

Adjournment Debate

The Acting Speaker (Mr. Paproski): The time for questions and comments has now terminated.

PROCEEDINGS ON ADJOURNMENT MOTION

[Translation]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: 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 Ottawa Centre (Mr. Cassidy)—The Cabinet—Code of ethics (a) Activities of Minister's wife. (b) Prime Minister's letter to Ministers; the Hon. Member for Spadina (Mr. Heap)—Housing (a) Funding of programs. (b) Extension of 1985 programs—Interim funding; the Hon. Member for Scarborough Centre (Mrs. Browes)—Canada Post Corporation—Private enterprise door-to-door delivery.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 82—CANADA U.S. FREE TRADE—
RESCINDING OF EXISTING COUNTERVAILING DUTIES

The House resumed consideration of the motion of Mr. Riis:

That this House urges the Government not to proceed with any free trade talks with the United States Government unless that Government rescinds existing countervailing duties and guarantees that such duties will not be used in the future, given the current threat of U.S. countervailing duties in the softwood industry—an industry in which free trade now exists.

Hon. Gerald S. Merrithew (Minister of State (Forestry)): Mr. Speaker, I am delighted to take part in the debate which centres around such an important aspect of trade, particularly trade in a commodity which is so very important, a fact which has been pointed out today by several previous speakers.

I want to tell you, Mr. Speaker, that the motion before us clearly demonstrates, in my view, that the New Democratic Party does not understand what is the essential need to move forward with bilateral trade talks with our partners to the south. The very real threat, even in the last few days of countervailing action by the U.S. against Canadian softwood lumber, points to the very reason why it is absolutely essential to continue trade talks with the United States. What we are talking about here is gaining access and maintaining access to a market which takes 76 per cent of all lumber produced in this country. That is why we are going ahead with such vigour. It is to try to make sure, if we can, to preclude the kinds of actions and protectionist sentiments which are so prevalent in the United States.

• (1600)

I wish to point out that it was mentioned previously by my colleague, the Minister for International Trade (Mr. Kelleher), that to date there has not been a countervailing duty petition launched with regard to U.S. lumber interests. I have heard such terms as count-downs and figures such as \$53.65 and 29 per cent mentioned. At this point in time it is important to recognize, in order to keep the record intact, that there has been no countervail launched.

I have been involved with the lumber issue for as long as anyone here in the House. Not only have I been dealing for the last 18 months with my own colleagues in Cabinet on this particular issue of trying to protect our lumber producers' access to that big market, but I have done so as provincial Minister as well. I fought very hard at that time in working with others in the country to try to do the same thing when the first countervail issue came forward in 1982. To those who think it is not going as well as it should be going, I suggest that they might want to ask the Ministers and industry representatives who were present then which particularly defensive issue has been handled in the best way. I can tell Hon. Members that the type of conferences that we had, the communications and the interchange of facts with industry and with the provinces are significantly better now than when I was a provincial Minister faced with the same type of issue.

I now wish to point out a couple of facts important to the debate before us. The first is that, despite the fact that there is a great deal of trade between the two countries and, in fact, that the U.S. depends on our country for a good deal of its commodities, the United States is still a sovereign nation. We are not yet in a position to dictate to it how its administration should administer trade remedy legislation. It is there and it can use it in the way it wishes. It is a sovereign state. We cannot impress on Congress how it should develop its own legislation. Congress will act in the way it wishes to act. It will bring forward such legislation as it deems fit and sees necessary.

The second fact is that the Government of the United States is organized differently from ours. On the one hand there is the administration, and on the other there is Congress, which acts independently of the administration. That fact is important because it leads to the third fact, that is to say that, generally speaking, the administration is known for its opposition to protectionism everywhere, including the U.S. Congress, but that protectionism still exists and still threatens Canadian softwood lumber. We do not deny that. It is something about which we have been aware for a long time.

With respect to lumber, Members of the House are all too aware of the intensity of the protectionist measures in the U.S. aimed at restricting our access to a market which is valued at well over \$3 billion. The threats are not new at all. In recent years our lumber exports have been subjected to two investigations by the U.S. International Trade Commission and by yet another one, of extraordinary complexity, namely, the Department of Commerce. Neither of these investigations by