

Imperial Bank of Commerce have dropped for two months in a row. The last time that this happened was just before the recession in 1981-82.

In view of these forlorn signals, in the last few days he has as Minister of Finance will he take any steps at all to help the unemployed? His Budget of February 15 did nothing for them. Every indicator that has come out since shows how flat the economy is, and the lack of growth in jobs. Will he attempt to do anything before he is bounced by the next Prime Minister, who will bounce him if he wants to have any chance of success at all?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I thought the repartee of the Hon. Member was rather flat, compared to his usual style, until I noticed that it came from the Leader of the Opposition. I suggest to him that he should find a better source of inspiration the next time, or rely on his own wit. He is better when he is at it himself.

I invite my friend to examine the investment forecast that will come out in a few days, I am told. I believe he will find that the plans of the private sector are certainly encouraging and that there is an indication that we will have growth in investment in real terms in the next few quarters.

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TRADE

CANADA-UNITED STATES TRADING RELATIONSHIPS—REQUEST FOR MORATORIUM ON FREE TRADE DISCUSSIONS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is directed to the Deputy Prime Minister. He will know that there were statements made in Washington last week that Canada and the United States were in the process of reaching an agreement on free trade in one sector. At the same time there were statements out of Washington that the U.S. Government is moving, not very cautiously, toward imposing rather severe restrictions on the importation of basic steel into the United States. It is pretty clear that there is a conflict some place.

Has the Government of Canada made representations to the Government of the United States that there will be no further discussions of any kind relating to a freeing up of trade arrangements until such time as the United States Government comes to grips with the problems that it will inevitably create if it moves to restrict Canadian steel access to the United States?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the Hon. Member certainly raises a subject that is of keen concern to the Government. However, he shows small understanding of the process involved in international trade policy and trade rules under the GATT.

What is involved in the Hon. Member's question is, first, the discussions between Canada and the United States about the possible liberalization of trade in particular sectors, to the mutual benefit of consumers and workers in both our coun-

tries. In order to be more competitive in the world as a whole, there might well be advantages in taking such a course of action. That course of action in relation to specific sectors is being investigated by our two countries in those discussions. Negotiations, as such, have not been undertaken as yet and will only take place if it is found there is such a mutual advantage in various sectors.

● (1430)

One of the reasons Canada is particularly interested in those sorts of discussions is the fact that the United States, faced with an incredible trade world-wide that may this year reach \$120 billion—

Mr. Hnatyshyn: The teacher says 52 per cent. Sit down.

Mr. Regan: —is finding that its Congress and its industry are utilizing either new legislation proposals or existing legal mechanisms for the examination of the provision of safeguard actions on the limitation of imports. Unfortunately, if they take those actions in various products, and I refer particularly to steel, which is the centre of attention at the present moment, and since they apply them on a multilateral basis under Article 19—

Mr. Nickerson: Order.

Mr. Regan: —even though Canada may not be the target for the problem, Canada can be severely affected. As a consequence, I have made representations to Mr. Brock, and the Deputy Prime Minister has made representations to Mr. Shultz about the strength of Canadian views on this subject, that any actions the United States takes must be taken in a way so as not to impact on the important two-way trade that exists in steel between our countries.

Some Hon. Members: Order.

Mr. Regan: I want to assure the Hon. Member that the course we followed was successful when our lumber exports of over \$2 billion a year to the United States were threatened by countervail, and we won that battle. We won the battle when there was the threat against potatoes, and we are following with the same zeal—

An Hon. Member: That's enough, Gerry.

Mr. Regan: —in relation to the question of steel our efforts to protect the jobs of the Canadian steel industry and its important American market.

Mr. Deans: It is clear one of us does not understand, Mr. Speaker.

POSSIBLE UNITED STATES RESTRICTIONS ON IMPORTATION OF CANADIAN STEEL

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, would the Government be prepared to sign into law an arrangement with the United States freeing up trade between Canada and