

Oral Questions

● (1450)

TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—
CANADIAN WATER RESOURCES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is for the Minister for International Trade. A couple of days ago in this House his Parliamentary Secretary, in answer to a question on the trade deal and export of water, consistently made reference to bottled water in relation to Item 2201 of the tariff schedule.

If the Minister reads the tariff schedule carefully he will see that the term "bottled" is only in the mind of the Parliamentary Secretary. There is not one reference to "bottled" on that page.

Therefore, would the Minister for International Trade tell this House why, if water was not intended to be in the deal and the legislation, there is no reference to the exclusion of water in both documents in order to give this reassurance to Canadians from coast to coast?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, we have repeatedly stated the fact that there is absolutely nothing in the U.S.-Canada Free Trade Agreement which compels Canada, forces Canada, or directs Canada to sell water to the United States of America. As a matter of fact the Minister of the Environment has announced the Government's policy which, although I do not have the exact wording before me now, is not to permit large-scale diversion of water to the United States or any other country.

That is in contradistinction to what the Leader of the Opposition, in his book in 1968, *Politics of Purpose*, said at page 183, about water:

And if someday we can agree to the sharing of this continent's water by offering some of our water for export, we might want at that time to insist that if water is to be considered as a continental resource, markets should also be considered on the same basis. We might wish to export water not for money—but in return for access to your markets.

That, as I see it, must be our position. I don't want to sound tough.

He certainly didn't sound tough in those days. The Member should be taking this matter up with his Leader. He should be concerned about his policy.

Mr. Caccia: Mr. Speaker, it would be a sad day if the policy of the Government of Canada in 1988 were to be inspired by a statement made 20 years earlier.

TERMS OF AGREEMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Minister for International Trade has to clarify in this House why there is a reference to sharing of natural resources under Section 409 of the trade deal. If the Government found it necessary to exclude explicitly beer, unprocessed fish, and logs, why was water not included in that list?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I will come back to the words of the Leader of the Opposition, who is now in a position of some considerable power, although we all realize that the hon. gentleman asking the questions does not want him there. He is one of the dissenters.

Mr. Gray (Windsor West): Have the guts to answer the question directly.

Mr. Crosbie: The Leader of the Opposition said:

Water will occupy the best minds—

—so you can forget it, Herb—

—of our two countries for the next generation. It will be a constant topic of discussion over our neighbourhood fence. I am sure that we will be able to resolve the future use of the water of this country in a spirit of realistic friendship.

That is what the Member's Leader wants to occur.

Mr. Axworthy: What do you want? You want to sell hot air.

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[Translation]

THE ENVIRONMENT

GRANT MADE TO NORANDA COMPANY FOR CONSTRUCTION OF
POLLUTION EMISSION TREATMENT PLANT

Mr. John Parry (Kenora—Rainy River): Mr. Speaker, my question to the Minister of Environment is about the \$41.6 million paid to Noranda, supposedly to build a gaseous pollutant recovery plant.

Could the Minister indicate to the House whether this amount is considered as a loan or a subsidy for accounting purposes? Is he willing to table in the House the Quebec-Canada-Noranda Agreement?

[English]

Hon. Tom McMillan (Minister of the Environment): Mr. Speaker, I do not think there is any secret about this. The company in question accounts for something like 45 per cent of the acid rain causing emissions in Quebec. The Hon. Member will know that Quebec and Ontario account for about 80 per cent of the total domestic emissions relating to acid rain.

The Government of Canada worked very closely with the Government of Quebec and, through the Government of Quebec, with Noranda to finance the building of a sulphuric plant to address the problem directly.

The negotiation was conducted, in very large measure, by the Province of Quebec. It was, in effect, their deal to negotiate because it was within provincial jurisdiction. Our role was one of supporting that province and helping with the funding.