

Supply

If everything is laid on the table, we can certainly expect to see whole Canadian industries severely affected in the months ahead.

It is not without reasons that the *Union des producteurs agricoles*, the large Quebec farmers' organization passed resolutions urging the Canadian Government to protect our Canadian farming industry, to protect our farmers who at great pains to themselves have secured a decent, reasonable life-style by opening up markets for their dairy, pork, egg or chicken productions.

Now, our farmers, especially in Eastern Canada, have much to lose with those free trade negotiations. And I submit that if the President of the United States did not hesitate to personally sign a 35 percent surtax decree that threatens the jobs of workers in the softwood industry and the shingles and shakes industry in Western Canada, I am not at all confident that comes the first occasion the President of the United States, in order to try and protect American farmers, will not do the same thing with farm products and completely disrupt the current Canada-U.S. farming trade relations, that he will not, as has been the case with that surtax which is destroying 4,000 jobs in British Columbia, make a similar move that will force thousands of farmers in Quebec and Eastern Canada out of business because of protectionist measures the President might take.

Mr. Speaker, I suggest in conclusion it is very important that we should review our stand *vis-à-vis* the U.S. that the Prime Minister should stop behaving like the governor of an American state and find the courage to act as the head of a sovereign State.

The Acting Speaker (Mr. Paproski): Order, please. Questions and comments. I recognize the Hon. Member for Lévis (Mr. Fontaine).

Mr. Fontaine: Mr. Speaker, before directing a few questions to my colleague the Hon. Member for Papineau (Mr. Ouellet), I should like to comment a little on his remark concerning the *Polar Sea*. That ship was seen last summer in Canadian waters and, during the same days over the same period, the Secretary of State for External Affairs (Mr. Clark) immediately provided a response and took the necessary action. This situation compares strangely with that of the *U.S.S. Manhattan* which, in 1969, had cruised in the same area without the Liberals ever reacting in 17 years.

When he refers to good relations between the two Governments, he should also talk about the United States which, for all practical purposes, decided to declare war on Grenada in 1983, something about which the Prime Minister of Canada learned in the newspapers.

Also, we could wonder why the Liberals set up the Foreign Investment Review Agency. That was not a way to encourage friendly relations. We have done away with it.

Mr. Speaker, my first question is therefore the following: Does the Hon. Member for Papineau think it is more important to have a general principle accepted by the U.S. Senate

Finance Committee which, later on, would either accept or reject as a package deal all our bilateral negotiations?

I have a second question for the Hon. Member for Papineau who, I know, is quite capable and willing to reply to enlighten me, contrary to some of his colleagues who can never answer. Our exports of cedar shakes and shingles account for what percentage of our \$95 billion in trade with the United States? Also, our exports of lumber account for what percentage of our \$95 billion in trade with them every year?

To conclude, Mr. Speaker, I should like to ask the Hon. Member for Papineau what is the percentage of the added value to these basic commodities. In other words, are these highly sophisticated products requiring a long manufacturing process, or are they close to raw material?

Mr. Ouellet: Mr. Speaker, I should like to reply very briefly to the many questions which the Hon. Member for Lévis has directed to me.

He should know—and if he doesn't, I am pleased to remind him—that when the *Manhattan* cruised at the time in Canadian territorial waters, there was a Canadian on board that ship and that trip had been sanctioned by Canadian authorities, while this time around there was no Canadian on board the *Polar Sea* and it is clear that this trip had not been authorized by the Government of Canada. As the Hon. Member for Lévis stated himself, the Secretary of State for External Affairs had to act after the fact and move a motion in the House, introduce a legislation to say that he would not want to see such a thing ever to happen again. And he even said at the time, after that trip, that he might appeal to the International Court of Justice in The Hague to complain against such a violation of Canadian territory.

In other terms, the Prime Minister of Canada (Mr. Mulroney) and the Secretary of State to External Affairs of Canada (Mr. Clark) were caught with their pants down. They only reacted after the event, once they realized that American ship was violating Canadian territory. I find that absolutely inconceivable, because never in the past, under any Prime Minister, either during the short term of Prime Minister Turner or under Prime Minister Trudeau, Prime Minister Pearson or even Prime Minister Diefenbaker, did the Americans have the courage to launch an attack against the sovereign territory of Canada.

Now, if by magic, the first time the Americans find that courage is under this Prime Minister. And why did the Americans suddenly find the courage to enter Canadian territorial waters? Certainly because they knew that the Prime Minister of Canada would not take strong measures to prevent the *Polar Sea* from proceeding with that trip.

They were right, because of course the Prime Minister of Canada did let them do it and his Secretary of State to External Affairs took action only after the event.