

Adjournment Debate

Successes in bringing down the inflation rate and interest rates to the lowest levels seen in almost 20 years are benefiting Canadians now.

The government's current strategy in the area of training will ensure better employment opportunities for Canadians. Under the labour force development strategy, actual spending for labour market programming is expected to increase 62 per cent over a four year period, from \$2.1 billion in 1989-90 to \$3.4 billion in 1992-93. This will assist more than 650,000 unemployed Canadians to acquire new skills. Furthermore, the Department of Employment and Immigration Canada will spend an estimated \$741 million in 1992-93 in Ontario.

Finally, Mr. Speaker, in the member's riding, York West, the government spent \$3.1 million on the Canadian Jobs Strategy and other programs in 1990-91.

[English]

SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkeley Valley): Mr. Speaker, I rise to follow up on a trade related question that I asked on March 27 of the Minister of Forestry. It is a question on a very important trade matter and that of course has to do with the softwood lumber tariff dispute that we currently have with the United States.

It was on a specific matter. It related to the then actions of the U.S. commerce department, where at the time of its early rulings on our softwood exports to the United States, the commerce department had ruled. It had applied the tariff to not just the actual wood that we exported to the U.S., but in essence the way the tariff was developed. It applied also to the packaging, the labour, and the transportation.

I led, as you know, a delegation of New Democrat MPs to Washington, D.C., where we raised this matter directly with the commerce department. I think our intervention at that time was timely because in fact the commerce department's verification teams as they called them had looked at the situation, determined in most cases they had erred on this point, and in fact they were going to change the policy in that regard.

That was a minor victory for Canada, but of course we are on the verge now of perhaps the biggest trading war

we have had yet with our trading partners in the United States. By the end of this month the commerce department will rule next as to whether in fact we have injured the lumber market in the United States by our exports to the U.S.

My question that I hope the parliamentary secretary can respond to tonight is this. When the Prime Minister visited the President he certainly appeared to have come back empty-handed, given the most recent announcement, particularly raised today by my colleague for Sault Ste. Marie about steel, and the whole countervail actions that are starting to take place there.

I am most interested to hear from the parliamentary secretary as to the success so far of the government in terms of getting the U.S. commerce department to accept or agree to the use of—even weak as it is—the dispute settlement mechanism of the free trade agreement. We have yet to hear whether that is in fact the case.

Can he confirm that even if that is the case, under the free trade agreement really all the dispute settlement mechanism does is determine whether U.S. law was applied correctly.

Certainly an indication of the difficulty we are going to have there is that the U.S. lumber lobby when we met with them basically said well if that is the case, if our law is not tough enough to deal with you up there in Canada, we will just get the law changed.

I hope the parliamentary secretary can bring the House up to date on this. I hope he has some better news for us tonight than what the Prime Minister had to report after his meeting with President Bush because this issue is a critical one for all of Canada and in particular British Columbia and my part of B.C., where a great deal of our lumber exports go into the U.S. market.

[Translation]

Mr. André Plourde (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I rise at this time to respond to a question raised by my hon. friend concerning the government's actions in response to the U.S. decision to impose a 14.48 per cent tariff on the entry value of lumber shipments to the United States and the effect this is having on reloaders and wholesalers.