

Softwood Lumber Products Export Charge Act

because the Government has decided to, in a sense, muzzle debate. It has cut off debate on a very critical and complex issue.

An example of this complexity is reflected in today's *Globe and Mail* which reports: "Little progress made in the lumber tax talks". Of course, these talks are an attempt to determine how on earth the Government will convert the 15 per cent export tax into increased stumpage rates for each of the respective provinces and territories.

As you know, Mr. Speaker, the United States lumber lobby claimed that the Canadian industry receives a 32 per cent stumpage subsidy as a result of the low provincial charges across Canada. These stumpage rates are charged on a province-by-province basis. They are different from one province to another. Yet somehow or other this across the board 15 per cent tax has to be integrated into changed stumpage rates. That is a very complex situation, but the Government has decided to curtail and cut off debate, to muzzle and close down debate on this critical issue in the House of Commons, therefore making it impossible for us to explore thoroughly the various complications attached to Bill C-37. I regret the Government has decided to do that.

I think we have to recognize that this action taken by the United States Government is really a back door approach to price fixing in the United States. The combines legislation of the United States prohibits price fixing by corporations. It does not allow monopoly control of the market-place, which can be done in Canada as a result of our weak and toothless combines legislation. This is a back door approach by the United States for its lumber industry to ratchet up the price of softwood and curtail competition from our industrious, creative and energetic Canadian marketeers in the United States. The sad thing is that the Government of Canada has agreed to allow the Americans to do this. While we were reinvesting in terms of modernizing our forest industry, the Americans were deinvesting in their forest industry, enabling part of its softwood industry to continue as outmoded, redundant and uncompetitive. Now, of course, they are using this back door approach to obtain their share of the market-place which Canadian entrepreneurs and marketeers took from them as a result of our aggressive forest industry.

I do not understand why the Government has decided to cooperate with the United States on this issue, particularly after the Minister of State for International Trade (Miss Carney) and the Secretary of State for External Affairs (Mr. Clark) said in this House on a number of occasions that what the United States was doing was illegal and inappropriate, it had no case and it was something that Canada must fight. However, they in a sense caved in and agreed to go along with this situation. That is history now. We have to now decide on the most appropriate way to proceed at this point.

May I suggest that the Government commit itself, very publicly, that appropriate portions of the \$600 million which Canada will collect from this export tax on lumber going to the United States will be returned to the provinces to reinvest

totally in our forest resource. There are a number of alternatives the Government might want to pursue.

● (1200)

Last weekend, after having held a number of meetings in my constituency, I came away with a list of suggestions which were put forward with respect to how my constituents feel the Government of British Columbia ought to be reinvesting this \$400 million which it will receive in terms of developing the forest resource to ensure that it is maintained as a continuous resource.

One of the suggestions brought to my attention included the development of markets other than the American market. It was suggested that support be given to various private and public organizations to go out and identify and develop new markets for our softwood products. Hand-in-hand with that would be support for the retooling of some of our mills to meet the demands of these new markets, be they in the Far East, Latin American, Africa or Europe.

Another suggestion involved the whole area of reforestation. We find a rather abysmal state of affairs in certain provinces where the appropriate amount of tree planting and silviculture is completely inadequate. The Province of British Columbia certainly falls into that category. On a recent tour to Finland it was pointed out to me that for every tree that is cut in that country four trees are replanted. Then, over the years, as a result of brushing, thinning, spacing and fertilizing the poorer trees are culled, leaving one tree to grow in the best possible and most productive fashion. In Canada, for every three trees we cut down we replant only one. The replanting of that one tree is often poorly done. Consequently, even that one tree that is planted does not often see the completion of its life cycle.

Apart from money going into reforestation and various silviculture practices we would certainly want to see money invested in brushing, thinning and spacing, fertilization, the development of nurseries and the putting in place of an infrastructure to ensure that appropriate stocks are available for replanting at various elevations, as is required in provinces such as British Columbia.

It was also suggested that money be invested in pest and fire control techniques and methods. In central British Columbia at this time there is an infestation of spruce budworm which is affecting 500,000 hectares. There is now something other than chemical spraying to contain and control the continuation of such infestations. Specifically, the biological agent BT is being used. Now that there will be adequate moneys at our disposal, control of infestations of this type of pest can be contemplated.

Also, money which is collected from the export tax ought to go into research and development into new and improved techniques for disease and pest control and for the development of more sophisticated fire control techniques. There are a variety of excellent measures that can and must be taken to follow up on the \$600 million that the provinces will now have