of import duties and quotas. The remaining 4 per cent receive some preferential treatment. On the ACP side, I understand that it was hoped a number of other minerals would be included, but they were not.

As well, the precedent-establishing convention contains an original plan to stabilize certain ACP export earnings against price- and production-level fluctuations.

Today, minerals support our industrial society. Tomorrow, they will also support the societies of the developing nations.

Tomorrow may not be far off.

The Lomé Convention puts into the pockets of the ACP nations over the five-year life of that treaty something like \$4.1 billion. Preferential agreements between other nations and other LDCs will undoubtedly follow. So tomorrow may be closer than we think.

Let's look at another dimension of tomorrow. Like yesterday, it will bring change and multiplied human needs. The signs are indisputable. But tomorrow's needs will be on a scale few of us can even imagine.

We need, therefore, to look at the

problem of growth rationally and fearlessly.

Growth now suspect

Growth has fallen under suspicion. In the minds of many it has become a kind of spook, the haunting cause of some expected or unexpected calamity, a hovering spectre of what may befall us if we continue to devour exponentially – the time when the population crisis, the environmental crisis, the world food crisis, the energy crisis, the raw material crisis all come together and bring about an abrupt collapse.

An increasing number of professionals – scientists, academics, industrialists and others – stand in favour of shifting the emphasis away from the kind of economic growth we know.

What do they mean? Does it have any reference to the mineral outlook?

The authors of *The Limits to Growth*, the first report for the Club of Rome, say that a growth-as-usual stance threatens the survival of mankind.

The authors of the second report for the Club of Rome, *Mankind At The Turning-Point*, do not back away from this stand. Mankind they say, is balanced on the brink of a precipice. But, to avoid the ultimate disaster, they argue that the world must be viewed now as an "integrated world system" – that only in this way will man be able to control and direct healthy growth, so that our planet will experience "a dawn, not a doom; a beginning, not an end".

These are only two among countless studies devoted to "fail-safe" systems for the world of tomorrow.

Much of the present debate seems, however, to lack perception of the human predicament. As I see it, it is not whether we should continue using large quantities of minerals, or anything else. It is whether we have any other choice. And whether, if we have not, we can make proper, equitable and intelligent use of these resources, world wide.

Leaders of the LDCs raise questions about whether the rich nations are not consuming more than their share. The massive amounts of minerals produced globally are used by a small fraction of the world's people. To illustrate: the United States, Japan and Western Europe use three-quarters of the world's copper, half the world's steel,

three-quarters of the world's aluminum and a little over a third of the world's coal. Yet, put together, they comprise less than one-fifth of the world's population.

Even a small increase in the relative shares of the Third World would trigger a major expansion in production.

Closer to home, forecasts made by my department indicate that very considerable investment in exploration and development is going to be needed if we are to meet the forecast growth of world markets.

We shall have to look to foreign capital to help us. I should hope by now that the message is getting through, that foreign capital is welcome, foreign debt securities are preferred to equity; that the foreign direct investor, whether he is coming in for the first time or is already well established, should seek our Canadian equity partners and provide for Canadian equity participation.

In my talks with President Ortolí of the EEC last week, I raised the question of our foreign-investment policy. I believe there is growing understanding and acceptance of this policy in Europe....

Future partly controllable

Let me conclude, then, by saying that the future of the mining industry of Canada will depend on many factors, some quite beyond our own ability to control. These are primarily in the international area, a fast-changing area. But Canada's voice will be heard as a full participant in the work of these new international forums.

At home, however, there are things we can do. I have referred to my concerns about recruiting a labour force in the future – that problem should be solvable. I have referred to difficulties created by provincial policies – not quite so simple – but I hope through discussion and consultation to improve the impact of federal-provincial relations on the industry.

Above all, we must all adjust to a very different kind of future from the one we have experienced over the last 25 years. The 1973 oil crisis changed the old order of things, dramatically and irrevocably. It changed the balance of power between producer and consumer nations. It is changing our habits slowly to a more conservation-oriented society. Your industry will be very much in the centre of these considerations....