

Oral Questions

Some Hon. Members: Oh, oh!

Mr. Broadbent: That is a real revelation.

Mr. Pepin: I thought I would have to start at the beginning. There is a tremendous amount of trade between the two. That is the second point. Consequently, it is occasionally judged to be to the advantage of Canada to buy and operate railways in the United States, and CN's interest in the Milwaukee railway follows that premise. It has not been bought yet and, when it is, my hon. friend will hear about it.

Mr. Benjamin: This is a great way to bail out the Reagan administration which has guaranteed the debts of those bankrupt railroads.

SHIPMENT OF CANADIAN GRAIN TO UNITED STATES PORTS

Mr. Les Benjamin (Regina West): Madam Speaker, would the Minister tell us why he would allow the two railways to go into this kind of expansion in the United States when they say they cannot afford to upgrade in Canada? This expansion will allow Canadian railroads to ship grain and other commodities to U.S. ports and other destinations more cheaply than they can to Canadian ports over Canadian railway lines, and will jeopardize 35,000 jobs in this country. Will he allow the railroads to give priority to investment in the United States over investment in our country?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, if my hon. friend looks at the record of profits that CN has made from the Grand Trunk, for example, he will be quite impressed. Those have been added to the revenues of CN and have contributed to the generally good financial position of CN.

This situation has existed in the past, and Canada has been very active in the field of railway transportation. The United States has been slower in deregulating. Canada has used its know-how in order to operate a number of lines profitably in the United States. This has been beneficial for trade between Canada and the United States. I do not know why my hon. friend would resent Canadian Crown corporations doing well in the United States.

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EXTERNAL AFFAIRS

CANADA-UNITED STATES RELATIONS—NEWSPAPER REPORT OF
PRIME MINISTER'S STATEMENTS

Hon. Allan B. McKinnon (Victoria): Madam Speaker, my question is directed to the Prime Minister. At present Canada and the United States are trying to resolve diplomatically some very vexing problems such as the Garrison Dam, the Clean Air Act, East Coast fishing rights, and mineral rights within our 200-mile commercial zone, just to name a few.

Does the Prime Minister think it is helpful for him to take a cheap shot at the President of the United States by saying, when speaking of peace demonstrators:

They are demonstrating against what they see as the policy of an American President who has, rightly or wrongly, been perceived as warlike or so hostile against the Soviet Union that he can't be trusted. Unfortunately, President Reagan and some around him have given some justification for those fears.

Could the Prime Minister tell us what he hopes to accomplish by these remarks?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I really cannot agree with the Hon. Member's suggestion that this was a cheap shot. Surely the posture of the United States in the negotiating process is a very important one to Canadians. The reason we are supporting that general approach of NATO is that we are bound by a two-track agreement. One of those two tracks is that our side negotiate very seriously toward disarmament by the United States, in the same way that we expect the Soviet Union to negotiate very seriously.

If the Hon. Member does not accept my explanation for the fact that there has been an increase in protests by the peace movements in Canada in the past couple of years because they are concerned about some of the statements made by the United States administration, I think he will have to find some other explanation.

I do know that there are some 5,000 nuclear missiles which have been deployed in Germany for quite some time. This did not lead to the kind of peace demonstrations that we have been seeing in Germany, Canada, and the United States in the past couple of years. I think it is not unreasonable to suggest, as I suggested to the Americans when I visited them a couple of weeks ago, that their statements about the Soviets being an evil power, and so on, are not conducive to fair and unpassionate negotiations.

I must add that I made the same remark to Secretary Gorbachev when I met him today, that some of the statements by Pravda or some of the Soviet leaders about the Americans are very excessive and not conducive to peaceful negotiations between both sides.

Some Hon. Members: Hear, hear!

Mr. McKinnon: A cheap shot is one that the recipient is unable, unwilling or unlikely to respond to.

PRIME MINISTER'S VIEWS OF U.S. PRESIDENT

Hon. Allan B. McKinnon (Victoria): Madam Speaker, the Prime Minister's recent behaviour concerning nuclear disarmament has veered all over the place. His answers to questions in the House and elsewhere, as in his letter to editors, have been very supportive of the two-track policy and testing the Cruise.