

Premier's Statement on Softwood Lumber
Legislative Assembly, Victoria, B.C.
March 25, 2002

I rise today to speak about the brutal decision that was made last week by the U.S. Department of Commerce to impose a 29 per cent duty on our softwood lumber exports.

It is a punitive and outrageous action that will have heavy impacts on every single citizen of the province of British Columbia. It has also generated fear and frustration in communities across our province. But I want all British Columbians to know that we are going to fight that decision legally, politically and persistently, and we are going to win.

That duty is not just an assault on working families and forest communities across our province; it is the most serious threat to Canada-U.S. relations in our time. It is imposing a protectionist solution on the largest single trading initiative in the world. A government that claimed to be for free trade has turned the clock back to protectionism, and our challenge and our task is no smaller than to get that government in the United States to look forward again, to think of their consumers, to think of their workers and to know that we will not sacrifice our jobs in this province to a small, protectionist band of lumber barons in the United States.

The president of the United States is currently going through Latin America and espousing the benefits of free trade. Words mean nothing. There's only one thing that counts: action. The government of the United States failed. They failed to stand up for the principles which they espoused, and I want this House and the people of British Columbia and Canada to know that we will not fail to stand up for the principles that we espouse: free, open access to the American markets and to all markets to benefit all workers in all jurisdictions.

The lumber barons are fairly brazen about how competitive they are. They're afraid of competition. They're afraid to stand up to the quality of our product, to the quality of our workmanship, to the quality of our workers in the province of British Columbia. I know that as we move forward together as a province and as a country, those lumber barons will fail. Their protectionist measures will fail, because we intend to harness not just the talents of Canada and the provinces and British Columbia but the talents of customers, of trade unionists, of builders, of workers in the United States that say it's time for the American government to put the interests of the public first, not those of a small minority of lumber competitors that are not able to compete in the world of today. We will defeat them.

What makes this most frustrating, I'm sure, to workers across our province is that in the wake of Sept. 11, Canadian families from across this country reached out to help their American friends. They understood that when your friend is in time of need, you reach out and you help. The very families whose jobs are in jeopardy today are the families who were holding bake sales so they could send resources from their community down to the people in New York to offer support. They reached out. Now our best friend has decided to slap those families in the face.

Hon. Speaker, that is not good enough. It's not good enough for us, it's not good enough for the American people, and it's not good enough for the workers in the province of British Columbia.

We must move forward and demand not just a fair deal, but a square deal for the people of our province, for the workers of our province. I intend to work with the Canadian government, with other provincial governments, with industry and with the IWA to make sure that we speak with one united voice. I can tell you this, hon. Speaker: everyone who was there, everyone who was part of this negotiation, has said that the strength of the Canadian side was that we spoke with one voice. The fact that there was not the political courage to stand up to a small lobby in the United States was not the fault of the Canadian negotiators; it was the fault of a political system in the United States that did not have the courage to stand up to lobbyists in an election year.

One of the things we have to do now is map out a course that takes us through the next months and the next years to make sure that when we do win this case — and we will win this case — we have maintained and protected our valuable resource: the workers of the province of British Columbia.

I want to outline a number of initiatives that the government will take over the days and weeks ahead to try and deal with this issue. First, I am going to call an emergency summit on softwood. It will bring together the forest industry in British Columbia, the IWA, provincial and federal governments, and representatives of provincial and federal parties.

I believe every British Columbian should understand this: this is not an issue upon which we are divided politically; this is an issue that we are united on. We are united behind the workers and the communities in this province. We are united behind a solution, and by being united, we are going to win this.

The aim of the summit will be to come up with a comprehensive and co-ordinated strategy that is reinforced by each of those sectors: by industry, by other provinces, by the federal government, by the IWA and by our own provincial government.

Second, we will continue to work with the federal government to discuss options to create immediate relief and support to help forest families through this difficult period. I want to stress that we have been working with HRDC (Human Resources Development Canada) for some time to deal with the challenges that are faced in transition as we go through the difficult policy changes that we're all going to face in this province in forestry, if it's going to become more competitive.

I talked this morning and this afternoon with the prime minister and with the minister of trade, the Hon. Minister Pettigrew. They are aware of the fact that we are going to continue to work with HRDC to try and focus our best efforts on providing the families and forest industries and forest communities across this province with the kind of support that they can expect and deserve.

I want to be clear about one thing, though. We do not believe in subsidizing businesses. This is about protecting families, and as we move forward and we develop and finalize the strategy for doing that, it is important for us to remember and to keep our eye focused on those families. It is very difficult to win an argument that says we do not have a subsidized industry if we go out and subsidize the industry. I think most people understand that, including those in the industry. Our goal is to try and be sure that families have a sense of support, not just from the government of Canada but from the people of British Columbia as well.

We will carry on with our fights at both the WTO (World Trade Organization) and the NAFTA (North American Free Trade Agreement) panel, which has recently been appointed. No matter how long it takes, we will pursue that endeavour. We will move it as quickly as we can. Let's make no mistake, Mr. Speaker: the challenge we face will remain that lumber lobby that tried to hold us up through this last negotiation. The challenge will remain that lobby. They will try and delay, they will try and put off, and they will try and hold up any proceedings that we undertake. We will act as aggressively and proactively as we can to make sure that this is resolved as quickly as possible, because we know that when our case goes to the WTO and to NAFTA, we are going to win. We are going to have the access to those markets that our workers and our communities deserve.

It's necessary for us to understand that we are also going to have to fight this politically. I noticed that on the weekend the IWA met, and they were going to be dealing with some of their friends in the United States. We intend to work with them. We intend to work with our industry. We intend to work with other governments. But we intend to take our case to the consumers in the United States. Thousands and thousands of homeowners are going to have homes put out of their financial reach because of this protectionist decision by the Department of Commerce in the United States. We're going to talk to them. We're going to talk to the builders who want to use our products because our product is best. We're going to bring them together, and we're going to focus on the very, very important concerns that people will have across the economy in the United States.

At a time when we're all trying to turn our economies around, housing was leading. Now, because of this protectionist measure, it is a tax on housing in the United States. It is a tax on home ownership in the United States. It is a tax on homebuilders in the United States. We want to make sure that those people understand the impacts of their government's decision on their lives, because we believe they are on our side.

Now, some may say, Mr. Speaker, that we should have launched this earlier. You'll recall that we did have discussions in the house about the issue of softwood lumber last August. We pointed out that we did have a strategy that was set in place to carry that political message home to the American consumer, to the American homebuilders. I have had calls today from members of the American homebuilders association saying that they are there with us; they are there for us as we move forward.

After Sept. 11 we decided not to do that, and I believe that was the right decision. We should remember that it's not our customers that are the problem; it's the lack of political will

and the lobbyists in the United States that are the problem. Those are the people we have to defeat in this endeavour.

We will continue to work with all concerned to make our forest industry more competitive. We must carry on with our efforts to modernize our forest industry, to eliminate unnecessary regulation. We must carry on to look at tenure reform in the province of British Columbia. We must carry on to look at reforming our stumpage system, as we said to British Columbians that we would prior to the last election. We must carry on to work with First Nations so they can have the benefits of the forest industry that all other British Columbians share and look forward to. We must carry on to develop a more competitive foundation upon which to build our forestry future in this province.

I want the word to go out across the province to each of those forest workers that in the province of British Columbia, forestry, the forest industry, is a sunrise industry with a bright future ahead of it, and we're going to work together to make sure we deliver on that.

We will work with our industry, with our workers, to diversify and expand our customer base. In the fall we visited Shanghai, in China, and started the long process of opening up that vast, vast marketplace to B.C. softwood. We have opportunities in the subcontinent, in India, to equally expand the marketplace for our softwood lumber. We have opportunities in Europe.

Remember, if we've learned one message over the last few days, it's that you cannot rely on your American customers to play by the rules. You cannot rely on our American customers to treat us fairly. So we must rely on ourselves to go out and build new customer bases, build new customer opportunities and expand our market share in other marketplaces. Again, working together, not just with our federal government but with forestry communities and with the forest industry across this province, I know we can accelerate the expansion of our market share in other jurisdictions, and we will work to do that with them, hon. Speaker.

Finally, let me say this. I understand the frustration that people feel. I understand the fear that many families are feeling right now. I understand the desire to be able to strike back or lash out and find some quick solution to this problem. Unfortunately, there is not a quick-fix solution to this problem. We are going to have to work together to find mutual support, to move forward and to speak with one voice. We should remember that in looking to save some jobs, we shouldn't lose others. I don't think we should jeopardize jobs in parts of the economy in the hopes that we can somehow bring the Americans to their knees.

Currently, in Canada and the United States, there is a \$90-billion benefit to Canada in that trading relationship. Eighty-seven percent of our trade goes to the United States; 25 per cent of their trade comes back. So as we look at all the opportunities as to how to pursue and how to go forward in this, I think we have to be careful that we don't jeopardize one segment or one sector of the economy at the expense of another.

What is equally important is that not one British Columbian or one Canadian lose track of the fact that the forest industry is the Number 1 industry in British Columbia. It has been throughout our history. It is today. It will be tomorrow. It will be a decade from now. Working

together, we can work through this adversity. We will succeed in our endeavours, and our forest families and forest communities will have a brighter, more secure future that they can all count on and depend on.

Hon. Speaker, I ask all British Columbians to join with us as we go through this time of trial. I want them all to know that we will do whatever is politically possible and whatever is legally necessary to make sure we secure access to the markets in the United States that rightfully belong to B.C. forest workers, B.C. communities and B.C.'s industry.

Thank you, hon. Speaker.

-30-