

*Oral Questions*

What I hear from the Liberals on the other side is that they do not want to see a united position. They want to see the whole matter collapse so that we will not win, but we are determined to beat this one.

**Hon. Lloyd Axworthy (Winnipeg South Centre):** Mr. Speaker, what this government seems to be trying to say is that the mess it has created it is now trying to mop up. The victims of that will be the workers in the softwood lumber industry who will have to pay the price with the loss of their jobs.

I want to ask the minister again: Will he listen carefully, rather than flying off on his own direction? There is an act under the federal statutes, the Employment Support Act, which gives this government the right to provide direct financial assistance to help industries pay bonds, to keep workers on the job, to provide financial assistance while we go through this dispute.

If the minister wants to stand up for Canada and its workers, is he prepared to invoke that act and use the authority he has to defend our rights as a sovereign country?

**Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade):** Mr. Speaker, the answer is yes, I am aware of that act and yes, that is an option we can use. But that is only a very small part of the battle that we are taking on this to the United States.

We are dealing with it, as far as the industry and the provinces are concerned, in the broadest possible way to ensure that a strong, united Canadian position is put forward to the United States administration and dealing with the efforts of the Prime Minister in speaking directly to the president.

I do not recall one time when the former Prime Minister who was sitting here, Mr. Trudeau, ever picked up the phone and dealt with the President of the United States in dealing with any trade issues.

**Hon. Audrey McLaughlin (Yukon):** Mr. Speaker, my question is for the Deputy Prime Minister. It is clearer every day that people see what a bad deal this Canada-U.S. trade deal has been for all sectors of the economy.

I want to quote the comment of a former deputy chief negotiator for the trade deal who said that the trade deal was based on two principles, that the trade barriers would come down and the trade barriers would not be

put up again in a capricious manner. The former deputy chief negotiator said that both of these principles have been broken by the United States and that "Canada is being treated significantly worse than other trading partners". Despite what the minister wants to say, Canada is getting the bad end of a bad deal. I want to ask the Deputy Prime Minister if the government will finally admit that the deal is a failure, that we want fair trade with the United States, scrap the Canada-U.S. trade deal, pull out of the NAFTA talks and send a real message to the United States about where Canada stands.

**Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade):** Mr. Speaker, I do not quite understand the Leader of the New Democratic Party. Exports are up since 1988, the year before the free trade agreement came in. Our trade surplus is up. The net investment flows into Canada are up all of them helping to increase economic activity in Canada over what it would have been if we did not have the free trade agreement.

Now I hear my hon. friend saying she does not want to have the free trade agreement. She is saying that, I presume, under the full understanding that if we do not have the free trade agreement, we do not have the dispute settlement mechanism. If we get a decision on the countervailing duty on the softwood lumber, that is it, there is no further appeal. With the free trade agreement we have that further appeal. We have the option to go to the dispute settlement mechanism as we did with the pork countervail action. We were successful there and we are going to be successful in the softwood lumber issue as well.

**Hon. Audrey McLaughlin (Yukon):** The minister talks about dispute mechanisms around the softwood lumber issues. As he knows, we were involved in a dispute mechanism settlement with GATT from which this government withdrew in favour of the Canada-U.S. trade deal. Canadians want to know why this government has not shown one thing resulting from this Canada-U.S. trade deal other than high unemployment, a high dollar, a high interest rate for Canadians.

Will the government stand up for Canadians? Will the government stand up for fair trade, withdraw from the NAFTA talks and send a real message to the United States?