

Oral Questions

We are used to the Prime Minister stretching the truth when he is in Canada. There is a little bit of blarney all around, but we thought that when he is in the United States representing Canada he would act as a Prime Minister representing Canada abroad.

Yesterday on a TV program in the United States the Prime Minister, talking about his political opponents, said that they "do not like the United States, do not like trading with the United States and want to build a great wall of China around Canada".

I want to ask the Deputy Prime Minister: Is it because we are standing for Canadians and the interests of Canada that we in Canada are opposed to the Americans?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think what Canadians are really asking, particularly the Leader of the Opposition and his party, is to stand for something.

We do not know what they stand for. One day they are for free trade and the next day they are against free trade. One day they are for the GST and the next day they are against the GST. That kind of confusion will get the Leader of the Opposition nowhere.

When you go representing the country internationally, as he is aware I am sure, you have to stand for something and you have to represent the principles that we, as a government, stand for.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the government talks about standing for Canada. They should realize that in the last poll only 4 per cent of Canadians agreed with their position on the free trade agreement.

Some hon. members: Hear, hear.

• (1420)

Mr. Chrétien: When will this government understand that friendship is friendship but business is business? Will the Deputy Prime Minister tell Canadians that he will ask the Prime Minister to apologize because he treated them as anti-American just because 96 per cent of Canadians do not agree with the Holy Ghost, the Prime Minister of Canada, when he is abroad?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Leader of the Opposition can talk about all the puffery but the facts

are still very clear. Merchandise exports to the United States have gone up by 12.3 per cent since the implementation of the free trade agreement. In March we achieved a record level of \$117.4 billion in exports to the U.S. on an annualized basis.

In terms of merchandise imports, again demonstrating the strength of the Canadian economy, imports rose by 6.2 per cent. Quite frankly, the over-all aggregate trade with the United States is in fact increasing. That is the only trading area where trade is increasing with Canada. It is decreasing in other areas, increasing with the United States, which again demonstrates the importance of the free trade agreement.

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THE ECONOMY

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Deputy Prime Minister. The Prime Minister was wrong yesterday. Canadians like Americans. What they do not like is this government.

The U.S. entered the recession six months after we did. It has already come out of the recession while we remain mired deep in the soup. The Americans have created 947,000 jobs since November. We have lost 141,000 in the same period.

How, given the difference in prospects between our two countries which is unprecedented in recent history, can this government continue with an economic program that has failed so miserably to create jobs and to give Canadians hope?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am pleased the hon. member has recognized that Canada is a trading nation, thus we trade to survive. Our growth and our prosperity will come through trade. That is why I am encouraged, as I am sure he should be encouraged, that our trade with the United States has risen by 12.3 per cent since the free trade agreement came into effect.

As a matter of fact, in March we recorded \$117.4 billion worth of export sales to the United States on an annualized basis. In the budget we took steps to improve the competitiveness of our manufacturing and processing sector. We took steps to improve the competitive environment, the investment environment, so we can be more competitive, so we can take advantage of these new trading opportunities. We are all encouraged by the fact