

*Oral Questions*

I do not think the hon. member should be too negative toward the prospects. I understand that about 90 per cent of the comprehensive action plan known as agenda 21 has been approved. There is a good chance that agenda 21 will be approved, as well as other key issues.

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**SOFTWOOD LUMBER INDUSTRY**

**Mr. Brian L. Gardiner (Prince George—Bulkley Valley):** Mr. Speaker, the release today of a letter from U.S. politicians calling for free trade in Canadian raw logs confirms what a New Democrat delegation to Washington, D.C. found last week. The U.S. is using a countervail action as an end run for an out and out resource grab. Our log export policies are designed to encourage jobs at home.

Will the Minister of Forestry tell this House if his government has made a clear statement that we will not agree to free trade in logs? Has he communicated that to the United States government?

**Hon. Frank Oberle (Minister of Forestry):** One very good reason we would never agree to a proposition like that is simply because we do not have any surplus logs to trade. All of the logs that are sold in Canadian markets are committed under agreements for licence to existing industry.

Unlike the position of the United States, there have been minor exceptions where material that was surplus to our needs and was committed to industrial conversion has been allowed to be exported under a licence that is reviewed from time to time and issued.

There are no surplus logs. There is no intention of the federal government or any of the provinces to get into an arrangement that would allow the export of raw materials, round logs, to any place in the world including the United States.

**Mr. Brian L. Gardiner (Prince George—Bulkley Valley):** Mr. Speaker, my supplementary is for the same minister. Our delegation to Washington met with commerce department officials who advised us that the commerce department has yet to decide whether the dispute settlement mechanism applies in the softwood lumber case. They have just asked for a legal opinion on that matter and have just done that to determine whether it applies.

Can the minister tell this House if the government has a clear ruling from the United States that the dispute settlement mechanism, as weak as it is under the FTA, can be used to solve this dispute? If he has such a decision, will he table it in the House?

**Hon. Frank Oberle (Minister of Forestry):** Mr. Speaker, I find this interesting. A couple of weeks ago the same member was arguing that the free trade agreement was responsible for the mess we got into with the lumber MOU. Now he is worried that the free trade agreement may not be the solution to the lumber agreement.

I can tell my hon. friend that regardless of what the commerce department has decided, the MOU is clearly annexed to the free trade agreement. We have decided that we will avail ourselves of all the remedies that are offered to us under the free trade agreement to appeal this decision and win.

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**POVERTY**

**Mr. Sergio Marchi (York West):** My question is for the Deputy Prime Minister. In metro Toronto, the number of Canadians on welfare increased 8 per cent since the start of this year to a staggering 167,444 men, women and children. In terms of the welfare bill for just Toronto in one year, it is approaching \$1 billion.

I ask the Deputy Prime Minister and Minister of Finance, how can the federal government remain so indifferent to this Toronto reality when the government's central economic program is the primary culprit forcing Canadians into such a desperate and undignified circumstance?

• (1440)

**Hon. Benoît Bouchard (Minister of National Health and Welfare):** Mr. Speaker, like my friend I deplore the situation we face today in terms of the people who have to depend on the welfare system. He talks about what we are doing. We transfer over \$6.5 billion to the provinces. A large part of that money goes to Ontario. That amount has not been reduced; it has been increased.

With the reality we face today and the necessity to improve the economy if we can reach the purposes we have in terms of control of the deficit and the debt and also continue to support the provinces the way we do, I believe that if we are not able to immediately overcome