

it is a breach of the law to be making such things and to be wearing those things.

I have no idea why the government delayed so long. I am thoroughly convinced that had that not occurred we may not have to be speaking in these terms. We may not even have to be talking about a race relations foundation. It is a very unfortunate situation.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion.

Some hon. members: Agreed.

Motion agreed to, bill read the second time and referred to a legislative committee.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Mrs. Coline Campbell (South West Nova): Madam Speaker, it is my first opportunity to rise and congratulate you on your appointment. I know it is late but I do wish you well.

On November 28, 1989, I rose in the House and asked the Prime Minister what action he planned to take regarding amendments to the Magnusson Act which had recently been enacted by the U.S. Congress. This law restricts the importation of certain sizes of lobsters, a size that is larger than a lot of lobsters caught for export in Canada.

The Prime Minister told me that he would be dealing with the issue on an impending trip to Washington to see President Bush. In answer to my supplementary question, the Minister for International Trade assured me that the President would be asked to veto the legislation. As it turned out, the president did not veto it, disrupting another sector of the already beleaguered Atlantic fishery.

Adjournment Debate

As a result of these regulations, Canadian lobster exporters were left without their prime retail market, worth some \$30 million annually. In turn, prices plummeted. In southern Nova Scotia, they fell to \$2.50 a pound from \$4.50, from the same time the year before. In the Gulf of St. Lawrence, it was worse, they fell to \$1.75 per pound. Many lobster fishermen will not be able to survive such prices.

Apart from the obvious hardship these regulations impose on lobster fishermen, the government's handling of this issue has further educated Canadians on the application of the free trade agreement, the lesson being that Canadians will have to learn to accommodate U.S. trade law and that we cannot expect this government to stand up to the Americans and protect our legitimate economic interests.

Further, the free trade agreement does not provide the security of access that the government promised Canadians during the last federal election campaign. When the president declined to veto the new size, the government immediately sought a reference to a binational dispute settlement panel, under Chapter 18 of the free trade agreement.

Given the immediate economic effect of the offending size regulations, an accelerated schedule of deliberations was agreed to. In sum, the government's argument to the panel was the Americans had not enacted the size restrictions for conservation purposes, but rather as a way to restrict Canadian imports and thus protect their own industry. This is an interesting turn of the tables, when you remember the arguments presented to a similar Chapter 18 panel last year on the subject of Canadian rules regarding the processing of west coast salmon and herring.

As we found out last Friday, the final decision of the panel was in favour of the United States. Its management regime was endorsed, and the result was the same as last year: Canada lost. But the reasons were reversed. This time the American conservation regime was upheld and the economic result was also the same. The Canadian industry and workers have been harmed and left with an uncertain future.

How can we explain this decision? How do we explain the apparent inconsistency with the logic of the earlier ruling? True, our government and the United States can now enter a 90-day period wherein the two governments can negotiate a settlement. It is only fitting that this government would take solace with the prospect of more