

*Oral Questions*

**Mr. MacGuigan:** Madam Speaker, the way in which the money is raised is a matter for the American administration and for U.S. promoters. It is not a matter for us to decide. I understand the American position has always been that they intend to see that the pipeline is built by private funds, so I see no difference in statements now being made and statements which were made formerly.

## RESULT OF UNITED STATES STANCE

**Mr. Edward Broadbent (Oshawa):** Madam Speaker, the minister knows that in a letter produced a year ago President Carter did not in any sense guarantee the project, and the wording was very carefully crafted to avoid that commitment. Considering what the minister has just revealed in his answers to the Leader of the Official Opposition and myself, will he not agree that we will have a western portion of the pre-build completed in two months, a Canadian pipeline produced to export Canadian gas to U.S. markets, without any guarantee that the original purpose of the pipeline is to be implemented, namely, a pipeline designed to carry U.S. gas from the far north to U.S. markets? In short, has the minister not sold out completely on the issue?

**Hon. Mark MacGuigan (Secretary of State for External Affairs):** Madam Speaker, what I am saying is that I do not believe there is any difference in the kind of commitment given today by President Reagan and by Secretary Haig in our discussions and the previous commitment given by the United States administration.

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## AUTOMOTIVE INDUSTRY

## CANADA-UNITED STATES AUTO PACT—TALKS WITH UNITED STATES PRESIDENT

**Mr. Otto Jelinek (Halton):** Madam Speaker, my question is directed to the Right Hon. Prime Minister.

Last year the Canadian deficit rose nearly \$4 billion as a result of the obsolete U.S.-Canada Auto Pact. It is quite clear that the government has been totally ineffective since it returned to office over a year ago in its attempt to improve the situation. I would therefore ask the Prime Minister to inform this House what priorities this issue received in talks between himself and President Reagan this week and, more important, what immediate, positive developments in the Canadian auto industry can we expect as a result, keeping in mind the \$4 billion deficit in this country, a deficit which is growing?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, it seems to me that the two questions are linked, and I would answer by saying quite a high priority.

● (1430)

## ENCOURAGEMENT OF CANADIAN PRODUCTION

**Mr. Otto Jelinek (Halton):** Madam Speaker, since the Prime Minister does not want to reveal what his discussions with the President were, I would like to put a question to the Minister of Industry, Trade and Commerce on a related matter.

Last month the sale of imported cars rose by 30.4 per cent, as the minister knows. In 1980 alone the sale of Japanese imports rose by 151.3 per cent. In view of the fact that this party, along with the interest groups, has come up with some positive recommendations and suggestions for the minister to consider over the last year or so, only to have him issue press releases like this one, indicating over and over again, like a parrot, that more discussions and consultations must take place, I would like to ask the minister what immediate and specific action the government intends to take to ensure that Canada gets its fair share of both parts manufacturing and assembly of vehicles in the auto industry. We do not want any more rhetoric about—

**Madam Speaker:** Order.

**Hon. Herb Gray (Minister of Industry, Trade and Commerce):** Madam Speaker, we have taken concrete action in the past year to assure additional activity in auto parts and auto manufacturing generally in this country, which will mean the preservation and extension of thousands of jobs for workers. My hon. friend is so tied up with his own rhetoric that he keeps forgetting, or does not bother listening to the definite information I've been providing in this regard. We will be continuing our efforts in this manner, and part of those efforts will be working with the United States to take steps which will help bring about the return to health of the North American auto industry, with our particular focus being on the Canadian industry and the workers and communities connected with it.

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## THE ECONOMY

## QUERY RESPECTING GOVERNMENT'S FISCAL STANCE

**Hon. Sinclair Stevens (York-Peel):** Madam Speaker, I would like to put my question to the Minister of Finance, whom we all noted in this House following in a very pensive way the speech of the President of the United States. He undoubtedly noticed that the President indicated great alarm at the size of the deficit in the United States and indicated that they were taking serious steps to correct that. Bearing in mind our deficit on a per capita basis is now projected at four times the deficit the Americans anticipate, and as a percentage of spending is five times as high as in the U.S., would the minister indicate whether he has taken any fresh look at his own figures to determine if what he set down last October is now satisfactory, bearing in mind how our continental partner is trying to put its fiscal position in a more responsible stance?