

*Oral Questions***INTERNATIONAL TRADE**

MEASURES TO PROMOTE CANADIAN EXPORTS

Right Hon. Joe Clark (Prime Minister): Mr. Speaker, I have such respect for Parliament that I would naturally not reverse the position of a parliamentary committee.

Mr. Broadbent: Mr. Speaker, neither the Prime Minister, when he was in opposition, nor I were content to let his predecessor get away with such glib answers. I should like to ask him if he thinks it is appropriate for any minister of the Crown, particularly a prime minister who has talked about reforms of Parliament, to direct his own backbenchers to vote in a way completely contrary to their own independent desires, as happened last night?

Mr. Clark: Mr. Speaker, I do not know what kind of relations exist in that party between backbenchers, as he calls them, and the leader. Certainly, in this party all members of Parliament come to their own conclusions.

Some hon. Members: Oh, oh!

Mr. Clark: I must note that that principle, which has been long established in this party, is so remarkable to the others that it evokes surprise and agony.

Some hon. Members: Hear, hear!

Mr. Clark: My answer stands. We have a recommendation from a parliamentary committee. I understand it was made in part because it reflects the interest of the governor of the Bank of Canada in having the earliest possible opportunity to appear before that committee. Naturally, that is not a recommendation that I propose to reverse.

Mr. Broadbent: Mr. Speaker, most people thought that the government was elected to lead the governor of the Bank of Canada, not follow him. That is not the implication of the Prime Minister's answers.

On the important question of interest rates policy, for which he has responsibility as head of the government, does the Prime Minister not think that by this time Canadians are fed up with having their interest rates dictated by decisions made in Washington instead of in this country? Does he not think Canadians would like to have a government that pursues the kind of successful low interest rate policies that have worked so well in dozens of countries of western Europe?

Mr. Clark: Mr. Speaker, I take it that the Leader of the New Democratic Party is asking me for an opinion. My opinion—which, I think, by the rules of the House perhaps I should not be giving—is that the people of this country do not want high interest rates. Neither do we. But we know that as a national government we have to work our way out of a very difficult economic situation, and this will not be done by ducking the hard decisions.

● (1425)

Some hon. Members: Hear, hear!

Mr. Chrétien: You had all the solutions in May.

Mr. Roy MacLaren (Etobicoke North): Mr. Speaker, at an export conference yesterday, the Minister of State for International Trade forecast a record Canadian trade deficit for 1980-81 of \$10 billion. On the other hand, in connection with the same conference, the Minister of Industry, Trade and Commerce is reported by the Canadian Press to have stated that government intervention on behalf of Canadian exporters has now ended, including market surveys and trade negotiations.

Can the minister of state please assure the House that there will be no cuts in measures to promote Canadian exports, including those specified by the Minister of Industry, Trade and Commerce?

Hon. Michael Wilson (Minister of State for International Trade): Mr. Speaker, what I said at the conference yesterday was that the trade deficit, the current account deficit, could reach a level of \$10 billion. What I was indicating was the magnitude of the size of the problem that we have. It is a problem of a long-standing nature. As the hon. member well knows, it is one where there is a considerable amount of momentum attached to the problems that we got into in the middle seventies under the previous government.

We have said that considerable effort will be made on the trade side. There are a number of programs under review right now in the areas of trade promotion and trade policy. We had hoped that we would have some announcements to make on these reviews before the end of the year. There will not be a diminution of effort on the part of this government to support trade in this country. I should say—

Some hon. Members: Oh, oh!

Some hon. Members: Order.

Mr. Speaker: Order, please.

Mr. MacLaren: Mr. Speaker, may I take it from the answer of the minister of state that what the Minister of Industry, Trade and Commerce is reported to have said about specific cuts in market surveys and trade negotiations—that the government will remove itself from those areas—will not in fact now happen?

Mr. Wilson: Mr. Speaker, I believe the remarks that are attributed to the Minister of Industry, Trade and Commerce relate to a much broader area than just trade. There is no intention on the part of this government to remove itself from assistance on trade promotion or trade negotiations where it is appropriate for the government to be involved.

POSSIBLE MOVE OF CANADIAN EMBASSY FROM TEL AVIV TO
JERUSALEM—EFFECT ON TRADE

Mr. Maurice Foster (Algoma): Mr. Speaker, a number of Canadian businesses have deplored the consequences of the