

Oral Questions

● (1120)

[English]

REQUEST THAT NEGOTIATIONS BE TERMINATED

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Prime Minister knows that it has been our position ever since the imposition of the U.S. countervail on the export of Canadian lumber to the United States and, indeed, I understand it to be the position of his Government as well, that a binding trade dispute mechanism must be an essential part of any trade agreement with the United States. It appears that the United States is not willing to contemplate that mechanism. It also appears that the United States is not willing to exempt Canada in any meaningful way from its unilateral remedy position even after a free trade agreement is signed.

Will the Prime Minister not admit, therefore, that if there is not to be a binding trade dispute mechanism, if there is not to be some meaningful restriction on the unilateral imposition of countervail, he might well order his negotiator to break off negotiations because there is no further point to those negotiations?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says he received advice that the Americans are not willing to contemplate such a proposal and are not willing to exempt Canada. We have received no such advice at all. We have received indications of positions, bargaining positions, I presume, of the American administration, and we have received no such indications, definitive indications, of positions whatsoever.

I have indicated many times that I believe an important part of the rationale for the building of a free trade arrangement is the promotion of our mutual trading interests. It would be self-defeating if, within the parameters of such an agreement, there was an instrument that vitiated the notion of this free access, in other words, if a free trade arrangement contained the capacity for one party unilaterally to trigger retaliatory measures against the other. The object of the exercise is to find a mechanism that will resolve those matters without that unilateral capacity to trigger reprisals of that kind.

That is the philosophy that motivates our negotiators. That is the mandate we have given our negotiators, and we have received no position, definitive position, from the other side, declaring this to be unacceptable from their point of view.

APPLICATION OF UNITED STATES LAW—REQUEST THAT PRESIDENT'S LETTER BE TABLED

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, we have had it confirmed that the letter does exist, as the Prime Minister has also admitted in the House, and that in that letter the President of the United States expresses the unwillingness of the American administration to exempt Canada from those unilateral remedies, particularly by way of a compulsory submission to a binding dispute mechanism.

The Minister for International Trade has already said today: "I have been monitoring the politics of this and I would say that the free trade talks could be the victim of a U.S. Trade Bill". Both the United States Trade Act of 1974 and the current Bill before Congress apply increasingly strict unilateral remedies directed by the Congress against trading partners of the United States. The truth is that this country has already been a victim in these trade talks in terms of lumber, fish and other items, and we have received nothing in return.

Will the Prime Minister table the letter from the President of the United States? And if it be true that the Americans are not willing to contemplate a compulsory binding trade mechanism, will he advise his chief negotiator, Mr. Reisman, to walk away from the table while he still has the shirt on his back?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my right hon. friend had, of course, a more charitable view of Mr. Reisman's competence when he was serving as his Deputy Minister of Finance. I would just say that the interests of Canada are being extremely well served by Ambassador Reisman and his colleagues, who are doing a tremendous job in putting forward the national interest in a very important and sensitive series of negotiations.

The Leader of the Opposition does know, of course, it would be a breach of every convention for me to table correspondence I receive from the President of the United States, or from any other Head of Government, on a given item in the House of Commons. My hon. friend knows that. The President of the United States expresses a point of view in his letter and he does not go beyond that. On the basis of that, the negotiations will continue.

But my right hon. friend raises an important matter when he refers to the Trade Bill which is presently before the United States Congress. The ramifications of that Trade Bill could be extremely serious for America's trading partners and, in particular, have serious consequences for Canada, for employment in Canada. That Bill could cost jobs in Canada. It is precisely because of the implication, the enormous implications, of that trade legislation, and what it could trigger in consequence, that Canada is seeking a comprehensive free trade arrangement with the United States to make sure that does not apply to Canada so we continue to have the investment and jobs, the hundreds of thousands of jobs this country needs to grow and to prosper. That is why the negotiations are so important.

CONTENT OF PRESIDENT'S LETTER

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, despite the Prime Minister's best efforts to suggest otherwise, let it be made clear that it is not the competence of the negotiator, Simon Reisman, that is in question today. It is the competence of the man who has given Mr. Reisman his mandate, the Prime Minister, that is in question today.