

Senator Roblin: We have been working at the problem for six months and we have two concrete measures on the table, one being the Foreign Extraterritorial Measures Act and the other being a measure dealing with the question of extraterritoriality and judicial relations between the two countries—a measure which, I assure my honourable friend, is to come.

That is not a bad record for six months. After all, his party had 16 years in which to deal with the problem and he knows the difficulties involved. He is not minimizing the difficulties, but I think he should recognize that we are facing exactly the same problems as he was facing when in government.

Senator MacEachen: Honourable senators, I agree with the Leader of the Government. I would merely point out that the bill for which he is taking credit, and properly so, was a measure that was before his colleagues when they formed the government. All the work had been done and the bill was ready.

Senator Roblin: We had the satisfaction of passing it into law.

Senator Frith: That can be said in respect of a lot of our legislation.

INVESTMENT RESTRICTIONS

Hon. Richard J. Stanbury: Honourable senators, the Leader of the Government in the Senate has already mentioned his concern—a concern of many of us—in relation to the protectionist developments in the United States, a tendency which has been developing now for two or three years.

Will the Prime Minister take up with the President of the United States the fact that the present government of Canada has been most generous in stripping away the restrictions on foreign investments and stripping away the protections—nationalistic protections perhaps—afforded by the National Energy Program, and that that has all been done without any compensation as yet?

And will he ask the President of the United States to recognize that fact by encouraging the U.S. government to get rid of the prohibitions and restrictions on foreign investment in coastal and freshwater shipping, aviation, nuclear and hydro generating, communications, financial industries, real estate, fishing, some mineral leases, dredging and salvage operations and defence industries—all of which exist in the United States to a far greater extent than they exist in Canada?

And will he ask the President of the United States to put an end to the use of securities and anti-trust agencies and monitoring by government to frustrate company acquisitions in the U.S. such as those attempted by Canadian Pacific, Seagrams, and Brascan?

Are we, after having given away our own protection, going to try to insist upon some amelioration of the tariff and non-tariff barriers and restrictions on foreign investment which exist in the United States to a much greater extent than they ever existed in Canada?

[Senator Flynn.]

Hon. Duff Roblin (Leader of the Government): My honourable friend raises the whole question of economic relations with the United States, which is worthy of a debate in itself. I cannot agree that I should begin that debate by answering my honourable friend's question. But I must say a few words about it, because the devices which he claims we have given away reflect a different philosophy from mine. I believe that the action we have taken with respect to FIRA and the action we are studying with respect to the National Energy Policy are good for Canada regardless of our situation with the United States, and will help us in our economic development. Our primary motive for doing that is self-interest, not in an effort to curry favour with anyone else.

My honourable friend has listed off a formidable recitation of areas in which he wants freer trade, or areas where he wants non-tariff barriers reduced. Surely that is one of the great issues that this government is struggling with at the present time. There is a public paper on the issue, various options are being set out, we are soliciting public input, and I solicit my honourable friend's input, as to what people think should be the best course for this country to follow; and when those consultations are completed, our agenda will be firmed up with respect to our trading relationship with the United States.

My honourable friend has put his finger on the key issue in this whole development. People talk about free trade. What we should be talking about is how to preserve the trade advantages that we now have with the United States. I can assure my honourable friend that that will be a paramount thought in the mind of our Prime Minister when he meets with the President of the United States in Quebec City.

Senator Stanbury: Honourable senators, I thank the Leader of the Government for his answer. I agree with much of what he has said. He and I have worked together on the Canada-U.S. Interparliamentary Group and we understand the difficulties of these negotiations. I would simply point out that while we have certainly some great advantages in dealing with our American friends, we have been willing to sit back and allow them to abuse us for such agencies as FIRA and programs such as the National Energy Program, without responding to the very serious list of restrictions—it was only a partial list that I read. I stopped because I ran out of breath—on what Canadians can do in the United States, and the obstacles that are put in their way of doing it. I would simply ask that the Prime Minister, when he is talking to the President of the United States, try to convey that sense to him, that never has there been any restriction on American activities in Canada which compares in the slightest with those placed on Canadian activities in the United States.

Senator Roblin: In the interests of balance, my honourable friend should agree with me that in two or three very important particulars the non-tariff barriers that have been promoted by various interests in the United States have not been accepted by the President of the United States. On the question of lumber, which again is on the table, and restrictions on which would have had a disastrous effect not only in western Canada but also in New Brunswick and other places, the