

Another factor that must be considered in this picture is that B.C. mills, especially those in the interior, are more efficient than most of their U.S. counterparts. In the 1970s, the B.C. industry used existing capital and borrowed heavily to modernize. It modernized to the point that it now has the most efficient dimension mills in the world. All of the very latest technology such as lasers and computers have been incorporated. These mills are really a sight to behold.

It is interesting to me as a Member from British Columbia from a lumber riding that exports probably more lumber than any other constituency in Canada to watch on national television the pictures the media uses of sawmills these days. I am sure most of these pictures are 10 to 20 years out of date. I would urge the media to take pictures of some new and modern mills, because what we see on national television are pictures of mills that are right out of the Dark Ages.

I often visit the mills in my riding. Practically every time I go through a mill, I am shown a new modification. I cannot help but remember that in January I visited Ainsworth Lumber Company at 100 Mile House. I was shown around the plant by the superintendent. He showed me an innovation which had been put into effect a few weeks before. In this area they cut mostly pine logs of various dimensions and lengths. It has always been the custom to run the logs through the mill with the machinery adjusting for the diameter of every log. In the stud mill, where they cut two-by-four-by-eight foot lengths of lumber, they generally cut logs into an eight-foot four-inch length. These are then randomly shoved through the process until they get to the saw. One of the workers thought it might be a good idea to size these logs into bins and then run one size through at a time. In that way the machinery would not have to adapt for the size of each log. That was put into effect and it increased the production of that mill by 25 per cent. These mills are working hard to keep abreast of all modern technology. As I said before, they are the most modern in the world.

● (1640)

That is another problem which the U.S. faces. They have not modernized their mills, as was proven in the shake and shingle situation. One of their problems, besides the fact that they have run out of wood, is that their mills are badly outdated. The lumber offered by Canada, and particularly British Columbia, is usually, if not always, a superior quality product which is highly desired by U.S. contractors.

Another innovation recently added to mills is stress-testing. Each board goes through a stress test and any weak boards are put in a cull pile. All of these things make this lumber very desirable and a product superior to that produced in the U.S. The softwood coming from the southern part of the United States, the loblolly pine, is a very inferior type of lumber for house building. All of these things cause a lot of the problems which the U.S. producers are having. Another issue is the difference in the value of our currencies. This is, of course, an advantage in our favour, but I do not think the Canadian industry should be faulted for the difference in currency.

### *Supply*

In my opinion it is unfair that the American industry sees fit to call foul and launch another harassing action against Canada. We know that some mills in the United States have closed down and that jobs have been lost. However, this has happened in Canada as well. Only modern, efficient operations can compete and in a free enterprise system such as the U.S. espouses, it should be looking at the real cause of its problems rather than attempting to curtail competition.

For many months B.C. Conservative Members of Parliament have been carefully monitoring this issue. Many of us were here in 1982 and 1983 when the same action was launched and we went through the agony of that exercise. We were in opposition at that time and we offered our full co-operation to the Government of the day and the industry. We were well briefed at all times by industry and followed their instructions very carefully. As the countervail process is a quasi-judicial one rather than political, we were requested to say little, if anything, publicly, especially in the House of Commons. It was not always easy for us to go home and explain to our constituents why we were not making interventions in the House of Commons and why we were not complaining in a very loud voice. It would be nice to be able to expect the same co-operation from the present-day Opposition.

Last summer members of our caucus met on two occasions in Vancouver with our American political counterparts. We had some very open and frank discussions with these gentlemen. They told us very bluntly of the tough situation they face in their constituencies. They told us of the tough political problems they face in the elections coming up this fall. We told them that we have tough situations in our constituencies as well and that often the unemployment rate in regions of British Columbia is even worse than it was in their constituencies in the United States.

On several occasions further meetings were held with the Americans through the medium of the Canada-U.S. Parliamentary Association and the softwood lumber issue was discussed at great length. In recent weeks we have had a number of briefings with the Minister of State for International Trade (Mr. Kelleher), the Minister of State for Forests (Mr. Merrithew), and the Secretary of State for External Affairs (Mr. Clark). These meetings were on both the shake and shingle issue and softwood. The issues have been well aired in our national caucus and the importance of this issue is well understood by the Prime Minister (Mr. Mulroney), the Cabinet, and all Members. In addition, our B.C. caucus has had several meetings with industry officials and has held private discussions with labour. As late as May 30 our caucus met in Vancouver with Mr. Mike Apsey of the Council of Forest Industries for briefings and strategy planning.

In our judgment the Ministers of our Government in direct charge of these issues have handled and are handling them well. The fact that the first response to the acceptance of the countervail action in the U.S. was the announcement of a meeting of all major players in Vancouver this Friday indicates the priority with which this issue is ranked.