

*Softwood Lumber Products Export Charge Act*

This is an example of what can happen elsewhere. It is not just the fact that we have had imposed upon us a countervailing duty in response to which we have a negotiated Memorandum of Agreement. It is that by virtue of the export tax substituted by that agreement, we have a whole host of difficulties presented to us.

One of the things that will result from our failure to adequately deal with this dispute with the Americans is that it is raising disputes within our own country between, for example, the maritime provinces and the western provinces. They take note of the fact that their stumpage fees vary between \$50 per lot, as compared to \$1-\$10 in British Columbia. In large measure they are subject to the same export tax. With this differentiation in stumpage fees, there will be a tendency to unload the lumber that does not go to the United States, and they will begin to compete and sell their softwood in the Maritimes.

It has been pointed out that this particular export tax, which under this agreement is applicable only to the United States, may well be an infringement of the GATT. If that is so, we are presented with greater difficulties. Beyond the imposition of this tax, it may well mean that the cost of our exports to other countries will go up commensurately. That certainly will hurt. If the stumpage fees increase for every type of wood products from softwood lumber, that will mean that the domestic costs of wood products will increase for all Canadians.

One wonders what we have won. We have failed to fight the battle that we should have through the American courts and GATT. There is much evidence that we might have won. We would not then have established an unfortunate precedent that will not only get us in trouble with our other trading partners but means trouble for us with the United States. In spite of the tough words that we uttered: "We will fight this all the way. Well, we are not going to fight it, we will offer a 10 per cent export tax. You don't think that is good enough? Well, a 15 per cent export tax", if we had fought the issue properly, and not caved in after those meaningless threats, then we would not have been opening ourselves to similar attacks on other exports to the United States.

Of course, there is the issue of sovereignty. The issue of sovereignty is encased in all that I have said so far, in substance; but in fact the Memorandum of Agreement permits the Americans to impose upon us what they feel should be our domestic policy with respect to softwood lumber. What will be next? What other area of manufacture, resource management, or efforts to benefit the regions of this country will be under attack because the Americans do not like it? What future empty threats will we make in response to an American threat that will end up in concessions that will hurt our country and which compromise our sovereignty?

If one thing has become clear during the circus which has been the Government's relationship with the United States, it is that Canadians are becoming jealous of our independence and sovereignty. It is perfectly clear that this Government is increasingly seen as not representing their views, failing to

represent a sovereign future for Canada, and as a Government that is ready to say: "I give up. Take what I have got, or tell me what to do, because we are so anxious to be friendly with you, Ronnie Reagan"

\* \* \*

● (1650)

## PROCEEDINGS ON ADJOURNMENT MOTION

### SUBJECT MATTER OF QUESTIONS TO BE RAISED

**The Acting Speaker (Mrs. Champagne):** Order. It is my duty, pursuant to Standing Order 66, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Fraser Valley East (Mr. Belsher)—Air Canada—Employees' pension plan—Request for full annual reports; the Hon. Member for Vancouver East (Ms. Mitchell)—Ports—Vancouver—Request for funds to upgrade facilities. (b) Request that port users committee be established; and the Hon. Member for York West (Mr. Marchi)—Refugees—Deportation of Iranian from United States. (b) Request for issuance of ministerial permit.

## 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. Turner (Vancouver Quadra), (p. 2382).

**Mr. Don Boudria (Glengarry—Prescott—Russell):** Madam Speaker, I am pleased to have the opportunity to participate, albeit briefly, in the debate on Bill C-37.

What is Bill C-37? Of course it is about lumber but, more important, Bill C-37 is about Canadian sovereignty. That is what is really important.

I am not here to diminish the importance of the jobs of those working in the softwood lumber industry; obviously their jobs are important too. The Bill goes far deeper. The Bill is an act of surrender on the part of the Minister for International Trade (Miss Carney) to a foreign Government.

We have heard the Minister tell us many times in the House how she would be tough negotiating with the Americans. As a matter of fact, when the Prime Minister (Mr. Mulroney) appointed the Minister, he referred to the fact that she would