

Canadian workers will be hurt. Following the imposition of the tariff two weeks ago there was a bit of a scramble to buy up squares of shakes and shingles in the U.S. The price skyrocketed as a result. U.S. consumers saw what the long-term effects of this would be on them.

What we in this Party have been saying for the past year, primarily through our forestry critic, the Hon. Member for Skeena (Mr. Fulton), is that our Government should recognize the situation which is developing in the U.S. This did not come like a bolt out of the blue. Our Government should take cognizance of the growing protectionist sentiment in the U.S. and take concrete action to prevent it from growing. There are consumer organizations in the U.S. who are going to be hurt by this action. Home builders and developers are going to be hurt. The Canadian Government should have been working with those groups to make sure there was a countervailing force in the U.S. to stand up against the lumber industry. Instead of that, we have had the single-minded reliance on the friendship between the Prime Minister and President Reagan. Of course, that first line of defence completely collapsed a week and a half ago when President Reagan stabbed our Prime Minister in the back and announced this 35 per cent tariff.

This afternoon in Question Period the Secretary of State for External Affairs said there are political realities in the U.S. that cannot be wished away. He was of course referring to this protectionist sentiment. However, if there are realities that cannot be wished away, there are other realities which we should have been developing. There is the reality of those consumers who are going to be hurt by this tariff. There is the reality of home builders who are going to be hurt by this tariff. Why was our Government not working to develop some of those realities? What were we doing to help foster the other reality? Basically we were doing nothing.

This morning our Leader, while speaking on this issue, said that the first item on the table in any negotiations should be an end to unilateral tariff action and countervailing duties. The question he asks, and the question the shake and shingle operators and softwood lumber operators in British Columbia are going to be asking, is, what good is any kind of trade agreement when the U.S. has such easy access to countervailing action? We need to remember that when a free trade agreement was reached between the United States and Israel there was a clause in it that said that any countervailing processes would continue to be in effect. I think it is very important that our Government should learn from the lesson of May 20 when that tariff was slapped on us, that in any discussions with the United States the very first priority should be to put an end to that kind of unilateral action.

● (1610)

We should have known that the fix was in a long time ago when President Reagan was having difficulty getting the free trade proposal on the fast track approved by the United States Senate, and several United States Senators were holding back

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from this because of the growing protectionist sentiment in their ridings. We should have known that we were in trouble when President Reagan sent them a letter giving them the assurance that U.S. lumber producers would get their so-called fair share of the market and that action would be taken to ease the Canadians out of the market. Of course that is what we are seeing in spades right now.

The shingle action is only a token of what is liable to be coming down the pike later on. We have seen the 41 per cent tariff on steel products. Wherever we compete to our advantage we are going to see this kind of action by the United States. As long as we have the possibility of this kind of unilateral action we do not have any protection. What good would any comprehensive or enhanced trade agreement or free trade agreement do us if the Americans have access to that kind of a process?

In retaliation, yesterday our Canadian Government announced some retaliatory measures, some increased duties that seemed designed almost as much to hurt Canadian consumers as to show the United States that we mean business. There is no help in the announcements made yesterday that are going to give any real aid to the shingle and shake producers who were thrown out of work.

We have the question, what is going to happen tomorrow and in the days ahead to our softwood market? We already are supposed to have free trade in forestry products. We have concerns that have been raised by other members of our Party over jobs in the auto industry, concerns over our cultural industries.

I urge this Government to make our Leader's suggestion its number one priority for any talks, and that is that there should be no more unilateral tariff action, no more unilateral countervail action. Surely there are other mechanisms that have to be developed that can lead to a better flow and regulation of trade than this sudden imposition of crippling and punitive tariff actions by one country upon another when those two countries are supposed to be friends.

In conclusion I would simply like to make one concrete suggestion that might help to alleviate the situation of shingle and shake producers. I urge the Government to develop a comprehensive campaign to develop shake and shingle markets in eastern Canada where we do not use shakes in the same way that they do on the West Coast. Let us develop a market in eastern Canada that could at least take some of the sting and some of the slack out of that industry that has been so cruelly hurt by the best friends that the Prime Minister has ever seen.

Mr. Cook: I have two points only by way of comment to the Hon. Member for Cowichan—Malahat—The Islands (Mr. Manly). I am utterly amazed, having heard his speech, that he obviously does not know that the Premier of British Columbia has already placed an embargo on any cedar logs being shipped to the United States. I am also utterly amazed at hearing him talk about an eastern market for shingles and shakes when earlier today one of my colleagues was talking