

*Oral Questions*

**Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade):** Mr. Speaker, I heard two things from the member for Yukon. One, she is saying in 1986 we withdrew from a settlement. In 1986 we did not have the dispute settlement mechanism. We have that now so we now have some protection, protection that no other country has. The GATT does not provide the same sort of protection. The GATT is not a binding settlement mechanism.

I think I heard her say that we withdrew from the GATT. We did not withdraw from the GATT, but the GATT dispute settlement system does not provide us with anything like the protection that the dispute settlement mechanism does for Canada in the free trade agreement with the United States.

**Hon. Audrey McLaughlin (Yukon):** The protection seems to be protection of the unemployed, if we talk to a million and a half Canadians and all of those people in manufacturing industries.

[*Translation*]

Mr. Speaker, I have a supplementary for the Deputy Prime Minister.

Yesterday, in referring to Mexico, the Prime Minister said that a trade agreement was a healthy way to develop a country. Today, however, it is reported that in areas where a free trade agreement already exists, such as the Maquiladora zone, many babies are born with serious defects as a result of environmental conditions.

How can the Deputy Prime Minister and his government believe this kind of horrific situation can contribute to the development of a country?

**Hon. Jean J. Charest (Minister of the Environment):** Mr. Speaker, together with the Prime Minister, I had a chance last week to meet the mayor of Mexico and also the minister responsible for the environment in Mexico. The Leader of the New Democratic Party should know that they have substantially increased spending in this area in recent years and that President Salinas' administration has been extraordinary in its efforts to catch up in terms of what they need in the way of environmental regulations and enforcement of these regulations.

What we must not forget here is that a country also has to trade with other countries if it wants a prosperous economy. I think we should avoid being paternalistic and giving the impression that if they do business with other developing countries, they will not be as effective as we are on environmental issues.

• (1430)

In fact, the opposite is true. Actually Mexicans feel rather insulted when we try to convince them that where the environment is concerned, their standards and concerns are not as impressive as our own, because that is not the case.

**Mr. Réginald Bélair (Cochrane—Superior):** Mr. Speaker, my question is directed to the Minister for International Trade. By taking retaliatory action against the softwood lumber industry in Canada, the U.S. government is interfering in Canada's domestic affairs. This kind of provocation and attempt to undermine Canadian sovereignty cannot be allowed to go unanswered because next year the industry will lose about \$430 million.

How does the minister intend to help plant owners who may have to close down and 1,000 employees who stand to lose their jobs?

[*English*]

**Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade):** Mr. Speaker, putting our trade in softwood lumber on a normal trade basis with the United States is the best thing we can do for the softwood lumber industry. That is precisely why we terminated the softwood lumber memorandum of understanding.

The United States has responded with this countervail action. We have demonstrated we are going to fight to the very best of our ability, using all the tools at our disposal, using the resources of the industry and the provinces as well as the federal government. As well we have friends in the United States who support the position of the Government of Canada.

That is the best thing we can do to maintain our rights as a sovereign nation, through the provinces with their forest management practices to maintain their sover-