

As I was saying, all that this icebreaker did was to leave a path in the ice which has probably disappeared completely by now. The fact remains that the Americans took this initiative without even consulting us. We did not react sufficiently strongly to prevent them from violating our territory. Indeed, I consider that there really was a violation of our territory. I feel that this is important, whether in the northern, the eastern, the western or the southern parts of the country. Canadians must by all possible means seek to preserve that sovereignty.

Of course when I say that our sovereignty is threatened, I do not mean we expect to see tanks at our borders and soldiers marching in to conquer us. Of course not. I think that the Americans have enough respect for us not to do such things. However, as Canadians we must make them realize that this land of ours has boundaries that must be respected.

Madam Speaker, some Hon. Members might say that we cannot build fences between ourselves and our neighbours to the south.

Certainly, we should not offend our friends to the south. However, I should like to say that good fences make good neighbours. We could thus avoid many quarrels and surely a fence is as good as the friends sharing it. We have to show mutual respect for that line dividing both properties, that is our two countries.

Now, Madam Speaker, that is why I said I was rather shocked to see that an immediate vote has been requested on that Bill which I find so important. But let me deviate slightly from the sovereignty concept which I find very important, and deal with New Brunswick, in the Maritimes. I can say that the Bill is most unfair to the lumber industry in the Maritimes. Because, you see, in our area, the lumber industry must pay stumpage fees that are a great deal higher than in the other provinces that our mentioned in the Memorandum of Agreement, that is British Columbia, Alberta, Ontario and Quebec. We pay as much as eight times more than elsewhere. And out of the 130 or so companies in the industry, five from our area have been exempted from the export tax.

Of course, this is good for those being exempted from the tax, but it is very bad for the others that are not. So there are 125 companies, and most of them that provide a livelihood to whole villages will be hurt by that unfair tax, and I say very unfair. Apparently, in this case, our area has been completely ignored, and we find it very hard to understand why we were ignored because, Madam Speaker, you know very well that the Minister of State for Forestry and Mines (Mr. Merrithew) is from New-Brunswick. This is sad, but on the other hand, we have the representatives of the Maritime Lumber Bureau who said that up to the last minute they thought they were going to be exempt and they could not understand why they were not. Well, personally I find that a little easier to understand. Because, Mr. Speaker, in this case, the Minister of State for Forestry and Mines (Mr. Merrithew), who is from New-Brunswick as I said, has also decided to ignore other very serious problems, problems such as the CN Shops where we are going to lose 1,000 jobs. Besides, this is the same Minister,

Softwood Lumber Products Export Charge Act

Madam Speaker, who ignored our Christmas tree producers who feel threatened and certainly will be threatened by the Americans if they decide to impose a countervailing duty on Canadian tree imports.

● (1610)

[English]

Mr. Vic Althouse (Humboldt—Lake Centre): Today is my first opportunity to speak on Bill C-37. I do so under a threat to close off the debate as a result of a motion moved the other day by the Parliamentary Secretary to the Minister for International Trade (Mr. McDermid).

Later in my brief remarks I wish to point out some of the economic impact of this lumber agreement to Canadian lumber producers and to jobs in Canada. Before I do that, I wish to point out that what we have here is a process which is well established in the United States, the quasi-judicial process with the International Trade Commission. Until this situation came before us, Canada in fact considered it a quasi-judicial process, one that is above political interference. Yet the specific reason that the Minister gave for coming to this questionable agreement was that she thought we would lose the case before that legal body. We had won a similar case on similar arguments in 1983. We had established that our method of assessing stumpage charges to the cutters of logs was not a subsidy on the exportation of our lumber to the United States. This was done on appeal, but we did win it.

This time the Government, together with some of its advisers, threw up its hands. This thinking was best set out by Dr. Peter Pearse, who is a leading resource economist at the University of British Columbia. He appears to have had quite a bit to do with the advice that the Minister followed. At one point he stated: "The U.S. Government had already imposed an interim duty and the political environment in the U.S. has changed totally" since 1983.

If the ITC was in fact a quasi-judicial process that we submitted ourselves to, the political climate in the United States should have nothing to do with the type of rulings that come out of that process. Either it is a legal situation where we have a case, or we do not. Political interference by the United States should not have been a point in question.

As a result of this agreement, we have given the United States some rights over the way we conduct our business as a Government and as a country that it did not have before. Therefore, we have given up some of our sovereignty. The Government entered this agreement without giving due recognition to the fact that provincial rights are infringed upon with this agreement. The forests are directly under the management of the provinces. When they were on this side of the House, the Progressive Conservatives portrayed themselves as the defenders of provincial rights. Now that they are in Government they are ignoring the rights of the provinces to the forestry resource. Suddenly they have discovered that the Constitution contains a section that allows the federal