

Softwood Lumber Products Export Charge Act

● (1530)

[Translation]

One argument the Government has used is that the money that will come from the tax could be funnelled into the forestry industry, thus being of benefit to that industry which is now suffering as a result of this extra barrier to trade with the Americans. The agreement specifically prohibits that money from being used for those purposes. While it is obviously necessary to continue to retool the industry and to ensure that it is capable of being as competitive as possible on the international level, it is necessary to spend money if there are plant closures in the industry so they can adjust and move to other industries. This agreement prohibits the use of grants for those types of purposes since the Americans will simply see them as unfair subsidies to the industry. Thus this agreement hits at not only Canadian sovereignty but at the capacity of the Canadian Government to work in a way that will improve and strengthen the softwood lumber industry.

The Government has given up a number of things in making this agreement with the Americans. One thing it has given up is its opportunity to go the full length with the legal processes in the United States. The last time a Canadian Government went through the legal process of appeal before American authorities on a matter such as this it won and the tariff barrier was not put in place. By making this agreement the Government has given up the opportunity to go all the way with that approach, to test it. There are arguments and evidence to indicate that we would have had a fair-to-even chance to beat this matter before those authorities. But we gave that up.

We also gave up the opportunity to win our appeal under the GATT. We gave up a great deal when we signed this agreement, when we went in such haste to the Americans and said: "Will you make a deal with us?" We gave up at least a couple of other avenues that were open to us for resolving this matter in favour of Canadian interests. We just let them go by the way.

I wish to talk a bit about free trade, something which is central to the Government's economic policy. If the Government handles the free trade issue in the way it has handled the softwood lumber negotiations, then we are in deep trouble. It is time the Government stood on its own two feet. It is time for our Government to get firm with the United States rather than for the Prime Minister (Mr. Mulroney) to try to be pals with the President of the United States. Our Government must adopt effective negotiation strategies. The Government must be tough with the Americans because the Americans are being tough and ruthless with us.

I call upon the Government to withdraw this legislation and use the other avenues which are open to let the Americans know without a doubt that we will stand up for our interests. We must let the Americans know that we are not ready to lay down just because some particular group in the United States gets angry or feels that competition from the Canadians is too tough.

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, Hon. Members opposite may tell us that practically everything has been said that could be said on the subject. Personally, I read through all the speeches made since the beginning of this debate, starting on Monday, January 19, when Parliament reconvened. Sometimes I think it is pretty hard to come up with anything new, although we do want to make Canadians aware of the threat to our forestry industry this agreement represents, an agreement under which this Government, through the responsible Minister, has decided to make our future dependent on the United States.

I tried to come up with a more practical point and did so after a meeting we had with a distinguished representative of the Quebec Lumber Manufacturers Association, who met with the caucus to make us aware of the problems that would be facing the Quebec lumber industry.

As far as Canadian sovereignty is concerned, I obviously agree wholeheartedly with what was said by my colleagues in the Official Opposition as well as by our colleagues in the third party in this House. However, I was very surprised no one had talked about the people in Quebec whose lives will certainly be very much affected and who are very, very concerned about what the Government is about to sign or has signed with the United States, without necessarily knowing all the whys and wherefores of this agreement.

Madam Speaker, we could usefully look at some of the facts contained in a document entitled: *The Lumber Industry in Quebec*, published by the Quebec Lumber Manufacturers Association, 1985 Edition. Delivery of lumber, by administrative region. The Lower St. Lawrence provides 6 per cent of Quebec's production. I see that Saguenay—Lac-Saint-Jean provides 25 per cent. In the Quebec City area the percentage is 18 per cent, and I was very alarmed to see that in the breakdown by administrative region in Quebec, the North West is responsible for 39 per cent of the lumber production. This is a matter of great concern, because anyone who knows Quebec realizes that the lumber sector is one of our major industries and provides a great many jobs. I have the figures to prove it. In Quebec, the industry provided 21,500 jobs in 1984. It was hard for the industry at times. If we look at 1970, the sector provided 9,135 jobs in Quebec, and in 1980, the figure was up to 24,000. Twenty three thousand and 18,000 in 1982, and 21,000 and 21,500 in 1984.

Madam Speaker, I think that when we look at the details of each of these agreements and of the overall agreement the Government is considering, we have every reason to be concerned. The general concept of a trade agreement with the United States may be a great and noble idea that makes a lot of sense, but when we get into the details, we realize how dangerous such an agreement could be for us in Quebec. I am of course speaking for Quebec, but I also speak as a Canadian, because other sectors may also be affected, eventually.