

Oral Questions

Mr. Garneau: Mr. Speaker, when we look at the statement in Articles 706 and 703 of the documents tabled by the U.S. President, it says that the Reagan administration tried to eliminate all restrictions on exports of U.S. products to Canada, including chickens, eggs and egg products, all of which are subject to Canadian marketing boards, and which the Prime Minister himself said were not affected by the agreement. So who is telling the truth, the U.S. President or the Prime Minister of Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, yesterday's headline in *La Presse* said that:

Business community launches violent attacks on Turner

We read the following:

"The business community is flabbergasted by the decision of the Leader of the Opposition, Mr. John Turner, to invoke the power of the Liberal majority in the Senate to block the passage of the free trade agreement.

"I am thunderstruck", exclaimed Mr. Claude Garcia, President of the Montreal Chamber of Commerce."

Quebecers and the Government of Quebec have taken a position that is completely different from the views expressed by the Hon. Member for Laval-des-Rapides, and I hope . . .

Some Hon. Members: Explain!

Mr. Mulroney: It is not my job to explain statements . . . it is not up to me to explain decisions made by a non-Canadian. But I wish someone would explain the contradictory statements made by the Hon. Member for Montreal—Sainte-Marie and the Hon. Member for Winnipeg this morning!

● (1430)

[English]

WATER RESOURCES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is addressed to the Minister for International Trade. For some weeks we on this side of the House have been warning the Minister that water is in fact included in the agreement which the Government has negotiated with the United States. The Minister denied this for many days and has now suddenly acknowledged that perhaps there is a legitimate concern.

The Minister has now acknowledged that there is at least potentially a problem with water and he is rumoured to be considering changing the wording. Could he tell us whether in his deliberations he is planning to make changes in the Bill which is actually before Parliament, or is thinking of making changes in the wording of the actual agreement negotiated between Canada and the United States?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I will try to explain the situation again to the Hon. Member. Water in its natural state is not included in the free trade agreement. There is nothing in the free trade

agreement that compels Canadians, or even induces Canadians, to permit water in its natural form to be exported to the United States. If that were ever done it would be as a result of a decision of the government of the day that that was its policy. This Government has decided that that is not our policy, and that statement was made last November.

There has been a deliberate campaign of misinformation up and down this country by the two opposition Parties and others who wish to try to stop the free trade agreement. Therefore, I have said that if the majority of the committee believes that it might help to clear up the confusion which has been deliberately planted in the minds of the public to consider an amendment in the free trade legislation, that can be considered. There can be no amendment to the free trade agreement. The free trade agreement is set.

Such an amendment in the legislation is not necessary, but in order to lay to rest these unfounded rumours and insinuations I will be pleased to consider it.

I have in my hand a statement made yesterday by Mr. Yeutter, the U.S. trade negotiator. On July 26 on *Canada A.M.* he was asked about water.

Some Hon. Members: Order.

Some Hon. Members: Sit down.

Mr. Speaker: Order. Perhaps the Hon. Minister could come back to that in answering another question.

REQUEST THAT AGREEMENT BE CHANGED

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister has moved from denying the necessity for any change to saying that maybe there could be a change in the legislation. We know that he has extensive knowledge from his vast reading of the details of the agreement.

Will he acknowledge that any law we pass in the Parliament of Canada which contradicts the agreement in terms of subject matters pertinent to the agreement is in effect null and void and, therefore, if we really wish to protect water in the agreement itself it is absolutely essential to have a change in the wording of the agreement rather than in legislation introduced in the House of Commons?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I want to refer to what was stated by the United States trade representative, Mr. Clayton Yeutter, who negotiated the agreement on behalf of the United States. He was asked yesterday, "There's a lot of concern expressed in Canada in the past few weeks about water and how it figures into the trade deal. Does it?" He said, "Well, as far as I'm concerned, it does not. Certainly we had no intent, as we negotiated the arrangements, to in any way involve ourselves in the water issue".