ing and countervail, where there are existing GATT obligations, Canada could proceed either to GATT or to the FTA dispute-settlement mechanism.

Senator Stollery: Honourable senators, I would like to have one moment to explain that not only—

Senator Doody: You spoke in this debate earlier.

Senator Stollery: You have mentioned my observation, and you have, on the basis of a spurious letter, introduced spurious evidence and ignored the fact that we were told that in 40 years never has the procedure been used that you were saying can be used. So I do not see the point of your uninformed comment.

Senator Murray: My honourable friend will have an opportunity to read the statements that I have made when he gets his copy of *Hansard*, or, indeed, his copy of this letter. But the point that I have just made, that Canada would have an option either to invoke the dispute-settlement mechanism of the Free Trade Agreement or to go to the GATT in an area in which there are existing GATT obligations, effectively refutes the point that Mr. Mel Clark made at the committee yesterday and which the honourable senator has made his own in the debate on third reading today.

There are a number of other matters in Mr. Clark's testimony that I should deal with immediately.

Article 104 of the Free Trade Agreement affirms the existing rights and obligations of the parties to one another. This includes GATT rights which are not removed in the antidumping and countervail area by virtue of Article 1801(1). This article merely indicates that for the matters specifically covered by chapter 19, including binational panel dispute settlement in antidumping and countervailing duty cases to replace review of final determinations by a domestic court, chapter 18 shall not apply. Neither chapter 18 nor chapter 19 provide that for matters covered by chapter 19 the parties' GATT rights no longer apply.

If Canada believes that a U.S. antidumping or countervailing duty law or the application of such a law is inconsistent with U.S. obligations under the GATT, Canada remains free to raise its case in the GATT. It also has the option, under Article 1801(2), of raising the matter bilaterally with the Canada-U.S. Trade Commission. The fact that Canada may subsequently wish to avail itself of binational panel review of the final decision rendered in the U.S. in that case in no way prejudices our rights under chapter 18 of the FTA. Thus it is incorrect to state, as Mr. Clark did, that the FTA replaces GATT rules with the rule of U.S. law.

Mr. Clark also referred to Canada being worse off under the FTA than previously, because section 409 of the U.S. implementing legislation allegedly introduces new countervail remedies which apply only to Canada. This also is not correct. The U.S. statement of administrative action makes it clear that section 409 does not create any new trade remedies. Furthermore, it does not obviate the need to comply fully with the criteria and procedures of existing U.S. trade law nor does it prejudge any investigation or determination under those laws.

Honourable senators, the second matter that Senator Stollery dealt with in his remarks on third reading today—

Senator Stewart: Before Senator Murray continues, I should like to rise on a point of privilege, both a point of personal privilege and as a member of the committee.

Senator Murray has alleged that a letter was written to me as chairman of the committee. I assert that I received no such letter and that no such letter was in the possession of the committee when it concluded its unanimous report. My point of privilege is that there was an implication that I, as chairman of the committee, had certain knowledge, indeed, that the committee had certain knowledge which is not reflected in the report it made to the Senate earlier this day.

I have no objection to the Leader of the Government making statements on behalf of the government, but what I do object to most earnestly, honourable senators, is that that information should be smuggled before this house in the guise of a letter which was not received by me, either personally or as chairman of the committee, in which capacity I serve this body.

Some Hon. Senators: Hear, hear!

Senator Murray: Honourable senators, I accept the statement of the honourable senator. What can I do except regret it if, for some reason, he has not received the letter? Let me tell him what my information is.

Senator Frith: Don't use it, that is what you can do.

Senator Murray: My information is—

Senator Stewart: Honourable senators, the Leader of the Government does not really get the pith and substance of my objection. I am accusing him of smuggling!

Senator Murray: Honourable senators, this is silly; this is truly silly.

Senator Stewart: That shows your sense of values.

Senator Murray: This is truly silly. I have placed on the record, on my own responsibility as a member of the government—

Senator Stewart: But you did not do that.

Senator Murray: —a refutation of certain testimony that was given to the committee yesterday by Mr. Mel Clark.

Senator Perrault: When did you receive your letter?

● (1430)

Senator Murray: I have done so, as I said, on my own responsibility as a member of the government.

I began to say, until, to my astonishment, I was interrupted by irate senators, that the same refutation was contained in a letter which had been addressed by a senior official of the Trade Negotiations Office to the honourable senator in his capacity as chairman of the committee. I cannot understand his indignation. He might be indignant with the post office for not having delivered the letter, but let me tell him what my information is.