

Oral Questions

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the right hon. gentleman says that yesterday we confessed a lack of regional economic development policy. That statement is utterly false and my right hon. friend knows it. I referred to the desirability of a free trade agreement with the United States precisely because it was instrumental in helping us correct some of the historic regional disparities in Canada. I do not know why the hon. gentleman persists in trying to mislead the House and mislead Canadians.

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THE ADMINISTRATION

REPORTED RCMP INVESTIGATION OF MEMBER OF MINISTER'S
STAFF

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, there are many serious questions about yesterday's statement that we want to pursue, but first I would ask the Minister to clarify reports that have been issued this morning about irregularities in her office. Will the Minister confirm or deny the report that a member of her staff is now under RCMP investigation? Will she tell us if, in fact, that report is true?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am advised that from a routine internal audit there was some suggestion of possible irregularities. That has been turned over to the RCMP for investigation. It would be inappropriate to comment further at this time.

QUERY CONCERNING NATURE OF INVESTIGATION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I respect the Deputy Prime Minister's answer, but could he give assurance to the House that the actions which are being investigated have no bearing whatsoever on the official functions, duties, and responsibilities of the Minister's office, considering the important and sensitive responsibilities in relation to the international trade issue before the House? Can we have those assurances this afternoon?

● (1425)

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I think the Hon. Member's comments are somewhat unrelated to the issue at hand. I can assure the Hon. Member that the RCMP will investigate the matter thoroughly and any recommendations which are brought forth, I am sure, will be taken under serious consideration.

AGRICULTURE

CANADA-UNITED STATES TRADE NEGOTIATIONS—IMPACT ON
DAIRY INDUSTRY

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is directed to the Minister for International Trade or to the Minister of Agriculture. This morning all Members of Parliament received an urgent note from the National Dairy Council of Canada. I would like to ask whether or not the Minister agrees with what the National Dairy Council said:

—in spite of commitment by the Government to the farm marketing boards and to supply management, free flow of dairy products from the U.S.A. into Canada will result in:

1. Substantial threat to Canadian manufacturers of dairy products
2. Probable destruction of the dairy farming industry
3. Serious loss of employment and employment opportunities for Canadians.

Does the Minister agree that this would be the consequence and impact of an across-the-board removal of tariff and non-tariff barriers on the dairy industry of Canada as the National Dairy Council is saying to us this morning?

Hon. John Wise (Minister of Agriculture): Mr. Speaker, I think I have dealt with this issue on numerous occasions across the country and, indeed, in quite detailed responses to questions yesterday during the Question Period and to a greater extent, perhaps, in a speech yesterday. There is a very clear commitment on behalf of the Government that the supply management systems which exist in this country will remain in place, and attached with that, if one understands the reasons and the history attached to the various marketing boards we have in this country, in order for them to continue to function in an efficient and effective manner as they have in the past, they would require the retention of certain underpinnings which are attached to them. So when I make those comments it is in recognition that if they are required to maintain a marketing board's efficiency and continued use on behalf of the producers, processors and consumers, then, of course, they will have to remain.

[Translation]

CANADA-UNITED STATES TRADE NEGOTIATIONS—IMPACT ON
DAIRY INDUSTRY

Mr. Lorne Nystrom (Yorkton—Melville): But, Mr. Speaker, this letter was written after the Minister made his speech yesterday. He did not respond to the question of the council. Even though he did not agree with dairy industry officials and milk producers, I should like to know whether the Minister is now prepared to give the House of Commons the proof that free trade will benefit dairy producers and the dairy industry. Can he prove this? Otherwise, why negotiate a free trade arrangement concerning Canada's dairy industry?

[English]

Hon. John Wise (Minister of Agriculture): Mr. Speaker, we are not negotiating that particular issue. We made it clear in the contents of the motion, we made it clear in this House and across the country on numerous occasions, and we will