

HOUSE OF COMMONS

Friday, November 26, 1971

The House met at 11 a.m.

ORAL QUESTION PERIOD

INDUSTRY

CANADA-U.S. AUTO PACT—ONTARIO PARTICIPATION IN NEGOTIATIONS WITH UNITED STATES—REQUEST FOR STATEMENT ON DISCUSSIONS

Mr. H. W. Danforth (Kent-Essex): I should like to address a question to the Acting Prime Minister, Mr. Speaker. Because of the tremendous importance of the automobile industry to the economy and job opportunities, especially in Ontario, and because Premier Davis has indicated that his government would strenuously oppose any negotiated changes in the pact that would or could result in loss of Canadian employment, will the Acting Prime Minister assure the House that representatives of the Ontario government will be invited to participate in these negotiations?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. I cannot, of course, give that undertaking but we would be very happy to have representations from the Ontario government at any time.

Mr. Danforth: Because of the public concern about this very serious problem, will the government not consider an early statement to the House dealing specifically with the manner in which these negotiations will be carried on as far as the provinces are concerned, whether or not there is now a relationship between the negotiations and the removal of the American surcharge against Canadian imports, and dealing specifically with the areas in the auto pact on which the United States seeks renegotiation?

Mr. Sharp: Mr. Speaker, I think I have made it plain on a number of occasions that the Canadian government is not negotiating the removal of the surcharge. The surcharge was imposed unilaterally by the United States. We are prepared to co-operate with the United States in dealing with common problems, but I can assure the hon. member that the auto pact is not a means of negotiation to get rid of the surcharge. The decision about the surcharge is one to be made by the United States in light of their whole balance of payments problem.

CANADA-U.S. AUTO PACT—STAGE OF DISCUSSIONS—ANNOUNCEMENT OF GOVERNMENT POSITION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, is the Acting Prime Minister in a position to inform the House at what stage the negotiations are now on the auto

pact, forgetting the surcharge question? The auto pact discussions have been going on for some time. Can the Acting Prime Minister advise when the government will be in a position to announce its position on the auto pact?

Hon. Mitchell Sharp (Acting Prime Minister): We have had a number of discussions recently with the United States at the official level, Mr. Speaker. There has not been an occasion recently for ministers to meet on the question, but it has been discussed at some length and in some depth by officials of the two governments. I cannot say when the question will be settled.

Mr. Broadbent: In view of the fact that Canada has had a net deficit in balance of trade figures in the automotive industry of approximately \$1,716.4 million during the auto pact years that is, from 1965 to 1971, would the Acting Prime Minister take steps to correct the profoundly erroneous impression left by the CBC National News last night at eleven o'clock when the auto pact was described as being "heavily weighted in Canada's favour"?

• (11:10 a.m.)

Mr. Sharp: Mr. Speaker, if it helps at all to say things in this House that become known in the United States, I thank the hon. gentleman for his comment which will help to correct that impression and I should like to endorse it.

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ENERGY

RECONSIDERATION BY NATIONAL ENERGY BOARD OF REFUSAL OF NATURAL GAS EXPORT APPLICATIONS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct a question to the Acting Prime Minister. Since trade negotiations are going on or should be going on with the United States, can he assure the House now that the decision made in reference to the export of natural gas, which forms part of the trade discussions or should be part of the trade discussions with the United States, was not brought about with any idea of retaliation? If not, will the government ask the National Energy Board to review its decision?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as the hon. gentleman knows—I think he was in the House when the relevant legislation was approved—the government cannot interfere in the discussions that go on or in the decisions made by the National Energy Board. If the National Energy Board had approved the export of gas, the Canadian government would then have been asked whether it approved. However, when the National Energy Board decides that there is not sufficient gas to permit export to the United States, that is a final decision of the National Energy Board.