

at their disposal to ensure the long-term continuation of our forest resource.

I have become concerned about this matter because of the recent musings of the Premier of British Columbia who was quoted as saying that he did not know whether or not all of the \$400 million would be reinvested in the forest industry. He has said that the Government of British Columbia might decide to use this money for other purposes. We saw a similar situation take place with respect to the amount of money the federal Government has given the Province of British Columbia for health care and post-secondary education. We find that the province has taken these funds and diverted them into all sorts of projects that are perhaps more visible and more politically advantageous. We simply do not want to see that happen in this case.

In closing, I would say that, while we are disappointed that we will not have an opportunity to continue debate at this stage on Bill C-37, we hope the Government will be steadfast in ensuring that the \$600 million collected from this lumber export tax goes to the respective provinces and that they, too, commit the money to investment in the development of the forest resource.

Mr. Roland de Corneille (Eglinton—Lawrence): Mr. Speaker, Bill C-37 implements a Memorandum of Understanding with the United States that is a disaster and a defeat. I say this not only because of what so many others who are knowledgeable on the subject have said but because all one has to do is cite Clause 6 of the agreement to come to the same conclusion. If one looks at Clause 6 one will see that it states the following:

The Government of Canada will take no action, and will take all reasonable steps to ensure that no other governmental body in Canada takes any action, directly or indirectly, which has the effect of offsetting or reducing the export charge or replacement measures—

That phrase alone indicates the completeness of the prohibition of the Government of Canada on the taking of steps within our own country to bring about some amelioration of suffering or of the unfair impact this agreement will have on various aspects of our lumber industry, or other industries that are related to it.

In a letter dated December 30, 1986, from the U.S. Trade Representative Clayton Yeutter and the Secretary of Commerce Malcolm Baldrige to the Coalition for Fair Lumber Imports they identify seven different types of Canadian government assistance to the industry that the United States will not accept. In fact, not only have they been kind enough to sign an agreement with us telling what we cannot do, they have also made it clear to their American counterparts that they have seen to it we are bound hand and foot. In this letter they make that clear. It also serves as a warning to Canada that this is an all-encompassing understanding and agreement. The United States will monitor it and see to it that Canada will not go beyond or impede any limitations set upon us.

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What is it that the Americans will not accept? They will not accept anywhere from Canada, either from the federal Government or the provinces, or any other body, rebates, remission or deferral of the export charge. They will not tolerate provision of grants or low-cost loans. They will not allow exemption from other federal or provincial charges. They will not accept assumption of obligations currently borne by the industry reduction of stumpage fees, changes in the way that the volume of timber harvest is measured, and the non-competitive awarding of contracts for silviculture, road-building, recreational and other foresting activities. My goodness, they will even watch over our shoulders to see what we are doing recreationally. They will look to see that we do not do anything in our own recreational fields that would impair, impede or have anything to do with the forest agreement.

We are told that Canada and the provinces will provide full and complete privileges to the United States in order for it to monitor our forest industry on a quarterly basis. The Americans will come up here every quarter and go through our books, check us out, to ensure that we are abiding by their rules. That is the promise that has been made. We will be under surveillance as a result of this agreement. We also find that the Government of the Prime Minister (Mr. Mulroney) has taken away from the provinces the right to govern their own resources.

While this is a disastrous agreement from the very terms which I have cited, it has been estimated by the Canadian Forest Industries Council that this tax will eventually cost between 10 per cent and 20 per cent of the current Canadian production, that is, \$600 million in 1987, and between 15,000 and 17,000 jobs. Therefore, it is simple to conclude that even an ordinary citizen who listens to the terms of the agreement which have been made would be stunned to think that we would agree to such a surveillance and to such a form of humiliation. But those who are more sophisticated in working with those matters find that there is a much stronger condemnation than I made. The Government knows that the condemnations exist. That is why it has moved to choke off debate in the House of Commons. That is why it has said that the previous question shall be now put, a parliamentary manoeuvre to stifle debate and cut it off, similar in effect to closure. It knows if the Canadian people have the facts and the truth about this agreement brought to their attention powerfully enough and long enough, Canadians will scream out with outrage and will not allow this Bill to be carried on in this hurried way. Of course, the Government wishes to hurry away this embarrassment, this sell-out.

● (1210)

Sir Winston Churchill was allowed to rise day after day in the British House of Commons to warn Britain that Chamberlain was selling out to Hitler. In this House of Commons we are muzzled as we warn Canadians that we are being sold out by a Government with no sense of direction, that is stumbling and staggering around, and which cannot find resolve to