

*Government Orders*

nuclear energy policy, although many provinces have policies in terms of forestry and mining.

The issue here is not to control the quality of federal measures, but to ensure that the federal government acts within its jurisdiction and respects the agreements and policies elaborated by the provinces.

In fact, Quebec has never signed the National Forest Strategy nor the Whitehorse Work Group Agreement concerning the mining industry. Quebec wants the federal government to recognize the predominance of provinces in the area of natural resources before signing any document appointing the federal government as the national director whose decisions provinces would have to follow in order to get tax money.

This is why Quebec wants the right to opt out, that is to withdraw from a federal program with full financial compensation.

Given the financial crisis we are going through, we are entitled to ask politicians and legislators to focus on efficiency. It is possible.

Right now, all the members sitting on the Standing Committee on Natural Resources are examining briefs concerning the mining industry which were submitted by witnesses from various provincial governments and the industry. Their goal is to prepare the most accurate report possible on the tools needed to promote the mining industry and job creation in this area. This type of co-operation is a credit to the members. Efficiency could have been the main concern during the drafting of Bill C-48, as in the case of any other bill.

In concluding, I would like to mention the position of the Quebec Minister of Natural Resources, presented by Mr. Jacques Robitaille at the annual meeting of the Canadian Council of Forestry Ministers on October 4 and 5, 1994, and I quote:

Regarding the main point on the agenda, Quebec's position is as follows: We will not be a party to preparing and ratifying a framework agreement whose purpose would be to assign a role to the federal government in an area over which the provinces have exclusive jurisdiction.

Both Constitution Acts are perfectly clear on the forestry sector, in that management of forest resources is the exclusive jurisdiction of the legislatures of the provinces. In this context, we could not consider approving any intervention in this sector by the federal government.

Furthermore, as far as financing is concerned, Quebec favours bilateral agreements that identify funding procedures for programs based on the priorities of the provinces and administered and delivered by the provinces.

This position is clear and ought to be reflected in the spirit of Bill C-48. Considering that the principle of provincial priorities is not reflected in Bill C-48, we will vote against the bill.

• (1700)

[English]

**Mr. Jim Abbott (Kootenay East, Ref.):** Mr. Speaker, it gives me great pleasure to speak to Bill C-48, a bill on natural resources. This is particularly important to my constituency of Kootenay East because many of its people are directly employed in the resource industry.

I would like to speak briefly about mining and about forestry. In my constituency I have Canada's largest operating mine. In 1991 over 5,200 British Columbians were employed directly by the coal industry. These jobs represent 12,500 jobs in the service sector. As a matter of fact, over 15,000 workers in the transportation and service sectors rely on the coal industry for their livelihoods.

My constituency office is in the town of Cranbrook and is as directly related to that as is the Elk Valley. The House should also recognize that coal accounts fully for 20 per cent of all rail traffic in Canada. Therefore coal is a very important issue to Canada and to our natural resources.

One of the difficulties I have had in coming to Ottawa, indeed in coming to the House, is that there is very frequently the impression left that natural resources somehow are a sunset industry, that is that industries related to natural resources are somehow in sunset and that the information highway is going to carry us off into the future.

Truly we do have to be working on the high tech side of our economy but as I see it we continue to be in Canada, whether we want to be or not, very dependent on natural resources. In 1991 B.C. coal producers exported 22 million tonnes of metallurgical coal and 2.8 million tonnes of thermal coal. These sales were worth \$1.6 billion. That is a lot of money. When I combine that together with the international sales of forestry of \$22 billion, we get an idea of the importance of natural resources.

The problem particularly in the case of the mining industry is that the multilevel of Canadian governments is basically taxing the business out of existence in Canada. Between 1987 and 1991 the B.C. coal producers combined earned only \$8 million, but they were taxed \$454 million. Let me repeat that because I think it is very significant. Combined over a five-year period the B.C. coal producers earned only \$8 million but in the same period of time paid taxes of \$454 million. For every \$1 of profit these producers were taxed \$57.

Since 1991 tax increases in B.C. have added \$12 million to \$15 million a year to the coal producers' costs. The B.C. coal industry is facing a grim future. The choice is between coal output and reducing employment. Unfortunately for the workers in the Elk Valley they are too familiar with the choices that are