

GOVERNMENT ORDERS

[English]

SOFTWOOD LUMBER PRODUCTS EXPORT CHARGE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Miss Carney that Bill C-37, an Act respecting the imposition of a charge on the export of certain softwood lumber products, be read the second time and referred to a legislative committee, and the amendment of Mr. McDermid (p. 2601).

Mr. Speaker: When the House rose at one o'clock the Hon. Member for Bourassa (Mr. Rossi) had the floor. I gather that the Hon. Member has concluded his remarks. The Hon. Member for Cape Breton—East Richmond (Mr. Dingwall).

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, while I am pleased to participate in this debate, I must say that I am discouraged by the motion moved by Members opposite that the question now be put. It can be concluded by any reasonable person that the intent of the motion is to cut off meaningful debate on a subject that is very significant and important, not only to those communities in Canada that are involved in the lumber industry but to Canada as a whole.

While this legislation raises a number of issues that deserve consideration in the House, one particular issue is that of Canadian sovereignty. I have concluded after reading the Bill and listening to arguments by all Members that this Bill will be very damaging, not only to Canada's economic interest but to our sovereignty and independence as well.

Canadians will have to pay a 15 per cent export tax on all softwood lumber exported to the United States, and figures introduced by the Right Hon. Leader of the Opposition (Mr. Turner) show that it will cost the lumber industry some \$600 million on the basis of that tax. If it is converted into a timber cutting fee, or stumpage fee at the provincial level, the figure may well be some \$950 million to \$1 billion. Such huge sums will negatively affect the forest industry in western Canada, particularly in British Columbia, and will have a long-term effect on the people of northern Ontario whose livelihood is based on that sector of our economy. It has serious ramifications for the people of Quebec and Atlantic Canada.

I am shocked and outraged that the Minister for International Trade (Miss Carney) would mislead Members of Parliament and Canadians as a whole with statements that somehow this legislation has been drafted and negotiated with the United States with the paramount interests of Canadians being kept in mind. All Canadians expect their governments, regardless of political affiliation, to stand for the best interests of Canada. They should not be hoodwinked by the United States nor, indeed, by other nations. When we look at the substance of the agreement and see the powers which have

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been conveyed upon the other signing partner we can see how absolutely devastating it is to Canadian interests.

Clause 6 of the Memorandum of Understanding should be noted:

The Government of Canada will take no action, and will take all reasonable steps to ensure that no other governmental body in Canada takes any action, directly or indirectly, which has the effect of offsetting or reducing the export charge or replacement measures, except as provided in this Understanding.

● (1510)

The heading of Clause 7 is "Exchange of Information and Monitoring". Who has the upper hand with regard to this legislation and, obviously, the agreement which will be subsequently tabled? Is it the people of western Canada or the people of British Columbia? Is it the communities in northern Ontario and Quebec or is it those communities in Atlantic Canada? Are they the ones which will have the upper hand in determining where this information may go? The answer is obviously no.

The agreement provides in Clause 7a:

The Government of Canada and the Government of the United States of America will exchange information necessary for the implementation and monitoring of this Understanding.

The Government of Canada will provide the Government of the United States of America with data concerning the level of Provincial and Federal softwood and total stumpage harvest, the total revenue collected from the sale of Provincial and Federal softwood and total timber, total export charge collected, total shipments of certain softwood lumber products to the United States of America, total lumber production by province and total softwood lumber production by province—

And so on and so on.

The interpretation I put on that clause is that the United States will have the upper hand with regard to this particular agreement. I say to my colleagues opposite that my opinion is an opinion which was put forth in a documented way by the chief American trade representative in a joint letter to the U.S. Coalition of Lumber. I know the Deputy Prime Minister (Mr. Mazankowski) will be very conscious not only of the substance of this particular letter but, indeed, of the very devastating effects it will have for the people of British Columbia, northern Ontario, Quebec and Atlantic Canada.

The chief American trade representative said that "The U.S. Government would have to approve"—would have to approve, Madam Speaker—"any changes in the export charge or any calculation of the value of any replacement measures. Any changes made without U.S. Government approval would be considered a violation of the understanding".

We have given away to our good neighbours to the South, the United States, the upper hand on a sector which is extremely important to the Canadian economy. How in good faith can Members opposite, in particular the Prime Minister (Mr. Mulroney), the Minister of State for External Affairs (Mr. Clark) and the Minister for International Trade perpetrate such misleading statements to the House and to the general public that somehow this export tax will be in the long term interests of Canadians?