

Oral Questions

Clark) reminded me just last week, some 80 per cent of the goods and services provided within CIDA's bilateral projects must be purchased in Canada.

Aid dollars which Canada has given to African countries have already created jobs in Canada and generated income for Canadians. The Government has already received tax revenues resulting from this aid-based economic activity.

I support the Government's moratorium proposal. I also encourage the Government to redouble Canadian efforts to achieve the aid target of 1 per cent of GNP.

• (1415)

ORAL QUESTION PERIOD

[English]

TRADE**U.S. TARIFF ON CANADIAN CEDAR SHAKES AND SHINGLES**

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I have a question for the Prime Minister. Last Friday he strongly condemned the action taken by the U.S. to impose a tariff on the shingle and shake industry and said that the Government would seek a reversal of that particular initiative. Why has the Government now changed its position? Why is the Government now seeking only compensation, which at best would simply provide for reductions in tariff barriers in another industry? Why are we conceding the loss of those 4,000 jobs rather than continuing the fight to have that position reversed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we are doing no such thing. The Hon. Member knows full well that the statement he has just made is at variance not only with the facts but with all of the matters that have been raised in the House. We are following a course designed to be helpful to the industry and to retain those jobs. In fact, we have just concluded a successful meeting with the unions and representatives of the industry from British Columbia and I think they are in general agreement with the policy adopted by the Government of Canada.

CANADIAN REQUEST FOR COMPENSATION

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, there has now been another change of position and I think it is important—

Some Hon. Members: Oh, oh!

Mr. Axworthy: No, it is important that we clarify this. Is it not true that yesterday Ambassador Gotlieb made a formal request to the U.S. Government for compensation and that compensation would only have the effect of providing some change or reduction in tariff barriers on other products and would have nothing to do with actually providing for the

protection of jobs in the shingle and shake industry? Would the Prime Minister please clarify what it is that they are doing?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is widely known that the only people who either have no position on an issue, or two positions on an issue, are members of the Liberal Party.

Some Hon. Members: Hear, hear!

Mr. Mulroney: The position of the Liberal Party as expressed by the Hon. Member for Saint-Henri—Westmount on Friday was altered by the Leader of the Liberal Party on Monday, and that has now been changed again by the Hon. Member for Winnipeg—Fort Garry.

We are following a course of action which I think meets with approval of all the people affected by this decision and is designed to protect those jobs and strengthen that industry in British Columbia. It involves action on a number of fronts and flanks, and we are taking all of those actions consistent with our responsibilities to the people of British Columbia in those industries.

CANADA-UNITED STATES NEGOTIATIONS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, compensation is not the answer that will help the workers in that industry. If there are other courses of action, would the Prime Minister please elaborate on what they are? In particular, could he tell us what will be on the negotiating agenda this week when Ambassador Murphy will talk with Canadian officials about the shake and shingle industry? Will we simply be asking for compensation or will we be asking Ambassador Murphy for a reversal of the decision to impose tariffs?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, speaking of reversal, my hon. friend has just highlighted a very profound one. On Friday the official representative of the Liberal Party asked that the bilateral talks be scuttled, and now the Hon. Member for Winnipeg—Fort Garry is wondering what is on the table at the talks.

We are using the talks as a comprehensive vehicle to rid both countries of these irritants and the problems that are being caused or could be caused. This is why we declined to accept the recommendation of the Liberal Party last Friday as not being in the national interest at all, and least of all in the interest of the people of British Columbia. The Premier of British Columbia pointed that out with a great deal of emphasis. We are following a course and taking a number of actions designed to be helpful to the industry, the workers in the industry, and the process of a comprehensive trade agreement which we believe will be helpful to Canadians in providing jobs and greater riches for Canada.