

Furthermore, in view of the difficulties surrounding the Senate Finance Committee decision to provide the President with fast track authority, he may decide to demonstrate a tough posture *vis-à-vis* Canada.

● (1650)

Well, I can tell you one person who was not surprised on May 22, it was Premier Bennett. I am sure he was shocked, but obviously he was not surprised.

Now why, with this letter in hand, was the Prime Minister telling us that he was surprised, and why was the Secretary of State for External Affairs (Mr. Clark) pretending that he was surprised? Well, of course, the answer today in the House was that he did not receive any advance notice from the American administration. The Government received advance notice from Premier Bennett.

It is like saying, in the case of that truck driving into your living room, after someone has come in and told you there was a truck coming, that you were surprised because you did not hear from the truck driver. They knew precisely what might happen on May 22.

What are the answers to this? That, indeed, is perhaps a greater mystery than why the President applied the tariff. I have at least furnished a possible answer to that, but in this respect, I must confess, I am lost.

Here is Premier Bennett with this information at his fingertips, and here is our Government with a trade office with close to a hundred people in it, with an embassy in Washington, with highly paid lobbyists who are supposed to have direct access to information which goes on within the administration, and yet it is not aware that this might take place—complete surprise. It was not a complete surprise for Mr. Bennett.

Did they not believe Mr. Bennett? Did the letter get lost in the mail? Is that a possible answer? Perhaps the letter got lost in the Prime Minister's Office. There are so many people in that office, the staff is so large that there, indeed, may be an example of the left hand not knowing what the right hand may be doing. I know that sounds outrageous, but I must say it is the only response I can think of, because what other Prime Minister, what other Secretary of State for External Affairs would not act when the Premier of a province affected to the tune of \$250 million of exports tells him that this is likely to happen some time before May 24? Could there possibly be another answer?

I also say that because I always thought the Secretary of State for External Affairs, for all the criticism we may throw at him, is a man of integrity. I think that when he was on *Question Period* on Sunday and said he was surprised, he was surprised. It would not surprise me, in turn, if he did not even know about Mr. Bennett's letter and, perhaps, has never seen Mr. Bennett's letter.

Well, the final answer, which my Leader dealt with this morning, is that, having found ourselves with this extraordinary mystery on our hands—and I certainly hope that as the days unfold the mystery will become clarified and we may get

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some answers—the question is, what should the Government do?

Mr. Reagan has played a very strong card. He has played a card which, in my judgment, requires a response, not retaliation. I asked on Friday in my question to the Prime Minister, given this stumbling start out of the starting gate on these negotiations, what is the Canadian Government to do?

This issue is so serious for the people of British Columbia, for the value of our exports, the jobs, and for the future of these negotiations, that careful consideration should be given to suspending those negotiations until such time as this tariff is withdrawn, and, as our Leader said, until such time as both parties agree that there will be no further harassment during these negotiations. Negotiations of this kind should not be conducted with either a gun to the head or a knife in the back.

Mr. Fulton: Mr. Speaker, I wonder if the Member who just spoke would care to clarify for the House and for the people of British Columbia just exactly what the Liberals' policy is, first, on the export of logs and of shake bolts, which is clearly something that the Washington, Oregon, Idaho, northern California shake and shingle producers are interested in; and second, whether or not this motion that is before the House means that if the 35 per cent duty harming British Columbia's shake and shingle industry is not taken away, the Liberals will then be calling for an end to the free trade talks. Or perhaps he could expand a little bit on exactly what this motion means.

Mr. Johnston: Mr. Speaker, I have to recall the exact text of the motion, but on the first part of the question—later I will come to the second part—the position has been clear, there has always been free trade in these products. The President, in this case, has not basically dealt with an issue of countervail, he has dealt with a safeguard tariff, which, theoretically, can be applied in any circumstance where injury is shown under Article 19 of the GATT treaty.

Our position on it is clearly that as these negotiations begin, this would be the last gesture one would expect to find. Of course that market for shakes and shingles is the most significant market and, as we know from the numbers that have been put forward, it will effectively create serious unemployment in the province represented by the Hon. Member for Skeena (Mr. Fulton). It will affect exports and, as the Member knows, will affect a lot of ancillary industries as well, including transportation and support industries. That is the position on the first point raised.

With respect to the second point, our Leader this morning laid out, I thought quite clearly, that we would expect the Prime Minister to use the good offices, to which I have made reference, with the President of the United States, that he should call the President of the United States and ask that that tariff be removed. He should also ensure that the countervail action will not proceed. He should get an undertaking for what our Leader called a cease and desist order, that as long as these negotiations are going to go forward, they should go forward without harassment, either in the United States or in