

Oral Questions

Mr. Nickerson: Is that the policy of the Liberal government?

Madam Speaker: Order, order.

Mr. Nielsen: Answer the question.

Mr. Baker (Nepean-Carleton): Rompkey sits in his seat.

Mr. Nielsen: No answer!

Mr. Epp: No answer!

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AUTOMOTIVE INDUSTRY

DEFICIT INCURRED IN AUTO PARTS TRADE

Mr. Derek Blackburn (Brant): Madam Speaker, my question is directed to the Minister of State for International Trade. In view of the fact that the auto parts industry in Canada is in very bad shape and once again has suffered a \$4.35 billion staggering deficit for 1981, which was even higher than the record for 1980, what immediate steps will the minister take to protect the Canadian auto parts industry, not only in Ontario but in Quebec and, indeed, in British Columbia?

Hon. Ed Lumley (Minister of State (International Trade)): Madam Speaker, while recognizing the importance of the question the hon. member posed, I thought he might have given recognition today to the trade figures which were announced for 1981 in which Canada had its second largest trade surplus in history.

Some hon. Members: Hear, hear!

Mr. Lumley: Also I would have thought that the hon. member would have congratulated Canadian manufacturers because one half of that export increase was in end products, which is the labour intensive side of the trade figures.

Some hon. Members: Hear, hear!

Mr. Lumley: With respect to his specific question concerning auto parts, as I said to his leader in reply to a question in the House on Friday, we are very conscious of the fact that the auto parts industry and the automobile industry in general are in serious trouble. We are working together with the United States of America to improve the North American share of the world market.

UNITED STATES EXAMPLE

Mr. Derek Blackburn (Brant): Madam Speaker, I do not know what the minister's answer had to do with the auto parts industry. He did not even refer to it until the last sentence. In view of the fact that there are 50,000 Canadians out of work in the auto industry in general, and that half those lay-offs are permanent, does the minister not anticipate or contemplate

doing exactly what the United States is doing, in that it is retrenching its auto parts industry around major auto manufacturers to protect its auto parts industry? When will the minister do the same thing for the Canadian auto parts industry?

Hon. Ed Lumley (Minister of State (International Trade)): Madam Speaker, I think the hon. member is conscious of the fact that the United States auto industry is in the same depressed state as the Canadian industry. As I said to his leader on Friday, one of the major moves we made last year, for example, was to obtain major export markets for the Canadian automobile industry, which includes Canadian parts. We obtained one contract in Iraq for over \$100 million for 13,000 cars. The second phase of that order was a 12,000 order option, with the 12,000 cars still sitting on a Halifax dock.

Mr. Blackburn: What does that do for the auto pact?

● (1430)

Mr. Lumley: I hear the hon. member ask what does that have to do with the auto pact. It increases jobs in the auto industry for Canadians and Americans, which the hon. member should know.

Mr. Blackburn: Why the deficit?

Some hon. Members: Oh, oh!

Mr. Lumley: Hon. members are very conscious of the fact that the North American share of the world market is down substantially, and the auto industry obviously has a responsibility to work with the governments to increase our share.

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TRADE

INCREASE IN JAPANESE EXPORTS TO CANADA

Hon. Sinclair Stevens (York-Peel): Madam Speaker, my question, in the absence of the Minister of Regional Industrial Expansion, is for the Minister of State for International Trade. Undoubtedly the minister noted the figures released by Statistics Canada today revealing the Japanese exports to this country are up 72 per cent in 1981 compared to 1980. Would the minister explain to the House why this situation has occurred when his colleague, the Minister of Industry, Trade and Commerce, assured the House there would be no such increase? Was the minister simply duped by the Japanese?

Hon. Ed Lumley (Minister of State (International Trade)): Madam Speaker, I do not recall my colleague, the Minister of Industry, Trade and Commerce, making that statement. I am sure that he did not.

Some hon. Members: Oh, oh!