

**Mr. Speaker:** Order. The Hon. Member has put his question.

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, I have also said time and again that what is on the negotiating table are the issues which are important in a long-term binding trade treaty with the U.S. The negotiation is about those issues which will help us develop a secure, transparent, so that we can understand them, clear trade agreement with the U.S. Then all the subjects the Hon. Member has raised which are trade irritants can be resolved in a peaceful way.

#### EFFECT OF UNITED STATES ACTIONS

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, my question is also directed to the Minister for International Trade. Since the Government began trade talks with the United States, the U.S. has taken action against our shakes and shingles, East Coast fishery, tube steel, and softwood. Just before the weekend it imposed another surtax, which the White House admitted is marginally illegal, goes against GATT, and goes against the Auto Pact. My question for the Minister is simple. How much abuse is the Government prepared to take before it tells the U.S. Government to take a hike on the trade talks?

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, the Hon. Member has identified some of the trade issues which are in dispute between us. He has not identified about 10 issues which we have recently won in negotiations and discussions with the U.S., the 10 issues that were in Congress in a protectionist air of poison and did not make it through because of the efforts of this Government.

**Mr. Broadbent:** Talk about Alice in Wonderland.

[Translation]

#### POSITION OF UNITED STATES GOVERNMENT

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, the Canadian Government is negotiating with the American government with a view to signing a free trade agreement and, at the same time, the U.S. Government imposes this surtax.

Does the Minister agree that such action clearly reflects the hypocrisy of the American Government?

[English]

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, I might comment that I would rather be Alice in Wonderland than the Red Queen, running around crying: "Off with their heads".

**Some Hon. Members:** Hear, hear!

**Mr. Broadbent:** No reply.

**Mr. Speaker:** Order, please.

#### Oral Questions

**Miss Carney:** Mr. Speaker, I knew you would bring us back from fantasy to the real world.

May I respond to the Hon. Member's question by saying that we have already stated that we oppose this action by the Americans. It is against all their trading partners. Its impact is inconsistent with GATT. It is inconsistent with their own commitments. We will take appropriate action.

● (1425)

#### REQUEST THAT TRADE NEGOTIATIONS BE SUSPENDED

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, the Minister's last answer is right. It is inconsistent with GATT. It is inconsistent with the Auto Pact. It violates the understanding with the Government of Canada. The Government was opposed to all these actions in the past and has got nowhere.

Simply, if the Americans do not reverse this tax, is the Government at last prepared to say to the Americans that they are not demonstrating good faith in free trade talks and is the Government prepared to tell them that the talks, are over until they come to their senses and start treating us in a fair manner?

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, I have attempted to explain to the Opposition that running away, turning our backs, or walking away from the table, does not help overcome this kind of harassment from the United States. The only thing that will overcome it is to sit down and conclude a free trade agreement between Canada and the U.S. which we could have in place in about 18 months.

#### CANADIAN POSITION

**Mr. George Baker (Gander—Twillingate):** Mr. Speaker, the Minister for International Trade in response to the recently imposed tariff said: "All the more reason to continue trade talks". Yet experts on both sides of the border, and the President of the United States in his letter to Mr. Packwood have said that the U.S. would never give up the right to countervail—

**Mr. Crosbie:** Is this method acting, George?

**Mr. Baker:**—regardless of any trade talks. My question is for the Prime Minister. How does the Prime Minister explain this completely contradictory situation and a glaring contradiction on the part of the Minister?

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, I think that the Economic Council has explained the benefits of freer trade arrangements with the United States by saying a free trade agreement could lead to 376,000 new jobs.

[Translation]

#### ATTITUDE TOWARD UNITED STATES

**Mr. George Baker (Gander—Twillingate):** Mr. Speaker, my question is directed to the Prime Minister. Will this Government sign an agreement with the Americans under