

Oral Questions

is a commercial agreement with the U.S. It is a trade agreement. It has absolutely nothing to do with economic union of any kind.

As to regional development, the Government has already provided the Premiers with assurances in this regard. Indeed, during the course of the summer the Government created the Atlantic Canada Opportunities Agency and the western development initiative and infused \$1 billion of new money into each of those regions. In all cases it was greeted with great favour by the Premiers of those provinces.

Mr. Tobin: Mr. Speaker, I am sorry if I have offended the Prime Minister by insisting on using the words of one of the two partners to this deal, the President of the U.S., who described it as economic union between Canada and the U.S. Those are his words.

REQUEST FOR ASSURANCE OF EXEMPTION FOR REGIONAL DEVELOPMENT PROGRAMS

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, to go back to the question, because the Prime Minister has not answered it, is he prepared to give the House the assurance today, consistent with his commitment on television last week before all the people of Canada, that the legal text will contain words that provide a clear and unambiguous exemption for regional development programs from U.S. trade law?

Can he give us that assurance today, or were last week's First Ministers' Conference and speeches by the Prime Minister nothing but a piece of puffery, a charade with which to subdue the people of Canada and put them to sleep while their birthright is being sold out by a Government desperate for some kind of political success?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it appears that my hon. friend is clearly offended by successful demonstrations of the working of Confederation, and the First Ministers' Conference was just that. I know it is deeply offensive to a Liberal to see a federal system working in harmony, but that is the objective of this Government.

Some Hon. Members: Hear, hear!

Mr. Mulroney: My hon. friend says he is offending me. He was not offending me at all. If he wants to refer to the term "economic union", he can. I am just telling him that it is a falsehood. It is not economic union; it is a commercial trade agreement. If he wants to persist in calling it that, let him go ahead.

Mr. Guilbault (Saint-Jacques): That is what Reagan said.

Mr. Mulroney: President Reagan is not infallible.

Some Hon. Members: Hear, hear!

Mr. Mulroney: When he was here he referred to the hon. gentleman as Mr. "Tubin".

DISPUTE SETTLEMENT MECHANISM

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my question is also directed to the Right Hon. Prime Minister. On a number of occasions he has indicated one of the most important aspects of this agreement is the dispute settlement mechanism. Mr. Reisman is reported today as saying that he will be seeking Cabinet advice on the possible inclusion of judicial intervention in the dispute settlement process.

Mr. Broadbent: Requested by the Americans.

Mr. Riis: Which of course was requested by the U.S. We are attempting today to find out whether or not renegotiations are taking place. The Prime Minister has said formal negotiations are not under way, but indeed informal negotiations are.

Will he now do the honourable thing and simply admit that, while formal negotiations are not taking place, informal renegotiation of critical components of the agreement is in fact taking place?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the exercise of translating the elements of this deal into legal language is very complex. Both teams have been working very hard at eliminating all possible differences over interpretation in order to get as clear a text as possible. That is exactly what is going on at this time. The Prime Minister fully answered that question before.

STATEMENTS ATTRIBUTED TO CANADIAN NEGOTIATORS

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, I want to direct a very straightforward question to the Parliamentary Secretary. Mr. Ritchie has said there is now an effort by the United States to broaden the agreement. Mr. Reisman has indicated that he will be going to Cabinet to change, if you like, the process of settling disputes. That is what he said and that is what his assistant negotiator said. Who is telling the truth? Is major renegotiation taking place? In other words, is the agreement being substantially changed or is it not? The negotiators say it is, and so far the Prime Minister and Parliamentary Secretary have said there are no changes at all.

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): No, there are not major changes being made, as the Hon. Member would say. I cannot answer it any plainer than that. He knows full well that Mr. Reisman always came to Cabinet for direction. The negotiators were supported by the International Trade Advisory Committee, by 15 Sectoral Advisory Committees, by the Premiers and Trade Ministers of the provinces. There was more input into this agreement than the Hon. Member could ever dream of, and that continues.

Mr. Reisman comes back to Cabinet for direction all the time. He has not yet come back to Cabinet for direction on that.