

party that has governed during three-quarters of a century and that has just passed a resolution at its convention to withdraw from NATO? I am anxious to see the Liberal Party with its electoral platform and its resolutions. I think, Mr. Speaker, they will have to strap their suspenders tight, because when the time comes to look at the record of this Government's management, it will be a pleasure to confront it with Liberal goals, and especially to point out the Liberal Party's economic failure, in the face of which we had to assume our responsibilities two and one-half years ago.

● (1540)

**Mr. Alain Tardif (Richmond—Wolfe):** Thank you, Mr. Speaker. I too am very pleased to take the floor for the second time and express my views on this very important measure. If I may, I should like to refer generally to the conclusion of my colleague from Chicoutimi who has just spoken to this subject and referred to the Liberal record over the past twenty years. Well, I am glad to point out to him that during the past twenty years under the administration of the Liberal Party which I represent and to which I belong, it never had to face as many difficulties as this Government did in only two years. I think Canadians will know what I am referring to when I say that.

In any case, Mr. Speaker, they talk about Liberal Members as being totally unfamiliar with the lumber industry, they talk about some of my Party colleagues who spoke strongly against this measure as being babes in the woods, most of them representing urban ridings, they say. My colleague who rose before me and spoke on this matter appears to be patting himself on the back while saying: I know this business because I represent in the House a riding or a region where lumber is a major industry.

Mr. Speaker, how very strange, how very peculiar that the Hon. Member who uttered these words should go on to say: Hats off to the Government for signing the agreement, we will recoup \$600 million and be in a strong position to help the forest industry. He made that kind of statement after telling us that his Government had signed a \$300 million agreement with the Province of Quebec.

But that is the whole problem, Mr. Speaker, and the most eloquent proof that the Hon. Member from Chicoutimi (Mr. Harvey) knows absolutely nothing of the consequences of this major Bill, for this is precisely the reason why the political party I am a member of has denounced, denounces and will continue to denounce this initiative. Of course, if instead of investing them in the United States, Canada had had the choice, the freedom and possibility to do with these \$600 million as it pleased, the critics from this side would have been a lot less caustic. But that is beside the point. That is not at all the result of this agreement. The result of this agreement is this: this 15 per cent export tax will cost our producers some \$600 million. But what makes this problem particularly difficult is that the Canadian Government and the provincial governments will not be able to use this money as they please,

#### *Softwood Lumber Products Export Charge Act*

meaning that they won't be able to spend or invest these large amounts of money in the areas of activity of their choice. That is the reason we say—and I think we have every reason to do so—that this is an extremely painful and serious blow to our sovereignty.

On the one hand, the Canadian Government, because it feared being imposed a burden heavier than this 15 per cent tax, has yielded to the United States. Mr. Speaker, I feel it has kowtowed to them, as a way of saying: Yes, gentlemen, we are going to do exactly what you want, we are going to collect this 15 per cent export tax, and we will try to convince Canadians that we are collecting, thanks to this agreement, \$600 million which otherwise would have been spent in the United States. If we can, we will have them believe that because of this agreement, they are \$600 million richer. That is utterly false. In order for that to be true, we would have to presume that Canada would have lost its case during the hearings which are held in the United States on similar issues.

Mr. Speaker, I find the situation of our trade relations with the United States all the more tragic since this is an issue of vital importance for Canadians and Quebecers. It affects 250,000 jobs in Quebec and nearly one million jobs in Canada. We just have to look at how many jobs are involved to see how important this is.

Mr. Speaker, what is frightening in the recent agreement is the precedent it could set. I believe that Canadians and Quebecers have every reason to be worried about the future.

I represent a riding which is a major lumber producer. Pulp and paper is also important in my constituency. I have the privilege to have in my constituency the dynamic Cascades group, the Kruger company and Domtar, which account for thousands of jobs and use wood products in their operations.

It is therefore quite reasonable to fear the worst, namely that in the near future, the Americans will tell us: Canada is sending us a product whose major component is wood. We are going to impose a tax to curtail exports of this product to our country, which is one of your best customers. I think that this will happen in the case of many other products and materials.

That is why the agreement signed by the Government should be rejected outright, not because of potential threats, but because of very real threats which will become evident within a few months or years.

Another thing which I find just as unfortunate is that the Canadian Government will be forced to interfere in areas of provincial jurisdiction in one way or another. The Canadian Government will decide how this money is distributed by telling the provinces: You cannot do such or such a thing with this money because, if you do, for instance to stimulate the forest industry, our agreement with the Americans could be denounced since our good friends, the Americans, have reserved the right to denounce the agreement with 30 days' notice.