

Senator McElman: Have you read Sean O'Sullivan's yet?

Senator Murray: No, I haven't had much chance to read those books. I did send somebody out to look at the books—

Senator McElman: You should; it is excellent.

Senator Murray: I did have somebody go out to look at the books by Jean Chrétien and Don Johnston to try and compile a list of the references to Senator MacEachen therein because I thought that would be very interesting. I understand that his staff may be doing the same thing, so we should probably try to avoid obvious duplication of effort.

The government pays a price in these terms, but I tell the Senate that two or three years from now the government will be facing the people on the real credibility issue. The real credibility issue is whether the government has remained true to its mandate, whether the government has moved the country ahead in the right direction. I think that on the record so far this government need not fear the judgment of the people in that respect.

We had some discussion today on the subject of trade. The government will continue the fiscal and economic policies that have encouraged investment and growth and job creation, but we all know that more is needed. We have unemployment in the country, as we have been reminded today, and regional disparity. The country needs an impetus to growth and that impetus to growth can only be provided by increased trade opportunities. Hence, the government's emphasis on trade. The Leader of the Opposition professes to see some lessening in our resolve to conclude the trade negotiations with the United States. We want and are determined to get the biggest and best and most comprehensive deal we can with the United States—there has never been any question about that. We have one agenda. We have two sets of negotiations: The one bilateral with the United States and the other multilateral with the GATT. We have aggressive trade promotion policies everywhere. We send the Prime Minister and his colleagues and members of the Canadian business community abroad on these trade missions and, of course, smaller minds look at the hotel bills. But those who have some understanding will tell you that what we are doing is opening up important commercial opportunities for Canada in those countries.

I don't think I have to remind the Senate of the importance of trade or the enormous stake our country has in trade. The reports of the Standing Senate Committee on Foreign Affairs, under the chairmanship of Senator van Roggen, on the question of trade with the U.S. are as authoritative and as respected as any that have been issued before or since from any other quarter. We gain, and the world gains, every time we push protectionism back. However, it is appalling to see certain factions in this country still implacably opposed to a deal with the United States before any deal is struck. They demand that we stop negotiating, they reject the common sense that argues for a special trade arrangement with the country with which 70 per cent of our trade is done. They try to undermine the—

Senator Frith: You are not talking about us.

Senator Murray: I am not talking about my honourable friend, no, but there are factions in the Liberal Party, now that he mentions it.

Senator Frith: Oh, in the Liberal Party.

Senator Murray: Yes, there is the Mel Hurtig *Toronto Star* faction of the Liberals, the Lloyd Axworthy faction of the Liberal Party—

Senator Frith: "Faction."

Senator Murray: Now my friend and his friends, Mr. Don Johnston, the Honourable Donald Macdonald and—even at his best in the old days—the Right Honourable John Turner belong to the more sensible, forward looking faction of the Liberal Party that favours—

Senator Frith: Kill them with kindness.

Senator Murray: —trade agreement with the United States.

Senator Perrault: That is the first nice thing you've ever said about him.

Senator Murray: We have unemployment in the country—tens of thousands of people coming into the labour force looking for jobs. We have regional disparities. The Prime Minister of Canada has said that every 1 per cent increase in our share of the U.S. market means 75,000 new jobs in this country.

Senator Buckwold: All in Ontario.

Senator Murray: The Macdonald commission—not all. Was that Senator Buckwold who said "all in Ontario"?

Senator Buckwold: Yes.

Senator Murray: What does the leadership in his province say about trade? They want to see us get on with this bilateral arrangement with the United States.

Senator Buckwold: We are not talking about jobs for Saskatchewan, we are talking about markets.

Senator Murray: Yes, his former colleague in the Liberal caucus, the former Premier of Nova Scotia, the former Minister of International Trade in the Liberal government has said that "Nova Scotia would be one of two provinces that had the most to gain from a new free trade arrangement with the United States."

The jobs are not all in Ontario, as I will show. The royal commission, headed by the Honourable Donald Macdonald, stated very clearly that the benefits of a free trade deal with the United States would be spread across the country and in every region. "Commissioners are confident," the Macdonald commission said, "that the long-term gains will be many times greater than the short-term adjustment costs. Such costs, moreover, can be cushioned by the introduction of an appropriate transitional adjustment assistance." The Macdonald commission went on to estimate that a new bilateral trade deal with the United States would result in a 3 to 8 per cent increase in our national income.

[Translation]

Richard Lipsey, in a study carried out for the C.D. Howe Institute, forecasts a 7 per cent increase in our standard of