

Softwood Lumber Products Export Charge Act

We see the signs every day of a Government elected by the majority of the people of Canada which is totally incompetent to have the trust of the people of Canada. In this particular instance it has bungled a most important sector of our Canadian economy by giving way to the United States. The only response which comes from the Government benches, "Well, we did the best we could". But there were other alternatives available to the Government and it chose not to proceed with those alternatives. Clearly, history will tell us that this particular export tax of 15 per cent will be extremely devastating to the Canadian lumber industry. It will have, in particular, devastating effects on those small rural communities throughout Canada, and their livelihood and economic prospects for the future.

This also says something else about the Government. It says that when sovereignty is at issue, the Prime Minister is prepared to sit on the knee of the President of the United States and sing. He has certainly sung in this particular instance. He has given away our sovereignty and the opportunity of Canadians to embellish their livelihoods in this most important Canadian sector. That is what the Prime Minister has done.

In concluding, I wish to say to Hon. Members opposite that there is no shame at all in saying to members of the cabinet "We will vote against this legislation", because their first obligation should be to provide good legislation for all Canadians and not legislation which will only embellish the Prime Minister's personal relationship with the President of the United States.

Mr. Cyril Keeper (Winnipeg North Centre): Madam Speaker, I took my time in rising because I wanted to give the opportunity to Members of the governing Party to enter into the debate. I must say I am a little disappointed they did not take advantage of that opportunity. We want to hear their point of view with regard to the legislation before the House dealing with the imposition of the lumber export tax.

I have three basic perspectives regarding this legislation that I want to mention. Basically, I want to deal with the question of Canadian sovereignty and some of the things the Canadian Government has given up by entering into this deal with the Americans. I also want to make some comments about the relationship of this legislation to the over-all economic strategy of the Government, the strategy on which it has pinned its future, the free trade negotiations with the United States.

The most shocking aspect of this legislation is the damage it does to Canadian sovereignty and the fact that a Canadian Government would sign this agreement with the United States, one of the most powerful countries in the world which has often been compared to an elephant. It is the elephant under which the Canadian mouse must sleep. If the elephant rolls over, the Canadian mouse is in great danger. The Government has become in fact a mouse in its relationship with the United States.

After the Government puts in place the lumber export tax, it then wants to put in place an equivalent charge under provincial jurisdiction, because resources in our country fall under provincial jurisdiction, but it first has to have the approval of the United States Government. After provincial and federal Governments sit down and devise a regime for replacing the federal tax with a provincial charge, it will then require the approval of the American Government. That is the agreement the Conservative Government has made with the United States. It is giving up a significant portion of Canadian sovereignty. It is getting down on one knee before Ronald Reagan. Living beside such a powerful nation it is important for Canadians to be ever vigilant with regard to our sovereignty, not only with respect to trade matters, such as softwood lumber, but also with regard to boundary matters.

● (1520)

There is a controversial matter concerning boundaries in British Columbia with respect to which the Government must be strong and tough. If a Canadian Government shows weakness in one area, then the Americans will see that weakness and follow up in other areas. The weakness demonstrated by the Canadian Government in this area as a result of backing down on a question of sovereignty will have implications in other areas.

I ask Hon. Members to consider the whole question of northern sovereignty. Canadian maps show that large portions of the Arctic fall within Canadian jurisdiction, and the Americans doubt that jurisdiction. They therefore doubt our sovereignty in this area. If we are weak when it comes to the export of lumber, then they will think that we will be weak when it comes to our boundaries in the Arctic.

So it is important for a Government to be able to stand up to the Americans, not necessarily in a belligerent fashion but in a firm way, in order to demonstrate that when it comes to the question of sovereignty Canadians will not compromise. It took a long time for Canadians to establish their sovereign rights. It took the courage of Prime Minister after Prime Minister. First, we had to stand up to Britain in order to establish the legitimacy of Canadian sovereignty. It took Canadians who fought in the First World War and the Second World War to establish Canadian sovereignty. Canadian sovereignty has been brought about at a very high price and over a long period of time. It is a mistake for the Government to rush into an agreement on softwood lumber in order to save a few dollars, which is the argument we have heard, which will weaken our sovereignty. It is a tragic error in strategy and approach on the international level.

The agreement not only envisions the Canadian Government going on bended knee to the American Government to say: "Can we put this particular provincial tax in place of this federal tax now", it also prohibits the provision of grants, low-cost loans and other benefits to the forestry industry by federal or provincial Governments.