

*Oral Questions*

management share the accountability as well as the decision making.

Unions cannot have authority without accountability. Management cannot assume accountability without corresponding authority. Unions should invest the millions of dollars in strike funds into company shares. Workers should be encouraged to share in the losses as well as the profits.

Let us work together for better labour relations. Let us all work together for a stronger Canada.

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**PUBLIC SERVICE ALLIANCE**

**Mr. Rod Murphy (Churchill):** Mr. Speaker, despite what the last member said and despite the unjust attitude and contempt the Conservative government has shown to federal government employees, the Public Service Alliance held a large peaceful demonstration on Parliament Hill today.

Yet, while demonstrators were singing the government tried to provoke a confrontation. As the hour-long demonstration was coming to an end, riot police were paraded out. Daryl Bean and the alliance leadership asked the members to resist the temptation to react. They listened to their leadership.

The question that must be asked is: Why did the government deliberately try to provoke a confrontation?

**ORAL QUESTION PERIOD**

[English]

**TRADE**

**Hon. Jean Chrétien (Leader of the Opposition):** Mr. Speaker, my question is for the Prime Minister.

In 1986 the government, under pressure by the Americans, imposed a 15 per cent tax on Canadian softwood lumber exports. In spite of the free trade deal, signed more than two years ago, the government took off this tax only a month ago, last month. Now the Americans are threatening to retaliate with a new 15 per cent tax on Canadian lumber.

We understand that the Prime Minister discussed this problem while he was with the President of the United States in Kennebunkport in the month of August. We would like to know from the Prime Minister, if he discussed that with the president, what kind of commitment he received from the President of the United States?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, I informed the President of the United States of our intention to terminate the MOU, that all of the requirements had been satisfied, that the Canadian national interest and the requirements of international trade law justified the decision, and that the Government of Canada proposed to implement it.

[Translation]

**Hon. Jean Chrétien (Leader of the Opposition):** Mr. Speaker, the answer given by the Prime Minister is not satisfactory because, at this time, as the Prime Minister is well aware, they had managed in Quebec to bring the tax down from 15 per cent to 3.5 per cent. Every night on television they show plants being closed in this sector, in the Lac-Saint-Jean area and the Gaspé, in Mauricie, in Abitibi and the Eastern Townships. Can the Prime Minister give the House the assurance that there will be no new 15 per cent tax that would create absolute havoc in the lumber industry in the province of Quebec?

• (1520)

[English]

**Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade):** Mr. Speaker, as the Prime Minister has said, we believe that the memorandum of understanding has served its purpose. It provided some relief from a very emotional trade dispute at the time that the MOU came on.

We have seen the provinces during this period put in a number of replacement measures to reduce or, in some cases, eliminate the export tax itself. Now we believe that it is time to get the trade and softwood lumber products back on to the normalized trade relationships, and that is our intention right now.

**Hon. Jean Chrétien (Leader of the Opposition):** Mr. Speaker, we would like to know from the government if it has a commitment from the President of the United States when the question was raised with him in August,