

Oral Questions

of the Opposition said that "Mr. Mulroney has given away our cards too early. He has dismantled the Foreign Investment Review Agency". However, when he was in private practice at MacMillan Binch he said "We can't afford the outflows associated with FIRA-induced Canadianization". Make up your mind!

Some Hon. Members: Hear, hear!

Mr. Speaker: Order, please.

POSSIBLE RESULTS OF NEGOTIATIONS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, in his speech last night the Prime Minister put forward for the first time the concept of Canada seeking national treatment as a trade goal, thereby endorsing the American theory of a level playing field. That is a quite radical departure in Canadian trade policy. Is the Prime Minister prepared to spell out what the level playing field will mean for Canada? Does he understand it could mean full access by the U.S. to our oil and gas resources, our water resources, and our financial and cultural industries? Could the Prime Minister tell us what the cost to Canada is of the level playing field?

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I mentioned very clearly that in a good negotiation that, indeed, would ultimately, over a period of years, be a fair result. I indicated that our objective is to conclude an arrangement that creates jobs and greater wealth for Canadians.

I also said very clearly, and I hope my hon. friend will remember, that if it is not a good deal for Canada there will not be any deal.

POSITION OF PROVINCES

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, what is a good or bad deal is in the eyes of the beholder, and we have some questions about that. In putting forward the idea of a level playing field does the Prime Minister have the full concurrence of the provincial Governments, considering that a level playing field would wipe out many of their procurement policies, the agricultural marketing boards and the regional development policies? Has he received their agreement to pursue the level playing field policy that he announced last night?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, Premier Peterson, for example, was one who at the Halifax conference pointed out the desirability of beginning the process of eliminating interprovincial trade barriers. He made very clear what I thought was an excellent position, which I and others have had the chance to pick up on since. I think he speaks for a lot of Canadians when he says that the elimination of these interprovincial trading barriers must come down as a pre-condition to growth. Our position is one of jobs, seeking new markets, productivity enhancement, increased

competitiveness, and new wealth for Canadians. I was interested in finally getting the Liberal Party policy stated last night when the Leader said, "I can assure you that we will follow these negotiations closely".

[Translation]

AUTO PACT—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister.

Last night, in the course of his speech on free trade, the Prime Minister cited the Auto Pact several times as an example.

Does the Prime Minister agree with the Americans that the Auto Pact is a free trade agreement?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, last night I said clearly that history shows when barriers to trade fall away, a new prosperity is the result.

Take for instance the 1964 Auto Pact. I just wanted to show that in international trade prosperity comes after the number of barriers is reduced. And that is what we want to do.

[English]

PRIME MINISTER'S VIEW

Hon. Edward Broadbent (Oshawa): Mr. Speaker, once again we have a Prime Minister who has shifted all over the place on this issue and not answering the question.

Today in Washington Canadian negotiators are sitting down to talk about the Auto Pact and free trade, amongst other things. Would the Prime Minister clarify his remarks that he made last night when he cited the Auto Pact several times as an example, presumably, of free trade. Is he telling Canadians that he agrees with the Americans that the Auto Pact is a free trade agreement, or does he take the traditional Canadian view that the Auto Pact, with built-in safeguards for Canadian investment, is not an example of free trade? It is relevant today, it is relevant to all those workers in other sectors who were watching the Prime Minister. Will he answer the question?

Mr. Speaker: Order, please. This is long.

Right Hon. Brian Mulroney (Prime Minister): The Auto Pact is what I think we have all indicated is an instrument of liberalized trade, and that is what we are working towards. My friend suggests that we are being inconsistent. Perhaps he would care to consult *La Presse* of May 11, 1965, when the New Democratic Party introduced a motion of censure against the Government for proceeding with the Auto Pact.

Some Hon. Members: Hear, hear!

NATURE OF NEGOTIATIONS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Prime Minister is rewriting history. If he checks carefully he will find