

West to engage in the kinds of substantial negotiations that we hope will be beneficial to all involved.

I had an excellent meeting with Secretary General Gorbachev. I conveyed to him the genuine desire of Canadians everywhere, and of all political Parties, to contribute positively to the search for a durable peace. I underlined the concerns that I have heard expressed in the House of Commons by many Members in all political Parties. There can be no doubt as to the national will of the Government of Canada to play a constructive and positive role in this area. He was very grateful, I think, not only for our interest but our commitment to the process. I was very glad of the opportunity to have contributed, however modestly, to that process.

#### CANADIAN EXPORTS—U.S. SURTAX PRESSURE

**Hon. Donald J. Johnston (Saint-Henri-Westmount):** Mr. Speaker, as the Prime Minister knows, the United States is anticipating a massive trade deficit in the current year. Conservative estimates put it at about \$123 billion or \$125 billion. There are indications that there will be growing pressure for a surtax on imports, for example. That is the rumour this week. As the Prime Minister knows, that would have disastrous consequences for the Canadian economy. He will recall that when that was done in 1971 we lost something like 40,000 jobs overnight. This would be much more serious.

I hope that the Prime Minister will seize this opportunity at the summit conference with the President to discuss this specific issue, warning him of the dangers that it poses for the economy. I hope he will seriously address the kinds of subjects raised by the Leader of the Opposition and that it will not be like the First Ministers' Conference, to which I was an unhappy witness, which was simply an extended photo opportunity. Can he give us that assurance?

● (1125)

**Right Hon. Brian Mulroney (Prime Minister):** I know that my hon. friend from Westmount—unless he has moved to Saint-Henri in my absence—was unhappy with the First Ministers' Conference. He is usually unhappy when he is sitting in the audience.

The First Ministers' Conference seemed to please both the Canadian people and the Canadian Premiers. Of course that would be a matter of great concern and dissatisfaction to the Liberals.

I can assume my hon. friend that we are fully aware of the importance of the trade issue, which is why we have been working very hard to enhance our relationships and to place Canada in a position where we would not be subject to the sort of initiatives to which my hon. friend refers. We are looking for an opportunity to make sure that our bilateral trade relations are enhanced and not in any way affected adversely.

#### Oral Questions

#### THE ECONOMY

#### NATIONAL CONFERENCE AGENDA

**Hon. Donald J. Johnston (Saint-Henri-Westmount):** Just as an aside—

**Some Hon. Members:** Order.

**Mr. Johnston:**—the Prime Minister is a former resident of Saint-Henri-Westmount. When he returns to that riding, which I hope will not be in the too distant future, I will be happy to explain the geography of the riding to him. On his return as a private citizen, that is.

[Translation]

Therefore, I would have a second question, this time for the Minister of Finance.

Next week, Mr. Speaker, we will have a show here: the National Conference on the Economy. Some 136 persons have been invited to attend. According to the agenda I have seen, several questions will be dealing with our relations with the United States. I would like to know whether the Government will already have taken a position. Five days before the Quebec Summit, will the Government delete those questions from the agenda, or are we right in assuming that this meeting here in Ottawa next week will really be some "showbiz".

[English]

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I would hope that the Right Hon. Leader of the Opposition will provide a seat for him, and that the Hon. Member will come to the conference to see for himself the views of a wide range of Canadians. It will probably be the most expansive discussion of economic matters that this country has seen in its history. It will contribute tremendously to the understanding of the various economic issues, and their complexity and interrelationship, as well as contribute a lot to the policy-making that the Government is faced with in the coming weeks.

The specific answer to the Hon. Member's question is no, there will not be decisions taken in the meetings at Quebec city that would foreclose on the wide range of matters that will be under discussion. We will be looking very closely at the results of this conference in the budget preparation, as well as other matters of policy-making. We have high expectations for this meeting, and I hope that I will see the Hon. Member there.

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#### NUCLEAR ARMAMENTS

#### GOVERNMENT POLICY

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, let me begin by adding my welcome to the Prime Minister on his return from his important trip.

Recently in the House the Secretary of State for External Affairs and the former Minister of Defence said that before there would be the locating of any U.S. nuclear weapons in