

Let us consider some of those fronts. In recent years maritime potato farmers have had their access to the U.S. market threatened by an anti-dumping action. The U.S. Department of Agriculture is currently considering a proposal which would reduce by more than one-half the number of customs ports on the Maine border through which potatoes can be exported. This action is transparently protectionist in its intent.

Canadian hog farmers are faced with a countervailing duty on their exports to the U.S., a measure which depresses prices for all sales on the Canadian market, thus reducing returns to the farmers. There is not only that to consider but one of the states, the State of South Dakota, has arbitrarily imposed what amounts to an outright embargo on the imports of Canadian livestock into that state.

Manufacturers of food products containing sugar have had their access to U.S. markets severely curtailed by quotas. British Columbia raspberry growers have been hit in succession with anti-dumping duties, the threat of countervailing duties and an assessment imposed by the State of Washington. Over the years our beef producers have had their access to the U.S. market curtailed as a result of trade restrictive action under the U.S. Meat Import Act.

As regards lumber, Members of the House are all too aware of the intensity of the protectionist pressures in the U.S. aimed at restricting our access to a \$3 billion per year export market. These threats are not new. In recent years our lumber exports have been subjected to two investigations by the U.S. International Trade Commission, and yet another one, of extraordinary complexity, by the Department of Commerce. None of these investigations by U.S. agencies under U.S. laws provided any substantiation for the persistent myth that Canadian lumber exports are subsidized. They all found there was no subsidization and that Canada was trading fairly.

This Government came to office a year and one-half ago determined to put our relationship with the United States on a better basis. The record is one of solid achievement. Trade featured prominently in the Prime Minister's discussion with President Reagan in Quebec City. The trade declaration which was released one year ago today reflected a firm commitment to halt protectionism in cross-border trade in goods and services and established an ambitious work program aimed at reducing and eliminating existing barriers to trade. While protectionist pressures are strong in both countries, both Governments can take some satisfaction over a creditable performance in avoiding introduction of new trade barriers.

In addition, we have made some progress in resolving irritants and removing impediments to trade. For example, we have made fundamental changes in foreign investment policy and the national energy policy. The U.S. has moved to terminate restrictions on exports of oil to Canada permitting a more rational allocation of energy resources. Both Governments have taken action to eliminate tariffs on computer parts. This record of achievement provided the basis for the Government's decision, announced in the House by the Prime Minister last September, to pursue a new trade agreement with the United States.

Supply

I would suggest that the resolution we are debating today is evidence that the "New Dinosaur Party" or, if you will, the "New Demagogue Party" is desperately trying to have it both ways. They accuse us today of not doing precisely what they attacked us for doing yesterday, trying to secure and enhance access for all Canadian exports to our most important export market.

● (1230)

Maybe a good sign, from which I can take some encouragement is that Members opposite are waking up to the fact that the constant threats of trade restrictive action are extracting a heavy price, not only in the legal costs to defend against these actions but in the investment climate in Canada. May I also take it that this resolution reflects a belated recognition of the fact that we need a better set of rules for the conduct of our trade and economic relations with the United States, or is that too much to assume?

I might add that the protectionist threat extends beyond lumber and agriculture. Other products currently threatened by trade restrictive actions include fish, shingles and shakes, castings, fork-lift arms and uranium. The Government is taking each of these threats seriously and is working closely with the affected producers and provincial Governments concerned to safeguard our access to the U.S. market.

Let me talk for a few moments about the specific threat posed to lumber by Bills before the U.S. Congress. My colleague, the Minister of State for Forestry (Mr. Merrithew), will discuss other aspects of the lumber issue. It is quite obvious that Bills now under consideration in the U.S. Congress would, if implemented, impose unacceptable costs to the Canadian economy. Indeed, they could imperil the whole Canada-U.S. trading relationship. I can understand the basis for the concerns of the U.S. Congress, and my hon. friends have alluded to that.

The American lumber industry has experienced a protracted period of unprofitable operations. The result has been closures and layoffs. These problems are not unique to the U.S. There have been shutdowns and layoffs in Canada too. Only a market turnaround will provide a solution to that problem. In this environment, it is easy to understand the concerns of the U.S. Congress for the American lumber industry. What I cannot accept is that Canadian lumber should be made the scapegoat.

Our access to the U.S. market has been bought and paid for in previous rounds of multilateral trade negotiations. It has taken time for Canadian producers to establish their position in the States. They have done so by being competitive and providing a product the customer wants.

There are now about a dozen Bills before the U.S. Congress designed to restrict entry of Canadian softwood products. The one that is the most serious threat is the one introduced by the representative from Florida, Mr. Sam Gibbons, the Chairman of the House Sub-committee on Trade. The Gibbons Bill is most likely to be rolled into an omnibus trade Bill.