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continue with the trade talks in the future and complement that by tit for tat trade war decisions, the like of which we saw yesterday which, I repeat, will be totally counterproductive. We cannot win that kind of trade war with the United States. I will offer an alternative approach right now. We can do two things. First, we can put in place immediately, as the top priority, teams of experts in the limited number of sectors which are in dispute between the two countries. We can get experts on both sides to focus on those disputes to try to resolve them before negative action is taken on either side of the border. That should be the top priority.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I see you are rising, Mr. Speaker. I would like to ask the indulgence of the House to continue for just another minute.

Mr. Speaker: The Hon. Member is seeking the consent of the House to continue his speech by unanimous consent.

Some Hon. Members: Agreed.

Mr. Speaker: There being such consent, the Hon. Member may continue.

Mr. Broadbent: I thank the other Members. I will try to conclude briefly.

That should be the top priority. I hope the Minister will accept the suggestion which I am about to make; if he does not, I hope he will at least give us his reasons for refusing. As I have just suggested, we should set up committees on a priority basis to deal with areas of trade that are in dispute which could result in new job losses. If the Minister is not going to suspend the talks, which I do not believe is on his immediate agenda, he should instruct Simon Reisman, our chief negotiator, to put on the agenda for those talks as the first item the discussion of a mechanism which could radically change the unilateral countervailing powers of both nations, which would be put in place in those sectors in which free trade is agreed upon in the future. This seems to me to be absolutely essential. If there is no agreement on such a mechanism by the United States on those sectors, all other talks and agreements can be worse than useless. We can be deceived into thinking that real progress has been made when in fact we will have lost a great deal.

In short, the unilateral power of both nations to take retaliatory steps must be fundamentally changed in its application to those sectors where free trade is going to be agreed upon. If it is not, we are only kidding ourselves. We are leaving ourselves open to the kind of action we saw on shakes and shingles in the past week on a whole variety of new sectors which may be negotiated on a free trade basis.

Keeping this kind of power in such sectors for either nation is not an equal benefit as some might argue. It may be an equal right but, like many equal rights, it has very unequal results depending on economic power. If we maintain as a

nation that we want to keep such authority in such sectors, just as the U.S. does, I repeat, we will be doing a great disservice if we give up tariff and non-tariff barriers in such sectors and simply rely on this kind of power. I say that because the exercise of that power by the U.S. and by ourselves is supremely unequal in its consequences. A 4,000 job loss in Canada hits home when the U.S. uses that power. However, it is little more than bothersome, as a statistic, in the U.S. when Canada exercises that power on them. It is the difference between two nations, one of which has an economy 10 times more powerful than the other. To use a metaphor for the Minister which I think is relevant, a beaver jumping on an elephant's toe might cause the elephant to scratch. However, if the elephant decides to step on the beaver it will do more to the beaver than merely remove the itch. I say to the Minister that it is time our Government realized it is dealing with an elephant.

• (1130)

The Acting Speaker (Mr. Charest): Questions or comments? Debate.

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, this morning we, like many other Canadians, are looking at a harsh new reality in our trade relationships. There has been a lot of fine rhetoric and a lot of noble words used over the past 15 months about the grand benefits we would derive from seeking out a brave new world of trading relationships with the U.S. This morning the workers in the shake and shingle industry in British Columbia know they will be without a job in four days. That is a harsh reality to face. There is nothing very pleasant about looking four days down the road and realizing that an occupation you may have held for 5, 10 or 15 years is all of a sudden going to come to an end; not through any fault or error on your part, but simply because the great forces of international trade have wiped your job out of existence. It is a helpless feeling. Where do you turn? That is part of the harsh reality that at least 4,000 Canadians and their families are facing this week. For them, discussions about trade are not abstract or academic. They are very real, very difficult, very heart-rending, and that makes it incumbent upon this Parliament to treat it in those terms.

Equally so, many other Canadians have woken up to face the prospect, not of a new era of economic co-operation with the U.S. but of a trade war. As much as the Minister of Finance (Mr. Wilson) tried yesterday to gloss over the reality, the fact is that the retaliation taken by the Government yesterday will further accelerate what has become a pattern of action and reaction between our two countries. Ministers of the Government have tried to maintain over the past 10 days that the tariff on shakes and shingles was an isolated thing. Of course, it is not. It fits a pattern and was further emphasized yesterday with the decision to impose new import tariffs on Canadian steel.

Canadians are also facing the new reality of an increasingly arduous period in time, in fact perhaps the most arduous in our post-war history of attempting to work out a highly dangerous