

lumber, magnesium and auto parts. I would like the Prime Minister to tell me when he intends to take some action.

The Americans referred none of these problems to the arbitration tribunal which the Prime Minister has praised. The Americans have taken concrete action that hurts the Canadian economy. When will we take concrete action to hurt the American economy? That is what we want to know.

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, my friend may be right. Perhaps I misunderstood in English because I am not an expert linguist like my friend. Perhaps he is right; I might have misunderstood, in English or in French. However, I did understand that his statement was wrong in English as in French.

The answer is that if we have a problem now under the free trade treaty, there is an independent body or mechanism to solve it, whereas before we did not have that provision.

Nevertheless, the actions taken recently by the Americans are harassment, pure and simple, as far as we are concerned. On Sunday, in a conversation with the President, I protested on behalf of the Canadian government and we will take all appropriate action to win these two cases for Canadian industry.

[English]

**Hon. Lloyd Axworthy (Winnipeg South Centre):** Mr. Speaker, I want to raise a question with the Prime Minister.

In 1986 the Minister for International Trade, under this government, returned from the beaches of Hawaii and claimed a great victory in the signing of the agreement on softwood lumber.

The Prime Minister, and I will refer directly to *Hansard* at page 2364 of January 19, just to refresh his memory, said that it was a properly constituted deal and in the best interests of Canada. Well that so-called good deal was a monumental appeasement that sold out the lumber industry of this country.

Rather than whining about unnamed U.S. bureaucrats, will the Prime Minister finally learn from his mistakes? Will he give an assurance that this government will tell the President of the United States and the Congress they cannot dictate policies in Canadian natural resources? Will he also say very clearly that he will never again negotiate the kind of deal that this government nego-

tiated that sold our rights and our sovereignty away for a price of pottage.

**Right Hon. Brian Mulroney (Prime Minister):** Sold our rights away for a price of pottage?

**Mr. Axworthy (Winnipeg South Centre):** The free trade deal sold it away.

**Mr. Mulroney:** Oh, Mr. Speaker, the hon. member says that we sold the rights away for the free trade deal.

**An hon. member:** That's right.

**Mr. Mulroney:** All right. Now is it the position of the Liberal Party that you would propose to revoke that deal?

**Mr. Axworthy (Winnipeg South Centre):** No, we are going to renegotiate it.

**Mr. Mulroney:** Oh.

**Some hon. members:** Oh, oh.

**Mr. Mulroney:** This deal is so bad that we sold out our sovereignty, Mr. Speaker, but are they going to revoke it? No, they are going to renegotiate it.

**Some hon. members:** Oh, oh.

**Hon. Lloyd Axworthy (Winnipeg South Centre):** Mr. Speaker, at least this party has the courage to say the deal is not working, that Canadians are suffering and that we are prepared to do something about it rather than standing with our paws in the air like this Prime Minister does. I wish the Prime Minister would stop saying bow-wow to the U.S. President every time he barks.

I want to ask the Prime Minister a specific question. Because of the mishandling of the lumber agreement, thousands of Canadian workers are bound to lose their jobs and hundreds of sawmills will close down. I am going to ask the Prime Minister this. Will this government now share the responsibility of paying the U.S. bond, paying the legal costs, so that we can protect Canadian workers, keep the sawmills open until we can get rid of this nefarious deal that this government signed?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, as I have already indicated, we are challenging this matter very vigorously. We fully expect to win because the action was initiated on behalf of lobby interests in the United States, on a basis that we consider, quite frankly, to be vexatious harassment. We fully expect that before an independent court of law, as