

Supply

other side of the coin? Do we tell our potato growers and fishermen that we will not support them? Is that what the Hon. Member would do? Would he tell the farming community that we will not support it? I would like to know what position he would take on the other side of the coin.

While he is at it, he might also tell us the last time in the House his Liberal caucus, or any member of his caucus including the forestry spokesman, ever addressed the subject of forestry.

Mr. Axworthy: Mr. Speaker, I would be most happy to respond to that diatribe. The last significant economic treaty which was negotiated and signed between Canada and the United States was done by myself when I was the Minister of Transport. It was done on the basis of proper negotiation and of defending the interest of Canadians. It succeeded in repairing a major problem which had been around for 20 years between the two countries.

It would be useful if the Hon. Member would allow himself from time to time to examine the facts as opposed to dealing simply in his own form of mass hysteria. The fact is that for the many years the Liberals were in Government we were able to negotiate successfully a wide range of trade arrangements and agreements with the United States. Also it may be of interest to note that when we left Government we had a \$20 billion surplus with the U.S. which the Tories have fortunately been able to maintain but not build upon; in fact it is now going down.

The Hon. Member claimed that we did not know what we were doing in trade and that we had all the wrong approaches. We resolved a number of trade issues on a bilateral basis because we knew how to negotiate and how to bargain. I was one of the Ministers who got one of those treaties signed, and the Minister of Transport (Mr. Mazankowski) has been unable to do that as yet. The Hon. Member might want to look at the contrast and compare who was and who was not successful.

When it comes to countervail, I ask the Hon. Member to read what I had to say as reported in *Hansard*. The genesis of Canadian trade policy has been the recognition that the best way to protect our interests when dealing with a number of large trading partners which dwarf us in economic terms is to rely upon the multilateral system. We were the authors of that system back in 1948 and one of the architects of the GATT rounds. We have been one of the major promoters.

Part of the system is that definitions are provided within the rules as to what requires subsidy. It has been made very clear that countervail can be exercised when there is a direct export related subsidy, and that subsidies related to economic development or regional equity are perfectly acceptable. If they had only followed the GATT rounds, we would not be in trouble on the lumber issue. We should be strengthening that principle and those kinds of rules, as opposed to getting into a bargaining position with a much bigger partner, which is

bludgeoning us to death on this one and for which we will pay a heavy price.

We are talking about protecting Canadian trade because that is what we were elected to do. Perhaps the Hon. Member thinks that he was elected to represent the lumber interests of the United States. Maybe that is what he is talking about; maybe that is his definition. I happen to think that I have been elected to represent the interests of Canada. Of course that means maintaining as good relations as we can with other countries but never forgetting that we were elected to protect the national interests of Canada. I am afraid too many Tory Members have forgotten that because they have taken the example of the Prime Minister whose first political lesson was dancing for a song for Colonel McCormack, and he is still dancing today.

Mr. Lesick: Mr. Speaker, it was very interesting to hear what the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy) enunciated this morning. I find it difficult to believe many of the things he said. I do not think he believes most of it himself. It was like the rhetoric between two wrestlers before getting into a match who say many things, but once they get into the ring that is truly what counts.

Negotiations have not started but we are preparing for it. Yet we heard all this rhetoric about the problems and about not accepting the word of the Prime Minister (Mr. Mulroney) when the Prime Minister has given his word and it has been kept. He has assured us that the lumber and wood industry of Canada, in particular of British Columbia and Alberta, will be protected. He has made that statement numerous times, so why should the Hon. Member for Winnipeg—Fort Garry say something completely different and out of context?

• (1200)

Then he talks about the sellout of the NEP. The Hon. Member for Winnipeg—Fort Garry is still under delusions that the NEP was of some value. It was some value only to the Party and it created havoc not only in western Canada but throughout the rest of the country. The pharmaceutical industry is not going to be sold out. We are still in the negotiation stage. This is rhetoric before the fight, just like two wrestlers. We are looking for an assured market. We are struggling and we are going to obtain it. GATT is a process that will take time.

The Hon. Member mentioned that irritants must be removed according to the committee composed of Senators and Members of Parliament of last summer. That is what we are doing now, removing the irritants so that we can get on with the process of free trade. I suggest to the Member, why not consider and offer the positive aspects of what can be done, what is being done and what we are offering, having the best possible people available, with complete consultation right across the country among industry, labour, government and the provinces. We are using a process that has not been used before, and we feel this is the effective way of doing it. I ask