

*Supply*

of Canada when he decided in favour of this horrendous tariff on cedar shakes and shingles. I do not think Canada even crossed his mind, if he has a mind on this matter. Therefore, it becomes all the more important for the Hon. Member for Mission—Port Moody to say immediately to the Prime Minister: "It is absolutely essential for you to get through by phone directly to the President".

It may be that the Prime Minister tried to do that, although he did not indicate that he did, and could not get through. I do not think that that was the case. The Prime Minister has not indicated that. The fact of the matter is that he did not try to reach the President on Friday. Because he did not try to do so, I must say to the Hon. Member that that makes it very difficult for the rest of us from British Columbia to think that the Prime Minister really knows how serious the situation is in the Hon. Member's constituency and in my constituency. I do not think he realizes that if this action is followed through with some other type of action in terms of the softwood lumber industry generally, how absolutely horrendous it will be for British Columbia. This is our country's major export, something which most Canadians do not even know. It is not widely known how important the industry is to the whole of Canada.

I wish to say to the Hon. Member that by failing to have talked to the Prime Minister in terms of urging him to follow up his telex with a direct phone call to the President, I am sorry to say that we have substantially reduced our chances of getting the 35 per cent tariff decision reversed.

It is important to remember that this is not a countervail measure. It was imposed under Section 201 of the United States Tariff Act, which is the section which allows a group of producers to apply to the administration for relief from imports which they say are causing injury. The reason I emphasize this is that at no time did they say that there was a subsidy involved in the Canadian industry, nor has there ever been.

● (1610)

I think it is very important to remember that we have had free trade in shakes and shingles for half a century or more, although everyone keeps talking about the importance of the free trade negotiations. There was free trade in the shake and shingle industry but the U.S. shake and shingle producers applied to the ITC last September saying that they were being injured by imports which had taken place prior to last September.

As well, it is important to recall that the decision of the ITC was split. Only three members of the ITC recommended a duty and the other three took our position, which was that there was no injury to the producers. I mention this because I would like to hear from the Government the reasoning it is following when it says that this kind of thing will be avoided under the free trade arrangements that are extolled by Government Members. Quite frankly, the chances of having our market in the United States diminish will probably be even greater because of the negotiations that are taking place.

I think the Government is misleading us when it suggests that, through these negotiations, we are somehow going to protect let alone enhance our share of the U.S. market. As far as the shake and shingle industry is concerned, the result of the bargaining will probably be to reduce drastically our share of the U.S. market. I am quite confident that unless this is pointed out now, even if we do get the 35 per cent tariff decision reversed, we will still give up a substantial share of the U.S. market in this particular industry through these negotiations. Far from enhancing our access to U.S. markets, supposedly the purpose of these negotiations, we will end up seriously limiting it.

The same applies to countervail. Countervail is the issue with respect to the softwood lumber industry about which we have heard a lot today. Most of us on this side of the House feel that the President's decision to go ahead with a tariff on shakes and shingles despite the even split in the ITC is a political signal of enormous dimensions indicating the nature of the countervail on softwood lumber which is to come next. It is a message to all of us in British Columbia that softwood lumber is next.

I cannot take as much reassurance as I would like from the statement the Prime Minister made today indicating that the tariff on shakes and shingles was bizarre, erratic and a one-shot deal. Most of the people in the industry in British Columbia to whom I have spoken, both management and union, have felt that on the contrary, it is a clear political signal to get us softened up for the next blow which will be a countervail of 27 per cent on softwood lumber.

I guess it is fair to say that most British Columbians have known for a long time that this was in the works. I could not quite understand the Hon. Member for Mission—Port Moody who said that they knew it was coming but they did not know what form the action would take. I would have thought that the action would be either a tariff or a countervail. In any event, in view of the fact that British Columbians have said that they knew for nine months that some kind of action was coming first on shakes and shingles and then on softwood lumber, I cannot for the life of me understand why the chairman of the Progressive Conservative caucus, a British Columbia Member of Parliament, did not say immediately on Friday to the Prime Minister: "Get on the phone". The most disappointing remark made by the Hon. Member is that he will be speaking to the Prime Minister.

The ironic thing about the entire shake and shingle issue is that it will probably ruin the shake and shingle industry in the United States as well. As all British Columbia Members know, U.S. producers will gain very little from this tariff. Certainly, as the Minister has assured us, they will not have access to further raw product. Their own shortage of cedar logs will surely mean that they will be able to expand very little. This means that another industry will fill in the gap and the shake and shingle share will diminish even further. Again, that is why it is such an erratic decision. It does not even benefit the shake and shingle industry in the United States.