

• (1430)

ORAL QUESTION PERIOD

TRADE

CANADA-UNITED STATES—RESUMPTION OF DISCUSSIONS—CANADIAN REPRESENTATIONS ON DISC PROGRAM—REQUEST FOR STATEMENT INDICATING POINTS OF DIFFERENCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. The publication of figures in respect of the trade deficit of the United States reminds us of the controversy between our two countries in regard to trade problems. Has the United States government requested any resumption of the discussions on the points of difference between our two countries in respect of matters of trade and, if so, when will these discussions resume?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not aware of any formal request on the part of the United States government for resumption of the discussions. I noted the same point the hon. Leader of the Opposition has in respect of their trade deficit. I would point out to him that the United States and Canada do have similar international problems. We, too, have a deficit on current account and we are looking at those areas, to those countries, where there is a surplus on current account.

Mr. Stanfield: Has the minister made any representations to the United States recently with regard to the so-called United States DISC program with relation to the tax advantages this program allegedly affords U.S. competitors of Canadian industries?

Mr. Gillespie: Mr. Speaker, over a period of time we have made our views known to the United States government about the DISC program. Recently my colleague, the Minister of National Revenue, indicated that the monitoring measures that were introduced last fall have been successful in helping us to assess the effects of DISC on Canadian prices. So far it would appear that United States corporations have not taken advantage of DISC by lowering their prices on Canadian markets to the disadvantage of Canadian manufacturers.

Mr. Stanfield: Mr. Speaker, it is interesting but unfortunate to note that the minister is not concerned about this problem which seems to be giving great concern to the premier of Ontario. Will the minister at his early convenience make a statement to the House on motions outlining the special matters of difference between the government of the United States and the government of Canada in respect of trade and our relationships generally so that we will all be as up to date as I hope he is regarding these discussions?

Mr. Gillespie: Mr. Speaker, I would not want to indicate that I am not concerned about DISC. Of course I am concerned, and the government is. The tax measures introduced in the May budget by the Minister of Finance

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made very clear at that time that among other things they were aimed at offsetting the effects of DISC on Canadian manufacturers.

Mr. Stanfield: Excuse me, Mr. Speaker, I would not normally ask another supplementary question but I would like the minister to answer the question I asked. Will he inform the House as to the subject matters of the differences between the two countries in their commercial and trade relationships so that members of the House will be as up to date on the areas of difference as I presume the minister is?

Mr. Gillespie: Mr. Speaker, I would be prepared to consider that representation and report back later.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I would like to ask the minister a supplementary question. In view of the fact his predecessor listed a series of what he called "irritants" in relation to trade relations between the United States and Canada, which were being discussed by officials of both countries as a preliminary to a meeting at a higher level, may I ask now whether these irritants have been resolved to the government's satisfaction and, if not, why has the Canadian government not asked for further meetings to resolve these differences?

Mr. Gillespie: Mr. Speaker, I do not think that two countries doing as much trade as our country and the United States will ever remove all the irritants. From time to time there will be irritants between our two countries just in the very nature of things. As to the second point in the hon. member's question, I think it has been made clear in the past that following the vote of confidence in the House we would be sitting down to discuss some of our outstanding differences with the United States authorities and, indeed, Mr. Speaker, that is our intention.

Mr. Baldwin: Maybe you better do it pretty quickly.

Mr. Douglas: Mr. Speaker, may I ask the minister whether the Canadian government has asked for such meetings, what has been the response, and when are such meetings likely to take place?

Mr. Gillespie: There has been no formal request on the part of the Canadian government or the United States government, Mr. Speaker. I would expect, though, that there would be preliminary or exploratory meetings in a few weeks time.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Trinity on a last supplementary question and then go to the next subject. Perhaps we can return to this matter later.

Hon. Paul Hellyer (Trinity): Mr. Speaker, did the minister indicate in his answer to the first part of the question asked by the Leader of the Opposition that in our negotiations with the United States we would insist on maintaining a balance which includes not just current account but also the outflow of Canadian dollars to the United States in respect of interest payments and dividends?