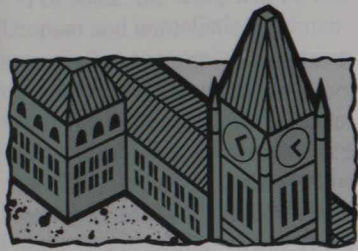


REPORT FROM THE HILL



The 34th Parliament, elected on 21 November 1988, was called briefly into session to pass the required legislation to establish the Canada-United States Free Trade Agreement by 1 January 1989. It then recessed until the spring, to return either in March or April.

Policy toward the PLO

Canada was among the many nations which asked the United States to reconsider its late November decision to deny Palestine Liberation Organization (PLO) leader Yasser Arafat the visa he needed to speak to the United Nations in New York. In the end, Arafat was obliged to address the UN in Geneva on 13 December. External Affairs Minister Joe Clark welcomed Arafat's move toward explicit recognition of the right of Israel to exist, the rejection of terrorism, and the call for an international conference on peace in the Middle East.

The next day Clark also applauded the opening of talks between the US and the PLO as "an important step ... toward establishing the dialogue necessary for the successful resolution of the Middle East dispute." Since then, despite entreaties from PLO representatives, Canada has made no move to upgrade its own contacts with the organization.

South Africa

Joe Clark's critical remarks about the treason conviction of four anti-apartheid activists by South African courts, in which he claimed the South African government was using the legal system to harass and suppress legitimate opposition to apartheid, drew a strong response from South African Foreign Minister Roelof Botha. On 15 December Botha called the Canadian government

"arrogant and meddlesome" and instructed its ambassador to lodge a strong protest with Canada.

The next month two visiting black South African leaders, whose travel had been subsidized by the Canadian government, reproved Canada for the "disappointing and failed expectations" created by Prime Minister Mulroney's 1985 promise to act decisively against the South African government.

The release of a Statistics Canada report in the last week of January evoked more criticism. Despite the government's initiation of voluntary restrictions on trade in 1985, the report showed imports from South Africa in 1988 increasing by 68 percent over 1987, while exports increased by 44 percent. In reaction, Joe Clark indicated on 30 January that the government would consider alternatives such as mandatory restrictions, if the voluntary sanctions were not working. At a meeting in Zimbabwe from 6 to 8 February, chaired by Mr. Clark, of the eight-member Commonwealth committee of foreign ministers on South Africa, both the increase in trade and the \$600 million loan from the Bank of Nova Scotia to Minorco, a Luxembourg-based company controlled by major South African interests, came under close scrutiny.

Chemical weapons

On the eve of an international conference on chemical weapons, Canada joined France and Egypt on 6 January in supporting US contentions that Libya is capable of manufacturing poison gas at a factory southwest of Tripoli. On 8 January Joe Clark addressed the 140-country Paris conference intended to reinforce efforts to halt the spread of chemical weapons, by appealing to all countries to "get rid of them everywhere and forever." He reaffirmed Canada's policy since 1970 of no production, stockpiling or use of chemical arms.

Two weeks later on 25 January, then Defence Minister Perrin Beatty accepted all sixteen recommendations of a report he had commissioned last August on research, development and training in chemical and biological weapons defence within Canada. The report, by CIIPS Board of Directors Chairman William Barton, largely supported DND's current programme, but called for stricter controls on testing; greater openness about activities at the defence research establishment at Suffield, Alberta; and an automatic annual review "to confirm that stocks of all toxic agents are being kept to the minimum level necessary for the efficient conduct of the research and development programme."

Cabinet Changes

On 30 January Prime Minister Mulroney named his new cabinet, retaining Joe Clark as secretary of state for external affairs, and Monique Landry as minister for external relations with responsibility for CIDA. New appointments included that of former Ambassador to France Lucien Bouchard as minister of the environment and Bill McKnight as minister of national defence with cabinet newcomer Mary Collins from British Columbia as associate minister.

McKnight, 48, a wheat farmer and the first Saskatchewanian ever named to the defence portfolio, has been minister of labour (1984-86) and minister of Indian and northern affairs (1988-89). First elected to Parliament in 1979, he is regarded as a close associate of Deputy Prime Minister Don Mazankowski. In his new position, he will serve as vice-chairman of the ten-member Cabinet Committee on Foreign and Defence Policy (chaired by Joe Clark) and also joins the nineteen-member Priorities and Planning Committee (regarded as a kind of "inner cabinet") and the newly-created Expenditure Review Committee of Cabinet, which is chaired by the prime minister with a mandate "to

ensure that the Government's expenditures continue to be directed to its highest priorities, and that expenditure control continues to contribute to deficit reduction."

Opposition Critics

Liberal Leader John Turner released a list of shadow cabinet roles for his caucus on 4 February. Veteran Quebec MP and former Cabinet Minister André Ouellet was retained as external affairs critic and Labrador MP William Rompkey was named defence critic while Hamilton MP Sheila Copps became the new environment critic.

The NDP list announced in mid-January retained Winnipeg MP Bill Blaikie as external affairs critic and Derek Blackburn as defence critic, with James Fulton as environment critic.

Short Notes from the Hill

In December 1988 the Development Assistance Committee of the Organization for Economic Cooperation and Development noted "with appreciation" the aid policy report adopted by Canada in March 1988. It welcomed Canada's emphasis on cooperation with voluntary aid agencies outside government. Canada's aid disbursements rose to US \$1.89 billion in 1987 from \$1.7 billion in 1986, overtaking the amount of aid given by Britain. Canada's aid levels are above average, though falling slightly as a proportion of GNP to 0.47 percent in 1987.

The first meeting of the reshuffled inner cabinet on 31 January agreed to give the United States permission to test its latest generation of cruise missiles in northern Canada. The new missile, designated AGM-129A, incorporates "stealth" technology which makes it harder to spot with radar or infrared sensors.

(For more on the decision to permit testing see page 16 of this issue of Peace & Security.) □

- GREGORY WIRICK