

Softwood Lumber

to whether we negotiated the memorandum or faced what appeared to be imminent loss of that dispute. Unfortunately, and with great reluctance, the industry, the provinces and the country had to settle for the memorandum.

Since 1988, as a member of Parliament involved with the forestry committee and along with some of my colleagues and other people in the House who have pushed hard to have this memorandum resolved, we have been able to observe the offsetting systems that have been imposed in different parts of the country in different ways. Of course in every part of our country we do operate the industry differently.

Last Monday when I returned to the House in anger, I must admit, I tried to express the outrage I think all Canadians including my constituents felt. At the time I said that the decision had little to do with facts and reality and had everything to do with politics based on the greed and hypocrisy of a few large U.S. lumber companies. I still maintain that is the case.

I am not going to try to substantiate all the data. There have been tons of it delivered down to the U.S. in the last few months, but it is well known that in Canada we do not subsidize the industry. If we did, since 1986 we have more than offset that subsidy. One of the leading officials in the U.S. department of commerce submitted evidence just a year ago that if we had been abusing it in 1986 there had been more than enough offsetting mechanisms put into our system so that we were no longer abusing it, if we ever had been.

I would like to just use a document that actually infuriated me. I will not read it all, of course, but it was put out by a coalition for what it calls fair lumber imports into the United States.

It addresses the house costs. It realizes of course that the U.S. consumer is the one who ultimately pays a big part of this price and it discussed that. It said: "Well really it is not \$1,000 or more like people are saying, it is probably more like \$200 or \$300." But obviously it concedes that it is going to go up by at least the \$200 or \$300.

Of course what the coalition is not saying is that if it does not go up the full \$1,000 then it is the people in my

community and in all communities across Canada who are going to be suffering the impact. Somebody has to pay the price for that. It is either the consumers of the United States or our communities.

This coalition from the U.S. goes on to state that it believes that this of course is a very small price to pay and a viable alternative to the serious threat Canadian imports pose to the 15,000 U.S. lumber jobs that were created while the offsetting measures of the MOU were in force. It is indicating how much they have actually taken advantage of the memorandum when it was put in. So while we were losing jobs in Canada, they have been gaining 15,000.

It claims that those are again threatened, but all of the measures that were put in under the memorandum of understanding are still in place and they will remain in place. If anything, they are increasing in nature, not decreasing.

The coalition then goes on to say that putting Americans out of work while importing subsidized lumber will not lead the United States out of a recession. What it is saying is that they are prepared to do it on our backs. This is not a fair representation being made. It is something to suit some of their major industries. It will not be tolerated here in Canada. I am sure it will not be tolerated long even in the United States.

I would like to close by asking whether we will win. Yes, we will. As I said, I agonized through the decision in 1986. We would have won then if we had had the dispute settlement mechanism that we have won now through the free trade agreement.

Over the last few days, I have heard many people say that that is not enough for the free trade agreement to give us, that dispute settlement mechanism. But I can tell you, coming from the forest industry, when I heard initially about the terms of the free trade agreement, I can assure you that in my mind, as well as in the minds of most of the leaders in the industry, it was recognized that the free trade agreement with the dispute settlement mechanism was the best protection we had from those in the United States who would try to take advantage of those of us in Canada.