

grounds by greedy nations also contributed to that situation. Destruction of the forest contributes to the destruction of our wildlife, fish and water resources as well as to the destruction of recreational facilities and land. It contributes to the greater devastation of forests when fire strikes.

● (1610)

Many who spoke before me spoke about the need for better management of the forests in order to protect them. For example, there should be a better expenditure of funds on forest roads. That is important. As well, we need a strong program to educate our young people. There are many of my generation who will never learn that unless they respect each tree of the forest, they will not respect them all. The roads that have been constructed and which give easy access to the forest today also contribute to the destruction of the forest through greater incidents of fire and theft of wood. It may sound like a rather strange occurrence in Canada that someone would steal wood, but that happens all the time. For example, the Department of Natural Resources of New Brunswick loses thousands of dollars each year in stumpage fees because of stolen wood. I am sure it happens in other Provinces as well.

I will conclude so that more Members will have an opportunity to participate in this debate. I reiterate my support for a federal Department of Forestry or federal Ministry of Forestry with a full-time Minister who will co-ordinate and plan with the Provinces if they agree to do so in order to enhance the reforestation and the re-establishment of the wealth of forests that once were Canada's.

**The Acting Speaker (Mr. Corbin):** Questions, comments, debate?

**Mr. Fred McCain (Carleton-Charlotte):** Mr. Speaker, there is probably a little under-estimation of the value of the forest industry. Canada's forest industry contributes to our balance of trade, more than agriculture, mining, oil and gas all put together, more surplus than they do in our trade balance. It should not be correlated merely to the auto trade imbalance, but must be recognized as the greatest contribution that we have to our favourable balance of trade. I repeat what the Hon. Member for Northumberland-Miramichi (Mr. Dionne) said. It is indeed fact that, relatively speaking, the forest industry to New Brunswick is of more economic importance than it is to the Province of British Columbia, which happens to have a multitude of other resources contributing to its GNP, many more than we have in New Brunswick. I would like to read some remarks I made some time ago with respect to the forests.

It was of little consequence 300 years ago that insect or disease infestation might wipe out wide areas of a particular species. With or without probable fire, nature would then replace a dead species with another. Maybe spruce would be followed by white birch and poplar, in turn to be replaced by other varieties familiar to all of us. Pine, maple, spruce or birch forests were never in one area in perpetuity, and the supply of all species was never constant in any century. Nature

### *Supply*

followed its own course. Budworm damage was then of no particular consequence. It ate itself out of house and home and starved to death. It would do the same today, in this century.

Federal Government participation in forestry as it relates to New Brunswick has been in the University of New Brunswick, the Acadia Research Station, in the research area of forestry associated with the University, and it has indeed made a contribution, but there must be a greater contribution made. I am not particularly critical of the historic conduct of the forest industry because that industry operated within a different sphere than the industry which is operating today. It operated in a sphere of over-supply of product in a viable location for the viable operation of lumber mills, pulpmills and so on.

That era in New Brunswick disappeared in 1970 or thereabouts. With encouragement from Government and with the proper investment opportunity which existed, new operations opened in New Brunswick which then reached a level of consumption which absorbed the production of our forests in total. Unfortunately, at about the same time the budworm had made an infestation in our forests which reduced our annual growth and reduced our available supply of wood. I want to give you an idea of just how that supply is balanced at this moment in time.

All told, the wood supply available annually for the New Brunswick industry on a sustainable basis totalled 7.9 million cubic metres annually. The softwood supply from small freehold totalled 1.7 million cubic metres, from large freehold, 1.4 million cubic metres, from Crown, 4 million cubic metres, and the net import/export amounted to .8 million cubic metres, for a total of 7.9 million cubic metres available to the industry.

How well do softwood demand and supply balance? The balance between softwood demand and supply in New Brunswick is extremely tight. The 7.9 million cubic metres available annually will meet the average annual consumption levels of the existing softwood industry on a continuing basis. The forest could not sustain the industry if it operated continuously at its maximum capacity of 8.8 million cubic metres annually.

The annual demand must be matched by an annual supply both in terms of total volume and in terms of the quality of raw material. While a major portion of the total demand is in the form of pulpwood, which has a relatively low quality requirement, sawmills require about 30 per cent of the total roundwood volume, and this must be in logs that are of a size and form suitable for conversion into lumber.

Based on present sawlog specifications, the current sawlog harvest cannot be maintained in the future. This is a chronic problem. The custom of high-grading the forest for the highest quality components began with the exploitation of white pine and has continued ever since with an inexorable decline in the quality of material available at each successive harvest. The balance between demand and supply for raw materials to the forest industry indicates that, in terms of quantity, New Brunswick can maintain its present softwood industry, but that there is no room for expansion. New Brunswick is harvesting quality material faster than it is produced in the forest. Please note, Mr. Speaker, that New Brunswick is harvesting material