

*Government Orders*

common problems of the world community entering the 21st century require a co-operative path in Canada of all the players.

We recognize a certain ambiguity in 3.1(a) but we have no particular problems with that. I simply mention that what is within provincial jurisdiction is by no means clear. There are no watertight compartments. The Canadian rule under the Labour Conventions decision of 1937, much criticized incidentally, is followed by no federal state other than Germany.

In general, the view in federalism is that once an international agreement is entered into the legislative power to implement the agreement follows. That is not the Canadian position. I would stress that all Canadian governments, particularly the present one, have been very respectful of provincial interests and very anxious to ensure co-operation.

Some of the suggestions here seem to go well beyond the scope of an amendment and what good federalism requires or even sensibly suggests. Is it suggested, for example—I looked to see if there was any ambiguity as between the French and English texts—that the issue of trade dispute resolution, the machinery and processes, to which both the French and the English texts of article 3.1(b) are directed is a matter that should be discussed—now that the agreement is there—between federal and provincial governments?

It is a well known Canadian position that we support compulsory third party settlement of disputes. We have constantly raised the necessity for implementing the jurisdiction of the international court as final arbiter. Our problem with many international agreements, including NAFTA, is that this is not something with which the United States is happy. The solution for the United States is to understand the World Court better and to learn to adjust its claims better to the processes of decision making there.

On these issues, Canada obviously will continue to study the matter and continue to raise new issues of dispute resolution. I wonder at this stage what is useful in retaining this as another matter for extended federal-provincial discussion. You could drive a Sherman tank through the proposition “any economic matter of major international significance”. I wonder whether it sensibly belongs in an amendment.

It seems to me that what the hon. member for Laval East is proposing reaches other areas of continuing concern for the government of federal-provincial relations including federal-provincial economic relations. The Constitution is not a static institution even though the amending powers may not work. There are enormous possibilities for creative adaptation of machinery by custom and convention.

I would have thought these matters were probably better addressed through another arena and perhaps another minister. The Minister of Intergovernmental Affairs is concerned with studying the issue of continuing federal-provincial economic consultation and co-operation.

I wonder whether 3.1(c) is a useful amendment to Bill C-57. I look at 3.2 and 3.4 and wonder again. Article 3.4 opens a Pandora's box. In essence you are getting into asking the minister to take measures that may run in direct conflict with the international agreements. In any case it is not a matter to be reached by indirection in the interstices of what purports to be an amendment. I would suggest again some prudent economy there.

**Mr. Solomon:** What's wrong with giving in?

• (1135)

**Mr. McWhinney:** I hope the hon. member is listening to the debate. Good. The truth will make you free. It is an important point to remember.

Let us come back to this again. I heard so much tired ideology, 19th century ideas, on trade and commerce that take no account of the fact that we are into the 21st century, that I deliberately eliminated the amendment of the hon. member opposite from my discussion. I am referring instead to the member for Laval East because there are matters of federalism that are of special concern to the government, and we are with them in trying to improve the mechanisms.

My suggestion is to cut down the scope of this amendment and direct it generally to the issue of federal-provincial jurisdictional matters. You will find a continuing governmental concern with attending to that. It may well be the time has come to re-examine the Labour Conventions decision. That is not a matter the government would approach unilaterally. It is a matter on which we can make subtle arrangements, much as the German federation did, and we will do so also.

On the other matters, you have gone beyond the scope of an amendment directed to federal matters. You are really directing attention to the need for some improved federal-provincial economic consultative mechanism. That is well within the mandate of the Minister of Intergovernmental Affairs. In fact we know it is part of the continuing constitutional revision he is undertaking.

That is the main substance of my remarks. I compliment the hon. member for Laval East for the thoughtful intervention. The thrust of it is one that the government takes very much to heart. I would think again that probably the main thrust is in article 3.1(a) and that the other matters could be raised at another time in another arena in a substantive discussion of federal-provincial relations.