

Point of Order

[Translation]

Mr. Prud'homme: Mr. Speaker, I know many of my colleagues will not agree with me. I listened closely. First I read with great attention the comments made by the Hon. Member for Kitchener (Mr. Reimer). I listened to his comments. I must tell him that on behalf of all our fellow citizens who today have felt hurt in Quebec—please, I knew that not everyone would agree, but throughout the day people on the “hot lines” as they are called in Montreal, did nothing else but comment on this question—but I listened closely to the comments made by the Hon. Member and I think that, in that spirit of co-operation and mutual understanding in Canada, we should now consider the matter closed.

[English]

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, as the person who initiated the Question of Privilege this morning which I thought reflected upon this Chamber and all Hon. Members of the House, I want to say that I appreciate the Hon. Member for Kitchener (Mr. Reimer) rising and in an unqualified way withdrawing the remarks he apparently was alleged to have made and apologizing to the House. I thank him for that and hopefully this will be the end of the matter.

[Translation]

Mr. Speaker: I believe the matter is closed. Thank you.

● (1640)

GOVERNMENT ORDERS

[English]

SOFTWOOD LUMBER PRODUCTS EXPORT CHARGE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Miss Carney that Bill C-37, an Act respecting the imposition of a charge on the export of certain softwood lumber products, be read the second time and referred to a legislative committee, and the amendment of Mr. McDermid (p. 2601).

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, I rise again to address the question of the Government's capitulation in the case of the softwood lumber agreement. In listening to the speeches that have been made in this debate I have been struck by the number of exceptions, inconsistencies and evidently unforeseen consequences that have been instanced by Members of this House as flowing from the now notorious agreement. Indeed, after we have reviewed not just the text of the agreement but the text of the letter that was sent by the United States Trade Representative to the President of the Coalition for Fair Lumber Imports over the signatures of the Secretary of Commerce and the U.S. Trade Representative, Mr. Clayton Yeutter, I believe we can only be astounded that the Government of Canada would have signed

such an accord. It is an accord that apparently places such power over our economy and our softwood lumber industry in the hands of a foreign Government, albeit that of our greatest and principal trading partner.

I think it is instructive to quote a part of the statement, the asseverations made in the letter and instance how our Government really has no response to them. It is stated in the letter:

—nothing in this agreement will prejudice the consideration by the Department of Commerce of a petition on behalf of producers of products not enumerated in the Understanding. We would not consider such a petition to be inconsistent with the agreement or its enforcement.

This brings me to a point upon which I was developing and expanding in my last speech on the question of the softwood lumber agreement. What about the situation of Canada's pulp and paper industry? What is there in the present agreement to prevent American producers of newsprint, of pulpwood, from bringing a similar sort of petition to the U.S. Trade Commission and pleading that because Canada has conceded *de facto* the point by signing the softwood lumber agreement that in fact stumpage rates in Canada constitute a subsidy to the pulp and paper industry and therefore not only could but should be countervailed?

Amazingly enough, as a result of the signing of this agreement the Government has actually strengthened the hand of some American industries in possible future countervailing duty protections and countervail actions. I think Hon. Members will agree that it is astounding that the Government would have signed such an accord, an accord which, essentially, has nothing in it to say that it would not set precedents that might be cited before the Trade Commission of the United States or, indeed, any trade commission that Canada might set up.

We have heard the Government talk about the effect of retaining the money in Canada. I think everyone would agree that there is some definite benefit to retaining this money in Canada. However, the sum of \$600 million or so that is projected in fact constitutes more than the entire profits of the softwood lumber industry over the course of a year. Obviously, the tax which our Government as opposed to the American Government will collect puts a tremendous strain on the margins of that industry.

Let us consider the ways in which Canada will be constrained and tied down in the expenditure of this \$600 million. We have heard it said that the American Government would consider almost any measure to aid the forest industry from the results of that tax as being something that could be again the basis of a petition. It is instructive to quote the actual statements made in this amazing letter from the United States Trade Representative to the industry representative. It states:

—we would consider that the follow-up actions by the governmental bodies in Canada—

—as if we did not have Governments like any other country—

—could have the effect of offsetting or reducing the export charge or replacement measures within the meaning of paragraph 6 of the Understanding.