

S. O. 31

ORAL QUESTION PERIOD

[English]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Prime Minister.

When I was in the United States, talking with President Bush and telling him that friendship is friendship and business is business, the Prime Minister, almost laughing, said that there was no point in getting tough with the Americans.

Yesterday after the Honda, the softwood and the magnesium cases, the Prime Minister started talking a little bit tougher.

It was the Prime Minister who gave us this trade deal. He said then that his good friends, the Americans, would never harass us the way they are doing today if we had that deal.

When will he put his money where his mouth is and do something to stop this trade harassment by the Americans?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition makes two statements that he attributes to me.

First he says that I said there was no point in getting tough with the Americans. That statement is false, completely and totally.

He then said that I said that the Americans would never harass us. That statement is false, totally and directly.

My friend is chuckling. He has just put on the floor of the House of Commons two false statements. He must withdraw those statements or corroborate them.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I will not withdraw anything. This trade deal has been managed by him and it is a disaster for Canadians today. It is only today that he is starting to talk a little bit tougher with the President. He should have done it two or three years ago but the only thing he could do at that time for the President of the United States was to sing him some Irish love songs.

Will the Prime Minister tell us what specific trade action this government is about to take against the Americans, action that will hurt them like these problems are hurting Canadians today.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I just want to make sure that I understand my hon. friend. He made two statements which I have said are false, which he imputes to me. He now says that he is not going to answer those, he is going to move on and refer to something else that has to do with the trade deal.

The hon. House leader will go out and check for those statements. He can check for a long time and he will not find them. My hon. friend clearly understands that there are \$256 billion a year of bilateral trade going back and forth and obviously there are going to be disputes.

I have indicated in different circumstances and again recently that these particular disputes in regard to softwood lumber and Honda constitute vexatious harassment. They are not based in international trade law, they are based on pure politics at a lower level in the United States of America.

Fortunately, because of the free trade agreement, we now have a dispute settlement mechanism which no other country in the world has.

Some hon. members: Oh, oh.

Mr. Mulroney: I hear the yells coming from the socialists over there. I can tell you this is the only way this will be resolved. Some of the people from British Columbia representing the softwood lumber industry would be interested to know that the socialists are chuckling when they should be cheering the fact that the only way this will be resolved is through an independent dispute settlement mechanism. If it just depended on the American trade law, we would be dead as door nails. But we are going to win because we have the free trade agreement with an independent dispute settlement mechanism.

• (1420)

[Translation]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to repeat to the Prime Minister in French what he did not seem to understand in English. The three actions that the American government decided to take immediately affect Quebec industries like