

ORAL QUESTION PERIOD

[English]

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I have a question for the Deputy Prime Minister.

Yesterday President Clinton said that NAFTA was in trouble in Congress and that the talks on side deals were at a complete impasse.

When the government forced the vote in the House of Commons last month telling us there was no problem with the deal, was it because the Conservative government was incompetent to forecast what was happening or was it because the Conservative government was trying to mislead Canadian people?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I guess we are going to have the same sort of twisting of things by members opposite, but let me make it quite clear that what we have legislated is simply to prepare ourselves for a NAFTA by the implementing legislation that results in changes to 23 different statutes if the other countries do the same.

If the other countries do not implement their NAFTA legislation then the terms of the legislation says that the legislation we passed in the House the other day will not go into force. We are simply preparing for the agreement when it comes and we are confident it will come in spite of the comments of my friend opposite. We want to put our business people in a position where they can plan to take advantage of the opportunities that are there and ensure they will be there.

[Translation]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, that is really funny. The minister has good intentions; he would like businessmen to be able to plan in Canada. But yesterday again, the U.S. government came up with a third proposal, this time on import surges. The U.S. government is proposing a third subject for a parallel accord.

Why does the Canadian government not want to do as the Americans now, namely move the issue forward and hold discussions immediately to get a clear definition of

Oral Questions

subsidy and of dumping, so that businessmen can plan and not be caught in the situation which the steel industry finds itself in now?

• (1420)

[English]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I do not know where my friend has been. There is nothing new about the proposal on import surges. That was signalled by the U.S. president when he was running for president back in October 1992. There is nothing new in this.

My hon. says: "Let us clarify matters with relation to subsidies". That is precisely what we are doing during the Uruguay round negotiations. I am sure he would be very pleased to see that those negotiations have progressed significantly with the meeting I chaired in Toronto about a month ago and then the subsequent meeting in Paris last week that I attended with my counterparts in other countries. We will be continuing this process later this month in Tokyo.

We will be able to get a very solid response to the concerns he has expressed about subsidies which we share. We have agreed with the United States that we would pursue this through the Uruguay round.

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, if they are concerned about subsidies and dumping why have they not taken the initiative to have the definition incorporated into the NAFTA? Why wait for the other proposition that might never come to fruition?

Yesterday I met with the steel industry. It is very competitive but it had the surprise of its life. The Canadian board under the authority of this government is permitting producers of steel from abroad to dump it in the Canadian economy. The board says that there is no injury, but it does not take a genius to understand that if we let people dump in our market eventually the dumping price will reduce the price producers are receiving in Canada. When will this government do something about it?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, my hon. friend asked two questions. The answer to the first question on why we are using the GATT negotiations to resolve the questions on subsidies