

Oral Questions

• (1115)

Mr. Speaker: Order, please. Sixty seconds.

ORAL QUESTION PERIOD

[English]

TRADE

SOFTWOOD LUMBER EXPORTS TO UNITED STATES—PRIME
MINISTER'S LETTER TO PRESIDENT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Today our worst fears were confirmed. The United States Congress Department has now accepted the petition of the U.S. lumber industry which can only be considered a very serious act of provocation against Canada's trade relations.

In the self-serving letter sent by the Prime Minister to the President on June 2, why did he not at least mention, or make an appeal to have the softwood lumber petition rejected? Why did he totally ignore the interests of the softwood lumber industry and workers, as he has obviously done with respect to shakes and shingles? Why did he not make some effort in that letter to try to get some reaction from the U.S. President on this very serious action?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, when I was informed in advance, by U.S. Secretary of Commerce Baldrige, of the decision which was going to be taken on countervail, I expressed Canada's very deep regret that the processes in the United States led the administration to take that decision.

The Hon. Member has suggested that it is a provocation. He should know better because he would know that in 1983, when he was a member of the Government of Canada, exactly the same process was triggered, following exactly the same rules and, in our judgment, dealing with exactly the same evidence.

The challenge for Canada now is to ensure that we work together effectively to defend the Canadian case in a process which has been started. The process was started today. It will not be concluded for some time. There is an opportunity for Canada to make a calm, strong, case. I look forward to co-operation from everyone in making that calm, strong, Canadian case.

Mr. Axworthy: Well, Mr. Speaker, the Minister is right that the case was presented in 1983, but it was a provocation then as it is a provocation now. At that time we were successful in offsetting it.

REQUEST FOR INVESTIGATION UNDER GENERAL AGREEMENT
ON TARIFFS AND TRADE

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): I want to ask the Minister to tell us the specific steps he and his

Government intend to take? Will the Minister immediately take this case to the international trading system? Will he make an application under Article 22, Article 23, or Article 24 of GATT so that under the international trading rules this matter can be investigated and looked at by our other trading partners, being that it represents as much threat to them as it does to us because it substantially undermines the GATT rules relating to matters of countervail—

Mr. Speaker: Order, please.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Hon. Member, I think, is more aware of the GATT rules than his question lets on. There is a remedy open to Canada under the GATT. That certainly is a remedy we will follow if other approaches do not succeed. Certainly, I would not want to follow a course, if that is what the Hon. Member is suggesting, of abandoning the importance of making a very strong Canadian case in this process in the interests of just going to the GATT.

Certainly, we will be prepared to go to the GATT if, among other reasons, the United States chooses to change unilaterally the definition of some of the questions which are at issue.

Mr. Axworthy: Mr. Speaker, my question was posed in the light of not only approaching the matter in the United States but also in the international forum.

LENGTH OF HEARING ON U.S. INDUSTRY'S PETITION TO HAVE
COUNTERVAIL DUTY IMPOSED

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Miss Paula Stern, the Chief Commissioner of the ITC, said yesterday that they expect to be voting on this matter in the week of June 23, which is only three weeks away. Are we now prepared to make that case in that incredibly short time of three weeks, or will we be asking the United States to make a major extension of the hearing so we, as well as our industry, have the proper time to make a case against that petition?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I have already raised with Secretary Baldrige the importance of there being time enough for Canada to make a very strong case. I do not know from where the Hon. Member got the date of June. He is citing a report I have not seen.

Mr. Axworthy: An interview yesterday.

Mr. Clark (Yellowhead): An interview yesterday I have not seen. In my conversation with Secretary Baldrige two dates were mentioned. One was a date in mid-August and one was a date in October. I indicated our preference for an October date.