

Oral Questions

[Translation]

FREE TRADE—ATTITUDE OF UNITED STATES—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): I have a supplementary for the Minister, Mr. Speaker. The Minister himself suggested that the main problem was the unilateral power of the United States and Canada's power to make decisions against imports from other countries within a free-trade agreement. If he said that, why is he not in favour of changing those powers immediately?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, we want to change the situation or at least try. That is why we started negotiations with the United States, but we can't have any results when before the negotiations have hardly started.

[English]

U.S. GRAIN SUBSIDIES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question for either the Minister or the Minister of Finance or the Minister of Agriculture, dealing with a specific sector. The Government is standing by and watching one sector after another in Canada be hit, either very seriously or destroyed by American action. Considering that the Americans refused yesterday to put an end to their massive subsidies on grains, which are destroying Canadian grain markets, will the Canadian Government at least come to the assistance of Canadian grain producers and provide the kind of deficiency payment for which Canadian farmers have been asking because of American subsidies?

Mr. Speaker: I think the Hon. Member knows that that is not essentially supplemental to the earlier questions about free trade negotiations. The Chair is in some difficulty therefore. Perhaps the Hon. Member could wait and another Member could ask the question later on a separate matter.

[Translation]

ALLEGED CUSTOMS TARIFF WAR—GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, my question is directed to the Minister of Finance and concerns free trade. We can say that the Conservative Government's disastrous record in its trade relations with the United States has put a number of businesses at risk. We are seeing tariffs on fisheries, agriculture and lumber products and now on steel.

Could the Minister of Finance inform the House what steps his Government intends to take to put a stop to this tariff war which was started by the United States and continued yesterday by the Conservative Government?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there is no trade war between Canada and the United States. There is a trade war within the United States, between Americans who are in favour of protectionist

measures and Americans who are not. Those are the facts, and the challenge for Canada is to obtain more effective mechanisms than the ones we have today, to safeguard Canadians. That is why we are now conducting negotiations with the Americans.

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FINANCE

INQUIRY IF GOVERNMENT WILL PROPOSE POLICY TO STOP DECLINE IN EXCHANGE VALUE OF DOLLAR

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, I have a supplementary for the Minister of Finance. I don't know what to call the present situation. If it isn't a war, I don't know what is. This tariff war is so serious that it has had a major impact on the value of the Canadian dollar. Does the Minister of Finance intend to propose some kind of policy to prevent the slide of the Canadian dollar following the tariff war that has been going on for the last few days?

● (1425)

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as the Secretary of State for External Affairs has said, we disagree fundamentally with the words the Hon. Member used "that there is a trade war". There is not a trade war. There are a number of specific instances, some of which are initiated by private citizens and private industry in the United States, which are totally apart from the decisions by the administration. The Hon. Member has linked this with the current weakness in the dollar. I am not sure that I would agree with him on that one either.

Mr. Garneau: That is what happened yesterday.

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TRADE

U.S. TARIFF ON CANADIAN CEDAR SHAKES AND SHINGLES—GOVERNMENT RESPONSE

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my question is also for the Secretary of State for External Affairs. The Minister will know that hundreds of jobs are being lost daily now in western Canada as a result of the shake and shingle countervail, including the area adjacent to the Minister's own constituency. Will the Secretary of State for External Affairs explain what Government actions are planned to encourage the United States Government to lift this countervailing duty?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Government of Canada, since this surprise action was taken some 10 days ago, reacted very