

Private Members' Business

conomic activity, and so on—which resulted in low commodity prices worldwide. This set of circumstances produced a large number of casualties throughout the world but Canada's mining sector weathered the storm very well. Recognizing that no long-term relief would be obtained through lobbying for protectionist measures, the industry set about improving its efficiency as the only sensible way to respond.

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It embraced new technologies and made organizational changes which led to very significant productivity gains. Improvements of up to 50 per cent in five years were not unknown. The impressive performance helped the industry through the crisis period of the early to mid-1980s but also gave it the strength to face the future with confidence. As a result, the industry has a solid basis from which to consolidate its position in the markets it currently serves and to penetrate new markets.

I have given a brief review of some of the recent history and of how Canada's minerals and metals industry is structured in relation to the international economy. In order to increase its contribution to this economy, two factors are important. First, artificial barriers which create impediments to trade must be removed. Considerable progress has been made in this direction already, but more remains to be done.

Second, as in any market, it is difficult to win any customers from the competition. Difficult, I say, but not impossible. At a minimum, one needs a competitive product at a competitive price. The policies of this government foster both of these objectives. An efficient industry combined with a fair and simple tax regime allows Canada's minerals and metals producers to deliver their product on the world market at a competitive price.

A competitive product is also important, and I will now say a few words on this subject.

We all know that price is not the only factor involved in the success of a product. The product must also satisfy the user's wants and needs. Most people recognize this in the case of consumer goods, for example, running shoes, audio cassettes, or fast food, but it is also true in the case of products of Canada's minerals and metals industry. The industry produces products with varying characteristics of size, strength, durability, corrosion

resistance, weight and so on. Often, one desirable characteristic must be traded off against the other.

The mineral and metal products which are transformed by a variety of manufacturing processes into a wide range of final goods must of course meet or surpass the requirements of manufacturers and, ultimately, of the final users. This is another area of competition where Canada's minerals and metals industry has worked hard. It has tailored its products to the needs of its customers, developing new and stronger alloys, more corrosion-resistant metals and so on. These products ultimately find their way into tennis racquets, automobile parts and a large number of other products. The benefits of these research efforts are thus spread more widely. This is an increasingly important area of competition and one where much remains to be done. I have no doubt, though, that Canada's producers will meet this challenge.

I have tried to establish the main features of Canada's minerals and metals industry. I believe that it is an industry which is very outward looking and indeed it must be so. It is also fully aware that for success it requires export markets.

My colleagues will expand further on these points as they relate to the motion before us.

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, I am very pleased to have an opportunity to speak on Private Members' Business Motion No. 73 concerning the advisability of setting up a mineral marketing agency.

Canada ranks as a leading producer and exporter of minerals and metals in the world. It has achieved this distinguished honour in overall value terms which reflect both the high tonnages and wide diversity of mineral and metal products derived from our mines. Indeed, there are only a small number of minerals and metals that are not commercially produced in Canada.

A prominent characteristic of the mining and metallurgical industry is the global latitude and integration of this sector. Production from mining through to the final processing and marketing are a global phenomenon.

Large Canadian mining companies are truly multinational corporations. They have mining and metallurgical facilities in many parts of the world and marketing is undertaken from a corporate perspective rather than strictly home country interests. In other words, a Canadian firm might mine a mineral commodity in Canada,