

Softwood Lumber

The small communities in my riding, such as Barry's Bay, Wilno, Madawaska, Cumbermere, Golden Lake, Killaloe, Braeside and Calabogie are all affected by this. The forest workers are willing to drive for miles if necessary to get a job. They are workers. But even now when they become unemployed there is very little place for them to go. It is a serious business.

Forestry's contribution to the economy cannot be over-emphasized. It employs almost a million Canadians both directly and indirectly. For example, in 1989 the forest industry provided for 348,000 direct jobs and 540,000 indirect jobs or roughly 1 in 14. I could go on and give other statistics but it is not necessary.

Three key things have affected the forest industry. There is the 15 per cent export tax that was put on under the memorandum of understanding at the end of 1986 and the Canadian high dollar. Another thing that has really hurt has been Mr. Crow's contribution from the Bank of Canada, the high interest rates. The combination of these events and these factors has taken a tremendous toll on jobs and the economy of communities all across Canada and to a degree is the end, temporarily at least, of a very productive way of life. We were better off when we worked under the GATT.

I want to end with this. We talk about the disputes panel under the free trade agreement. That panel will make its decision based on U.S. law. It will be a question of how U.S. law is interpreted. If the U.S. law is not interpreted right, then the American Congress can simply change that law and come back at us again. We were much better under the GATT for decisions like this.

I suggest it is time that the United States, as the biggest democracy in the world, started having a heart with its neighbours. If it cannot run a presidential election without running it on the backs of the international community, then it is time for it to show a little originality in its thoughts.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, it has been very interesting for me tonight to be listening to my colleagues from right across the country speaking from the heart for the people who they represent, the industries that are in their ridings and the impact that it has on them.

Most Canadians realize the softwood lumber industry has a huge impact on all of us because it is in fact truly the most important, the major industry in the country. It was for this reason that I joined with a number of others in asking the House leader to have discussions with the other parties in hopes that we would be able to reach agreement on having a debate such as we are having tonight. So it really is, my pleasure, Mr. Speaker, to be here.

Why is it of such interest to me? There are a couple of reasons. It is where I am from, British Columbia and my riding of Cariboo—Chilcotin. It is common knowledge that 75 per cent of the softwood lumber that is shipped into the United States that is at issue in this dispute comes from British Columbia.

• (2310)

Most people think of the lumber coming from British Columbia as coming from the huge trees they see on the coast of Vancouver Island or the coastal mainland. That is far from the truth. In fact more than 80 per cent of the softwood that leaves British Columbia comes from the interior and the north of the province. My riding alone, one riding out of just under 295 in Canada, is responsible for shipping over 10 per cent of the softwood lumber that goes into the United States.

It is an issue that is critical to my province. It is an issue that is critical to my riding. My constituents all work either in the mills or the economy of the communities in which they live are dependent on the mills. They have not had an easy time of it of late. This continuing trade dispute is having a devastating impact on them and we must get it resolved.

There is another reason why I have such a key interest in this issue. To my knowledge I am the only person in the House who was actually involved for most of this dispute from within the forest industry. I was one of the senior management people within a company. I watched, observed and suffered through the dispute in 1982 in which it was found through the U.S. panel that there was not abuse of the system. We were not subsidizing and that dispute passed on into history.

As several people have talked about today, I was also sitting at the association boardroom tables as we wrestled with the terrible problem in 1986. We knew that we had right on our side. We knew that we should win. We were not subsidizing. Canada does not subsidize its forest industry. We were faced with a dilemma. It was the same dilemma that the provinces were faced with as well as the federal government. We realized that we were in a kangaroo court in the United States, that politically we could not win. We had to make a choice as