

Softwood Lumber Products Export Charge

Mr. McDermid: On a point of order, Mr. Speaker, I just wanted to ask my hon. friend, who is waxing eloquent—

Mr. Penner: I am not waxing eloquent. I am speaking about a concern in the region I represent. Get it straight, John.

Mr. McDermid: I meant that as a compliment, so I am not sure why the Hon. Member is so uptight. I want to find out if he will accept a question at this time.

Mr. Penner: You are on your feet, so don't waste time.

Mr. McDermid: Will you accept it?

Mr. Penner: Certainly.

Mr. McDermid: Mr. Speaker, I understand the Hon. Member is talking about his region. My question is: Do the provincial Governments build those roads now? Did they before the agreement was reached? Was that part of the Ontario provincial Government's program before this tax came in? Did they put those roads in to access forests and cottages before the agreement of December 30?

Mr. Penner: The answer is that it has been done, it is being done, and they want to continue doing it.

Mr. McDermid: Fine. They can.

Mr. Penner: The letter I am referring to from the U.S. Secretary of Commerce and the U.S. trade representative argues that this kind of activity violates the agreement between Canada and the U.S. with respect to the 15 per cent export tax. In the region of Ontario that I represent there is great concern that the freedom to make policy in these areas is being restricted by an agreement we have negotiated with the U.S.

I come back to the point I made at the very outset. Forest management policy is, to a very significant extent, being restricted and controlled by Washington. In the province from which I come, and more particularly the region I represent, we find this to be offensive.

We are not arguing that this is a partisan issue. We are arguing that this is a reasonable amendment, and I am delighted that Your Honour has accepted it although I understand that you are concerned it may be in the provincial domain. I do not think it is. We are not entering the provincial domain by this amendment. We are saying that we should not enter the provincial domain by an agreement we made with the Americans. This amendment is quite the opposite. It leaves the door open for the provinces to make important decisions concerning a resource that belongs to them and not to Ottawa. We should not be making agreements with Washington which limit provincial government policies.

I argue that Members opposite would be assisting the region I come from and acting in the best interests of the Province of

Ontario if they agreed to support this very reasonable amendment put forward by the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy).

[*Translation*]

Mr. Alain Tardif (Richmond—Wolfe): Mr. Speaker, I am also very happy to join my predecessors in unreservedly supporting this amendment, which to me seems more than reasonable in the circumstances. I view the amendment as improving what was simply and squarely shameful. For discussion's sake, Mr. Speaker, let me read the amendment, which is more than reasonable in my view. It states:

"(4) Revenue derived by Canada from the charge imposed on softwood lumber products under this Act and payable to the provinces according to subsection (2) may be applied by the province to the awarding of contracts for silviculture, roadbuilding, recreational and other foresting activities on a non-competitive basis."

Here, Mr. Speaker, you have an amendment which beyond the shadow of a doubt would make an interesting and reasonable improvement to something that is totally unacceptable. When the Government signed that agreement, of course the arguments used by myself and other Members on this side of the House were quite numerous, in the sense that we deplored that in a way we had been "had" financially, in a way we had given our American friends what clearly we would not have had to pay had we left things on the course that had been taken.

Here is an agreement that in effect forces producers to pay inordinate amounts. I submit, Mr. Speaker, that as far as I am concerned, although the Government in fact signed in a hurry, in a sense it has been "had" financially, this is something that can always be repaired, something that can always be remedied. But where sovereignty is involved, Mr. Speaker, this is a matter of untangible, undisputable principle. It is my sincere belief that the amendment now before us results in a direct improvement to the most offensive aspect of the Bill in my view. Improvement in the sense that we would say to our American friends: Look here, this is our land, our country, we want to use that revenue, that money as we see fit. And the amendment proposes that the money be spent in specified areas to the benefit of all provinces which in fact will be collecting the tax.

With your permission, Mr. Speaker, I would like to go back a little in time, since this is the most important aspect in my view. As I said earlier the question of money is important because the amounts at stake are considerable. But what made all opponents mad was the aspect of sovereignty, and if I may, Mr. Speaker, I should like to refer to certain comments concerning that part of the agreement, to the effect that letting somebody else control what belongs to us in the first place is a rather bizarre process. They maintained the unilateral aspect of something which in fact we share in common, for the Americans have the right to know everything about Canadian activities, be it with respect to information or anything else. Of course, these were the comments of Mr. Maxwell Cohen.