

### Supply

Well, if that was the case, it was the height of folly for the current Government to throw away what could have been two key bargaining chips in moving ahead to get this House to approve its dismantling of the NEP and FIRA, using its massive majority, without getting anything whatsoever in return from the Americans. This is a prime example of how incompetent this Government is when it comes to managing the country's affairs, whether it is the trade relations we have with the United States, or anything else.

**Mr. Kempling:** I would like to ask the Hon. Member for Windsor West (Mr. Gray) a couple of questions. He mentioned the Auto Pact and safeguards in his comments. I would like to ask him to tell this House how many times in the last 10 or 12 years the safeguards have been implemented. What was the Canadian content in automobiles exported to the United States last year and this year?

**Mr. Gray (Windsor West):** I can tell the Hon. Member that there were a number of occasions when Canada was part of the world-wide recession when the content level of Canadian production by the subsidiaries of the American based multinationals fell to the point where the safeguard levels were important. They were important before that, for example, on occasions which led to the building of the large van plant by Chrysler in Windsor some 10 years ago. If it had not been for the breach of Chrysler of the then safeguard regulations—and they are also the current ones—the plant would not have been built as a way of picking up the content required. I do not have at my fingertips the current Canadian content of cars exported to the United States, but I believe it is much higher than would be the case without the safeguard provisions.

● (1610)

I conclude by making the point that the inference in my hon. friend's question is strange. Some of his colleagues, speaking of contradictions, have said over and over again: "Don't worry, the Auto Pact is not on the table; the safeguards are not on the table; everything is okay". However, the clear inference in my hon. friend's question is that the safeguards are irrelevant and that we should not worry about giving them up. That is the Tory stand revealed out of the mouth of the Hon. Member.

**The Acting Speaker (Mr. Paproski):** There are four minutes remaining in the question and comment period. I will now recognize the Hon. Member for Mission—Port Moody (Mr. St. Germain), followed by the Hon. Member for Burlington (Mr. Kempling), and then the Parliamentary Secretary.

**Mr. St. Germain:** Mr. Speaker, obviously the Hon. Member for Windsor West (Mr. Gray) did not write his speech. Knowing the integrity of the man and his knowledge, I am sure he would not make such a speech in the House. He spoke about shakes and shingles. I believe it was one of the Hon. Members of that Party from Newfoundland who initiated that debate on an opposition day. They did not have any idea about the industry whatsoever. They were prepared to continue exporting raw cedar to the United States. Now the Hon.

Member stands here like a defender of our cause. It is disgraceful. These people do not know what is going on in the country.

I should like to pose the same question to the Hon. Member as the one I posed to the Hon. Member for Winnipeg—Fort Garry (Mr. Axworthy). Given that the Macdonald Commission, the Hon. Member for Saint-Henri—Westmount (Mr. Johnston), the International Woodworkers of America, the BCNI, the Canadian Federation of Independent Business, and the Canadian Chamber of Commerce advocate that we proceed immediately with free trade, how can he possibly rise in the House and say that we should use a two track method through GATT to negotiate with the United States and still advocate that we suspend enhanced trade talks with the United States? It behoves me. He is contradicting himself, and I would like an explanation.

**Mr. Gray (Windsor West):** Mr. Speaker, I think what I said is quite clear. If my hon. friend takes the trouble to read *Hansard* when it is available, he will see that I spoke in a perfectly consistent and logical fashion.

My hon. friend referred to a list of people who are supporting the Conservative initiative. I could give him a list just as long, if not longer of those who question it—the Canadian Labour Congress, the Canadian Federation of Agriculture, the brewing industry, the grocery manufacturing industry, and so on.

The basic point is that the more we look at what the Conservative Government is doing, the more we realize that it is on the wrong track. Never mind whether it is one, two, or three tracks, it is on the wrong track when it comes to defending Canada's interests. Now that the Conservatives have noticed that the public is cooling off on their initiative, it is interesting how they are afraid to use the term "free trade".

**Some Hon. Members:** We never used it.

**Mr. Gray (Windsor West):** They say: "We never used it". When the Prime Minister made his initial statement, he said that the Government would seek the widest possible reduction of trade barriers in the agreement with the United States. What else does that mean?

I should like to conclude by making the point that on May 29 President Reagan of the United States, in a speech to the National Association of Manufacturers, said: "Just last week we began negotiations with Canada, our largest trading partner, on a new comprehensive free trade agreement which should lower barriers to U.S. exports". There is no doubt in the minds of President Reagan and his people what they are trying to get, if they are trying to get anything from Canada. There is no doubt in President Reagan's mind about what this Conservative Government is willing to give the United States.

By the way, Mr. Reagan did not say in his speech that this agreement would lower barriers for Canadian goods going into the United States. He did not say that it would lead to them giving up countervail. All he talked about was lowering