

under the leadership of the present Government. I rise today to speak on the crucial issue of forestry and to commend the Hon. Member for his motion.

I would like to begin by providing a brief outline. The Trudeau years have not been good for forestry. Since 1968, the forestry service staff has been cut in half, as has research money. In 1978, for example, a decision to cut funding by shutting down the Petawawa Forestry Research Station met strong resistance. Fortunately, the decision was reversed and this important research centre continues to work on the problem of reforestation.

Just last August, the Minister of Employment and Immigration (Mr. Roberts), as Minister of the Environment, announced a forest renewal cost-sharing agreement. This agreement would see the two levels of government and private industry pouring \$300 million immediately into reforestation, rising to a total of \$650 million by 1987. Today, the sad fact is that the Government has not gone far on this agreement. It is too easy to argue that the federal Government is helpless in this regard, being actual landlord to a mere 1 per cent of Canada's huge tracts of forest. Taxes and export benefits are so vital to the federal Government that the lack of attention forestry has received in recent years is both ludicrous and tragic.

Today, more than a dozen significant interest groups from the Woodworkers Union to the Science Council of Canada have called attention to the dismal neglect of our forests. I also rise as a Member of the Progressive Conservative Party representing the riding of Parry Sound-Muskoka, which is very concerned and dependent upon our immediate environment for our livelihood.

My concern with this vital issue of forestry is that forests are an integral part of the acid rain dilemma. The riding of Parry Sound-Muskoka is slowly being eroded and is dependent on a clean environment, as is our major industry of tourism. Tourism, in turn, is dependent upon good forests.

To understand the Canadian forest scene, one must look at land ownership. Unlike the United States where 60 per cent of the land is privately owned, Canada is almost entirely publicly owned. The federal Government owns about 40 per cent of the nation's almost four million square miles, the Provinces own about 50 per cent, and private owners own only 10 per cent. Within provincial boundaries the Provinces own 91 per cent of forest lands, with the federal share reduced to only 1 per cent and private land accounting for about 8 per cent.

Just what do these figures prove? They demonstrate that the use of our natural resources is unavoidably an immediate political issue. They also suggest that co-operation is absolutely necessary for effective national forestry and underlie the possibility of overlapping authority, wasteful repetition and internal dispute. All of these have arisen from time to time and are still present.

Curiously enough, Canadians are generally in the dark in this our largest industrial sector, perhaps because forestry has been an industry of the country for so long, nearly 400 years,

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and because the forests seem so abundant that we take it for granted. For decades this indifference was of little consequence since there were always good supplies over the next hill. However, today, when decisions must be made which will have serious effects on every Canadian, the reduction in forestry has become a problem. The sheer size of the industry will surprise and enlighten most Canadians. There are more than 300,000 Canadians who work in jobs directly related to forestry. An additional 700,000 jobs are indirectly supported by the industry. Of these, many are manufacturing jobs; one out of every seven manufacturing dollars is forestry related.

In addition, the industry represents a vital component of some provincial economies. In the cases of New Brunswick and British Columbia, it amounts to almost half the value of all provincial manufacturing activity. The political importance of the industry is further heightened by the fact that it is frequently located in communities which are almost entirely dependent upon it for employment. At least 300 communities across Canada are one-industry forestry towns without viable options; that is why it is so important.

Forestry is Canada's major contributor to our balance of trade, outstripping the combined net contribution of mining, agriculture, fisheries and petroleum fuels. Sales of forest products, domestic and foreign, mean close to \$25 billion in trade for Canada annually. Forestry also stimulates other industries. It is the largest purchaser of manufactured goods in most of Canada's Provinces, the second largest purchaser in Quebec and the fourth largest in Ontario. The industry generates more than \$1 billion annually in taxes for the federal Government, and it produces another \$1 billion or more in taxes for the various provincial Governments. This does not take into consideration the millions of dollars paid out in municipal taxes. By recent estimate, just 1 per cent of the forest land base may contribute up to 3,000 jobs and \$20 million in provincial tax revenue. In light of these figures it is surprising that warnings about potential threats to the industry have been ignored by the Government.

By the 1970s, a number of structural weaknesses in the industry became evident. New pulp and paper products, particularly in the southern United States, began to compete effectively in traditional Canadian export markets. Their access to lower labour, production and resource costs, plus a wood supply that regenerates itself more quickly, meant that these producers had a considerable price advantage. Also during the 1970s studies suggested that Canada's economically exploitable forest resources were much less plentiful than expected. A lack of long-term planning had resulted in insufficient forest protection and poor use of some timber species. In addition, poor harvesting techniques and rudimentary silviculture practices meant that more potential usable timber was wasted and that reforestation did not keep pace with harvesting.

In eastern Canada these problems were compounded by outdated capital equipment in the pulp and paper sector which wasted energy, caused pollution and required labour intensive production techniques. Also, low profit margins and low