

*Speech from the Throne*

people who show a policy of no compromise, like the leader of the New Democratic Party (Mr. Lewis), who was saying on television the other day:

Show them that we are self-reliant—

Mr. Speaker, I think this approach is childish. Few countries in the world can be described as "self-reliant" and the Americans themselves are just coming out of an ordeal where they had to call on the co-operation of many countries in order to solve a problem of their own, which was an international problem as well.

I fail to see how Canada can go out and preach on the international scene saying: "The hon. member for York South has asked us to tell you that we are self-reliant." This is mere bragging and I do not think it is the proper attitude to take.

In this respect, one can notice, for example, a difference in tone between the hon. member for Prince Edward-Hastings (Mr. Hees) and his House leader (Mr. Baldwin). I appreciated the way in which he made his remarks the other night on television and I think it should be put on record. When asked to state his opinion on the ongoing negotiations with the United States the House leader said:

[English]

Now we're going to be awfully lonely in the trading world if we get too tough with the United States. That doesn't mean that on the good points we should fight, but if we get into a trade war with the United States, you know that it's not going to be their blood, or at least there is going to be more of our blood on the floor than that of the United States. And I think that there are, many of the people in Congress... itching for a protectionist war, and I think we have to be very careful, possibly make some concessions which under other circumstances we might not. That doesn't mean that we have to give away things.

[Translation]

Mr. Speaker, I consider that good philosophy and I do not laugh at the House leader of the Conservative party. As would any intelligent person, he has evaluated the vigorous approach and the diplomatic approach, so to speak, and this is what we are endeavouring to achieve in adopting a reasonable way.

Recently, I was asked several times to make public Canada's offer, to make public the compromise, the conditional agreement that has been reached. I had a little joke about that yesterday when I said that my son Nicholas, and even Justin, the Prime Minister's son, were better negotiators than those who suggested that. When my son wants something from me or from his mother, he does not tell us right away what he will settle for. He manoeuvres, he tries to sell and to buy at the same time!

Well, it seems to me that the fact that, in spite of what has leaked on this matter in the United States, the Americans did not make that agreement public, but suggested that the door remains open, is a good omen. I think we should follow their lead. It shows that there is still room for give and take.

Therefore I believe that it would be rather unwise to make public now the terms of that conditional agreement. But it will be made public in due time and, as for me, I will be very pleased about that.

[Mr. Pepin.]

As far as the actual content of the negotiations is concerned, the hon. member for Prince Edward-Hastings did really see, the other day, what the problem is all about namely that our talks with the United States deal with two sets of facts. Firstly, there are the irritants, that is all the minor difficulties and problems in the relations between Canada and the United States. But there is a second aspect which is much more important, much more fundamental, and that is the trade balance between our two countries. In the United States there are some people who would like to seize the opportunity to amend, to reduce, and even to eliminate Canada's surplus in that trade balance.

And this, indeed, is a matter other than the solution of irritants. And if we are not in agreement yet, one reason is in fact that negotiations went on at those two levels concurrently. We should decide what we are talking about. For our part, we are talking about the balanced package of irritants, and this is not the same thing as the trade balance between the two countries.

And if I may criticize the hon. member for Prince Edward-Hastings, it would be for the conclusion he drew the other day while commenting on a remark from the Secretary of State for External Affairs, and I quote:

Yet the United States government has been able to con this government into believing that we have some responsibility to right this imbalance... Canadian industry will have to make sacrifices that will cost jobs in this country.

The least that can be said is that this is not yet true. The hon. member has no right to judge that we have.

**Mr. Hees:** Nobody has said you are going to give in.

**Mr. Pepin:** On the contrary.

**Mr. Hees:** Sharp said it out in Winnipeg.

**Mr. Pepin:** The hon. member misinterpreted what the minister said. The fact that agreement has not been reached would imply, to anyone willing to look objectively at the situation, that this "conning" job has not taken place.

● (1600)

**Mr. Hees:** Do you want to bet you will not make a lot of concessions

**Mr. Pepin:** You are writing history before it takes place. Let us be friendly and say that one ought to suspend judgment on that particular item, because there is no proof yet to conclude.

**Mr. Hees:** It is obvious what is going to happen.

**Mr. Pepin:** All right; let us agree to disagree. My last point has to do with export promotion. The hon. member for Prince Edward-Hastings (Mr. Hees)—I am giving him special attention today—is always funny; he is always entertaining even when he is trying to be nasty. The description he gave of my behaviour while on trade missions, of going from luncheons to dinners, is really the height of caricature. I suggest it should be included in a book of humour on Canadian politics. I do not intend to defend myself today. I rest my defence on the