

Supply

(b) (i) 1981—61.8 per cent, (ii) 1982—67.2 per cent, (iii) 1983—83.8 per cent, (iv) 1984—61.4 per cent, (v) 1985—(first three-quarters)—58.5 per cent.

(c) (i) 1981—\$280,152, (ii) 1982—\$407,415, (iii) 1983—\$433,203, (iv) 1984—\$381,559, (v) 1985—(first three-quarters)—\$236,739 (subject to audit).

[*Translation*]

Mr. Hudon: Mr. Speaker, I ask that the remaining questions be allowed to stand.

Mr. Speaker: The question enumerated by the Parliamentary Secretary has been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

• (1110)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 82—CANADA-U.S. FREE TRADE—
RESCINDING OF EXISTING COUNTERVAILING DUTIES

Mr. Nelson A. Riis (Kamloops—Shuswap) moved:

That this House urges the Government not to proceed with any free trade talks with the United States Government unless that Government rescinds existing countervailing duties and guarantees that such duties will not be used in the future, given the current threat of U.S. countervailing duties in the Softwood Industry—an industry in which free trade now exists.

He said: Mr. Speaker, in the last few weeks we saw the role that Parliament has played in dealing with the former Minister of Regional Industrial Expansion, the Member for York—Peel (Mr. Stevens). As a result of persistent questioning on behalf of Members of the Opposition, we finally saw a move toward justice in this country.

I believe we have another opportunity for the House of Commons to play a significant role in the pending free trade discussions that begin next week. On the eve of these talks, one of our largest and most important industries in Canada is about to enter a crisis situation. The forest industry of Canada is a \$26 billion a year industry which employs 300,000 people directly and another 700,000 indirectly. We are talking about one million people in this country who are employed in an industry that earns more foreign exchange for Canada than agriculture, the fishery, mining and the automobile industry combined. It is a major industry of immense proportions which contributed \$11 billion to our balance of trade last year.

Currently we are witnessing one of the biggest con jobs ever perpetuated by the Government on the people of Canada. It is a sell-out of the major industry and a sell-out of the regions of Canada for the sake of the industrial heartland. We are witnessing the traditional heartland-hinterland thesis unfold again in our country. The Prime Minister of Canada (Mr.

Mulroney) and his cohort, the President of the United States, have either been making deals which will prejudice the forest industry or the Prime Minister has naively believed President Reagan when he says not to be concerned because the forest industry in Canada and the United States will be dealt with to everyone's satisfaction. Anyone who believes that probably believes in tooth fairies as well.

In the last number of hours the coalition of forest industries in the United States has begun the process of launching a petition to the International Trade Commission and the Commerce Department that, if successful, would result in a countervailing duty amounting to \$53.65 U.S. per thousand board feet in Canada. Today, wood futures are trading on the Chicago Mercantile Exchange at \$184.50 U.S., SPF-1. The tariff on our exports of softwood lumber to the United States would be 29.1 per cent, which would mean the end to vast areas of the forest industry in Canada as we know it today, particularly in British Columbia which is the main source of softwood exports to the United States.

Where do Members opposite stand on this issue, particularly those from lumber producing constituencies? The United States is about to launch a countervailing duty on our lumber exports that will literally close down dozens of mills across the country, the majority of which will be in central British Columbia. We are seeing a catastrophe unfolding. This industry is represented in Atlantic Canada, Quebec, Ontario, parts of the prairie provinces and the West Coast of Canada. The industry is experiencing unemployment levels of 25 per cent to 35 per cent right across Canada. Thank goodness we have an Opposition Day on which we can debate what is taking place in order to show Canadians the con job that is being perpetuated and how this industry is being sold out. This is taking place on the eve of free trade talks next week.

While our negotiators supposedly enter into preliminary discussions toward free trade, the United States forest industry, with the support of the U.S. administration, is moving against an industry in which free trade has existed for half a century. Our industry is able to compete so well in the free market that our producers are able to log and mill our lumber in northern British Columbia and export it as far south as Georgia and outbid them.

Mr. Brisco: Ask why.

Mr. Riis: Somebody says to ask why. One reason is that the companies in Canada have modernized their mills. They have invested heavily in the mills of British Columbia, whether they are in Clearwater, Kamloops, Merritt or Salmon Arm. They have modernized their mills at tremendous expense in order to make them some of the most competitive sawmills in the entire world. This modernization has taken place at a very large cost to the workforce in our country because 20,000 IWA workers in British Columbia alone have lost their jobs. In my constituency, 500 people are no longer employed in the forest industry as a result of the technological change that has occurred through modernization of our sawmills.