

Thirdly, lumber produced in Canada from logs harvested in the U.S. will also be exempt from the export charge subject to a ceiling of 365 million board feet per year. This will be of particular benefit to a number of Quebec mills close to the U.S. border.

Fourthly, additional further manufactured products will be exempted from the export charge with respect to the value added. This will be of particular benefit to mills in Alberta, Ontario and Quebec.

Finally, all individual company exclusions will be terminated. As a result, the 20 companies which have enjoyed the benefits of this exclusion over the past year will now be competing in the U.S. market on the same basis as other softwood lumber producers in their respective provinces. As a practical matter, for most of the companies affected, the loss of their exclusion will be offset wholly or in part by the concessions we have gained.

In conclusion, I want to acknowledge the significant investment of time and effort on the part of my colleague, The Honourable Gerry Merrithew, and the Canadian Council of Forest Ministers, concerning provincial replacement measures. Finally, I want to make particular mention of the extraordinarily close and effective working relationship with the governments of British Columbia and Quebec during these most recent negotiations.