

*Government Orders*

• (1620)

Along with these losses one has to look at another ancillary loss, legal costs. Comprehensive land claims in British Columbia result in legal costs to governments, companies and native organizations estimated by Price Waterhouse at about \$5 million a year.

In 1987, it is important to note, forestry, logging and wood products, manufacturing and pulp and paper manufacturing accounted for about 30 per cent of the GDP of the goods producing industries of the province of British Columbia and about 10 per cent of the province's GDP. In 1988 the industry was responsible for 87,000 direct permanent jobs representing about 6 per cent of total employment in British Columbia. The multiplier effect creates at least two more jobs for each direct job. Thus 261,000 jobs in British Columbia can be attributed to the forestry industry, 17 per cent of the total provincial workforce.

Mining, oil, gas and related manufacturing account for about 15 per cent of goods producing GDP and about 5 per cent of the provincial GDP. This is half the size of the forest industry in terms of GDP contribution.

We must note the Price Waterhouse study was completed over five years ago in March 1990. A lot has happened in the resource industry and on the land claims front since that time. However the one thing that has remained consistent is the need to establish certainty in the province of British Columbia through the negotiation and settlement of land claims.

The study conducted by Price Waterhouse involved leaders in the mining and forestry industries including senior executives, presidents and vice-presidents of companies, as well as general managers, chief foresters and managers of exploration and woodland operations. This is a critical point to understand the real impact of the lack of certainty on the land claims front to resource development and the impact the study has had in the industry. It signals the very broad recognition by industry from the boardrooms out to the field. The issue cannot be more emphatic. The settlement of land claims is long overdue.

Price Waterhouse reported that unresolved, comprehensive land claims generate uncertainty to companies operating in British Columbia, as I have already mentioned. I will mention it again to emphasize it for third party members and get through to them that it is an important factor.

Factors creating this uncertainty include the right of access to land and resources. For these companies the most important factors affecting the premium include future uncertainties regarding the outcome of injunctions related to land ownership or access, the possibility of production disruption, and future considerations regarding royalties and taxes.

The respondents to the Price Waterhouse survey generally agree that companies, employees and governments all pay the cost of uncertainty related to comprehensive land claims. The survey respondents also agreed that generally the higher cost could not be passed on to consumers because the resource sectors in British Columbia sell on world markets and are price takers. None of the respondents reported having considered compensation for comprehensive claims when applying for federal-provincial government funding. Very few respondents actually reported having applied for government incentive programs in the past.

• (1625)

These are very real concerns in resource based sectors in the province of British Columbia that consequently the economic stability not only of that province but the rest of the country as well.

There has been considerable action on the claims front since the study was done. The province of British Columbia has entered into the negotiation process and over 47 nation groups in the province of British Columbia have submitted statements of intent to negotiate.

The federal government is committed to resolving the uncertainty issues caused by the lack of treaties in B.C. The tabling of legislation for the creation of the B.C. Treaty Commission is one step toward the resolution of uncertainty.

There is no doubt in anyone's mind that the Price Waterhouse numbers demonstrate a clear and resounding indication of the impacts and the costs associated with not resolving land claims in the province of British Columbia.

We know we are losing over \$1 billion in investment and over 1,500 jobs in mining and forestry. The door is open to resolve the land claims issue, to achieve certainty and to move forward. We must act. The opportunity is here today with the B.C. Treaty Commission legislation.

**Mr. Darrel Stinson (Okanagan—Shuswap, Ref.):** Mr. Speaker, I listened to the hon. member's comments with regard to the issue.

A number of bands in B.C. have not agreed and have refused to sign on. They are actually arguing with other bands over who has what lands. Yet the member is saying to go ahead and spend the money with no commitment from the other bands. I do not understand this at all. It will be an ongoing argument between the bands and there will be no settlement.

He blames this for impeding industry. It will impede industry. I will not disagree with that. It will not impede industry as much as the government has since it was elected. The government's regulations have tied up mining far tighter than any land claim agreement. Even the mining and logging industries would agree with that.