

Supply

Prince Rupert, Smithers and many other small communities in British Columbia. What about the other small communities in Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the Maritimes? All of them are essentially business communities based on the softwood industry.

The Member who spoke before me said that there were 350,000 workers in the forest industry in Canada. When one includes those who are indirectly employed, there are over 1 million workers. There are over 300,000 workers directly employed and close to 700,000 indirectly employed.

The Government should be considering the ramifications of these actions on those workers rather than just looking at invoking the 1971 legislation. It should carefully consider into what other markets we can quickly and realistically diversify. The Prime Minister mentioned Japan as a possible market. Japan could accept a few hundred million board feet, but what about other Pacific Rim countries, Europe and other areas of the world? We must study these alternatives realistically because the Americans and the President have made it clear that there will be unilateral action. If the Americans are not satisfied with the ITC ruling, they will try to have the President take unilateral action. If that does not work, there are many Bills in the United States. The Gibbons omnibus Bill went through the U.S. Congress with a vote of three to one. According to the American Constitution, any legislation passed by a vote of more than three to one cannot be vetoed by the President. It is obvious that there is trouble on the horizon.

The fourth action proposed in the motion is to initiate proper and effective action under the rules of GATT. In Geneva on May 22, the first of what I hope are further actions were taken. I consider the Canadian statement to the GATT Council regarding the U.S. lumber countervailing duty to be a little too milquetoast for the kind of extremely unfortunate harassing action being taken by the United States. I hope that the Government will take much stronger and more forceful action through GATT.

The third action proposed in the motion is to ensure that proper time is given to make this case by obtaining, if necessary, extensions to the hearing time. That is a reference to the ITC process that begins tomorrow and will come to a vote in the week of June 23. We only have two weeks to argue the case of the largest industry in Canada before the International Trade Commission. Members of the House of Commons keep describing this hearing as a quasi-judicial process. It is very political, which is evident to anyone who reads the countervailing duty action taken against East Coast fish. They can find an injury from a 5.8 per cent duty on whole fish, while they are still alive on the deck of a boat, but when they are filleted at the filleting plants in Canada, the subsidies disappear. Anyone who believes that the International Trade Commission is a typical legal body in which there are all kinds of fairness, justice and sweetness and light, is wrong. I have read enough of these ITC rulings to know that it is very political.

In light of the very strong mood of protectionism in the United States, the Government has taken extremely weak

action so far to protect the shake and shingle producers and workers and has taken extremely weak action in terms of the softwood case. We should have been fighting this action in the United States a year ago because we knew it was coming and knew what kind of action should be taken.

The Cabinet was interested in other matters, and I suggest that when it is not interested in the largest industry in this country it is asleep at the switch. For instance, we still do not have a full fledged Minister of Forests. He is still buried in the basement of the Department of Agriculture, which I believe is unfair. The Cabinet should have made the Minister of State for Forestry (Mr. Merrithew) a full Minister with a national forest Act under which he could operate. Are you trying to cut me off, Mr. Speaker? I have much more to say.

The Acting Speaker (Mr. Paproski): I regret but the Hon. Member's time has expired. However, there is time for questions and comments.

Mr. Gauthier: Mr. Speaker, the Hon. Member showed a great deal of knowledge about this question. I would like him to speak a little more about the GATT negotiations. Could he tell us his opinion about how our interests can best be defended in front of this international forum?

Mr. Fulton: Mr. Speaker, I would be glad to deal with that.

The Acting Speaker (Mr. Paproski): I remind the Hon. Member that there are two other Members who would like to ask questions, if he would govern himself accordingly.

Mr. Fulton: I will take a couple of minutes to touch on the GATT matter. Members of the House will know that the shake and shingle matter was not bound by GATT. We had no route of appeal, and by now the Cabinet should have introduced a massive plan of action on the case currently before the International Trade Commission. That is called the 303, or what I call the Lee Enfield approach of our pal, Ron Reagan. When that decision goes back to the Department of Commerce, it cannot be vetoed, amended or changed by the President of the United States.

On the one hand, we had an issue that was not bound by GATT and on the other hand, this matter cannot be vetoed.

The process that has begun in Geneva is important because we have alerted other members of GATT in a multilateral sense. The Government should have been considering what other sectoral agreements could have been reached with other countries around the world.

Let me deal with another matter in this appeal which, incidentally, is dealt with in only three pages. I suggest the Government could have made a stronger case when dealing with the largest industry in Canada. On page 2 of the appeal it is stated that the Commerce Department determined that all industry assistance programs together conferred benefits of less than one half of one per cent and were therefore deemed to be *diminimus*, which means next to nothing. It goes on to state that the petitioner did not appeal its final determination.