

*Oral Questions*

We talked about programs and possible programs. It is reported that the U.S. Department of Commerce is threatening to examine any assistance package to fishery products by the Government of Newfoundland in view of whether there might be unfair subsidies. We know, based on past experience, that the U.S. fishing industry believes that essential Canadian social programs are unfair subsidies.

Will the Prime Minister tell this House what specific programs the government has considered but may have felt could not be put into place because of threatened retaliation under the free trade agreement?

**Hon. John C. Crosbie (Minister for International Trade):** Mr. Speaker, we know of the hon. member's intense interest in this issue because she flew into Newfoundland for a photo opportunity for a few hours and flew out again around a week ago, so we know the intensity of her interest in this issue.

With respect to the question of countervail, there was already a countervail investigation in the United States which held that social programs such as unemployment insurance, as they were applied in the fisheries, were not subsidies and not countervailable. So the hon. member is barking up the wrong tree again as she does so often.

**Ms. Audrey McLaughlin (Yukon):** Mr. Speaker, we have heard so far today a number of very sensible questions about the future of the Atlantic region and I think all members of the House are concerned about that. I ask once again, given the crisis in the Atlantic region, given the need for assistance now—not a rejigging of old programs, but real assistance, assuring that people can remain in their communities in the Atlantic—is the Prime Minister personally prepared to take action on this issue and to become personally involved in ensuring that this crisis can be dealt with now?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, the answer to my hon. friend is that, of course, I have been deeply involved in trying to resolve what is a very major problem in the Atlantic fishery.

I take exception to my hon. friend's contention, and I will resist it there or anywhere else, that there is a crisis in Atlantic Canada. There is no crisis in Atlantic Canada.

**Some Hon. Members:** Oh, oh!

**Mr. Mulroney:** There is not.

**Mr. Simmons:** Where you been, boy?

**Mr. Peterson:** John, do you agree? Do you agree, Crosbie?

**An Hon. Member:** Where have you been, in Florida?

**An Hon. Member:** Wake up and smell the coffee brewing.

**Some Hon. Members:** Oh, oh!

**Mr. Simmons:** What's he smoking, John?

**Mr. Mulroney:** There are important areas in the Atlantic economy—particularly the fishery, which is in a state of crisis. That we recognize and have said it many, many times—that are going very strongly. Premier McKenna pointed out in an advertisement in *The Financial Post*, which I have just read, in August, that investment growth in New Brunswick led Canada in 1989.

If you do not heed the cries of gloom and doom which undermine investor confidence I believe there is a possibility that New Brunswick and other Atlantic provinces can lead Canada again in investment in 1990. The elements are there, notwithstanding the fact that there is, indeed, as my hon. friend points out, a very serious crisis in the fishery.

I ask my hon. friend to consider the fact that throughout Atlantic Canada total business investment in the economy was projected to increase almost 17 per cent last year.

**Some Hon. Members:** Order!

**Mr. Mulroney:** The centres of excellence for research and development, so important to Atlantic Canada—

**Mr. Speaker:** I think perhaps we will move on. The hon. member for Cape Breton—The Sydneys.

**Mr. Russell MacLellan (Cape Breton—The Sydneys):** Mr. Speaker, my question is directed to the Prime Minister. I find it absolutely incredible that the Prime Minister would say that there is no crisis in Atlantic Canada. Not only is fisheries a major industry, but it is the only industry in a vast, major portion of Atlantic Canada. There will be communities completely wiped out if something is not done.