

Oral Questions

companies will be changed to only 50 per cent North American content.

I want to ask the Prime Minister: Does this not mean that not one car—in fact not one part in one car—sold in Canada by a U.S. based company has to be made in Canada by a Canadian worker? If this is the case, as it is, I ask him why he sold out Canadian workers and Canadian jobs in the auto industry in this shameful way?

Some Hon. Members: Hear, hear!

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that the rhetoric of the Hon. Member is getting a little overblown. What he should realize is that there is no change in the Auto Pact.

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): There is a statement here that the provisions of the free trade agreement will provide for, in relation to third countries, a requirement for 50 per cent of direct cost of manufacturing. In other words, what we will be doing as a result of this will be creating jobs for Canadians by asking those companies that have established here, which are owned by companies with head offices outside North America, for a 50 per cent value added requirement. Surely my hon. friend would realize that that is a good step forward.

Some Hon. Members: Hear, hear!

PROVISIONS OF AGREEMENT—CANADIAN CONTENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I ask the Minister of Finance to read the document tabled in the House this morning by the Prime Minister and not the Government's propaganda. The document headed "Automotive Trade" has this statement:

The Parties have agreed to apply a new rule of origin for vehicles traded under the provisions of the FTA agreement based on 50 per cent of direct cost of manufacturing.

Mr. Speaker, this agreement is between, if it goes through, the United States and Canada and not between Canada and third countries. If that is the case, it means that not one part in any car sold in Canada by a U.S. based company and not one car sold in Canada by a U.S. based company has to have any Canadian manufacturing by any Canadian worker at all. I ask the Minister and the Prime Minister this again. Why has the Government so shamelessly sold out Canadian workers and Canadian jobs in this way?

Some Hon. Members: Hear, hear!

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, this question comes from a man who represents a number of auto workers. Surely this country should have more confidence than the Hon. Member has just expressed in the ability of Canadian automobile workers to attract business to this country and create the employment that is so important to his riding.

Mr. Broadbent: You're out to lunch.

Mr. Wilson (Etobicoke Centre): The Leader of the New Democratic Party is sounding off again. Let me direct the second half of my answer to him.

About two years ago, General Motors announced, I think it was, a \$2.5 billion expansion—

Mr. Broadbent: \$2.4 billion.

Mr. Wilson (Etobicoke Centre):—without any pressure from the Auto Pact, without any need to meet the Auto Pact rules. The reason why is because the workers in his constituency are good workers. They are able to build a car in a very competitive way in competition with their counterparts in the United States. The result of that \$2.5 billion investment by General Motors will create the largest single automotive manufacturing facility in North America.

Mr. Broadbent: Right on, in Oshawa. What about the Chrysler decision in Windsor?

Mr. Wilson (Etobicoke Centre): That demonstrates clearly that we should have and can have confidence in our automobile workers to win business away from the United States.

Some Hon. Members: Hear, hear!

IMPORTATION OF AMERICAN MANUFACTURED AUTOMOBILES

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to follow up that question on the Auto Pact by pointing out very strongly to the Government that if it had not been for the Auto Pact provisions some plants in my constituency would never have been established. Why has the Government backed off the provisions which existed and operated successfully so that we have reached a situation now where a U.S. based plant, such as Mazda in Detroit, will be able to export to Canada without a single bit of Canadian content? Why this sell out of the auto industry in this country?

Some Hon. Members: Hear, hear!

• (1440)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the New Democratic Party is the Party of yester-year.

Mr. Broadbent: You are reading history wrong, Mike.

Mr. Wilson (Etobicoke Centre): Here is an example of the New Democratic Party not being able to get their minds out of the 1960s. In 1965, Tommy Douglas, the New Democratic Party Leader—I might remind my hon. friend—in an article entitled, "Douglas Raps Canada-U.S. Auto Pact", stated that the Government should not be moving ahead without certain assurances.

Mr. Broadbent: Right, improvements!

Mr. Riis: We are saying the same thing today.