

Adjournment Debate

TRADE—FREE TRADE—ARTICLES PUBLISHED IN TWO
MONTREAL NEWSPAPERS—GOVERNMENT POSITION / FREE
TRADE NEGOTIATIONS—GOVERNMENT POSITION

Mr. Jean Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I should like to follow up on the question I asked last Friday, September 25, concerning the break off of free trade negotiations with the Americans.

Last week, Mr. Speaker, we saw so many contradictory moves and heard so many contradictory comments on the part of the Government that we simply did not know who was telling the truth. As the common saying goes, it was as though we were looking at a government running around like a chicken with its head cut off.

For his part the Prime Minister (Mr. Mulroney) speaks from both sides of his mouth, depending on where he is and which newspapers he is talking to. The English newspaper *The Gazette* has him stating that there can be no question of convening a summit meeting to discuss the break off of negotiations. To the French daily *La Presse* he is reported as having said that he is prepared to meet with President Reagan. In Saturday's newspapers certain editorial writers referred to the situation as a dialogue of the deaf. *Le Devoir*, *La Presse*, everybody was asking: But who is telling the truth in this case?

In the House of Commons, Mr. Speaker, the Prime Minister said, and I quote his very words: It would be, I think, inappropriate at this time and perhaps unhelpful at this very moment for the President and myself or anyone else at that level to get involved. As he was saying this his Chief of Staff Derek Burney was talking to his American counterpart Howard Baker, and today we see that two of his Cabinet colleagues, the Minister of Finance and the Minister for International Trade, are in Washington to discuss with American negotiators in the hope of getting the negotiations back on track.

Mr. Speaker, the truth in all this is that last Friday a rumour was circulating among the public, in fact there was a news item in several daily papers that the Minister of Finance had contacted American Treasury Secretary James Baker to tell him about five conditions to reopen negotiations. I will read the text of the conditions which the Minister of Finance (Mr. Wilson) allegedly gave Mr. Baker. Indeed *The Globe and Mail* rather accurately sums up the five conditions. First:

● (1800)

[English]

Rules applying to fair and unfair trade such as dumping, countervailing duties and subsidies, spelled out in extremely clear terms and subject, in the event of disagreement, to "impartial, binational and definitive resolution;"

Clear general rules interpreted in an objective fashion with all elements of the agreement subject to speedy dispute settlement procedures;

Balanced widening of access for each country's agricultural and food products in the other's market;

Changes to automotive trade rules only if they hold the potential for more trade, production and employment in both countries;

A 10-year period during which virtually all tariff and non-tariff barriers to almost all trade would be removed with no new barriers introduced.

[Translation]

When I asked the question Friday, I was told: No! No! That does not exist, and to quote him, Mr. Speaker: "The answer to the question is no, the Government of Canada did not submit five conditions—nor three nor seven—since the chief negotiator suspended negotiations". I am not the one who said that, the Right Hon. Joe Clark did, the Secretary of State for External Affairs who, in reply to my question, said: No! No! There were not five conditions. Mr. Speaker, the question that comes to my mind is where will we get information and who is telling the truth.

Mr. Speaker, the truth of the whole matter is that the Canadian Government once more was deluded by the Americans. Mr. Simon Reisman himself, the chief negotiator, over the weekend stated on CTV's Question Period that in his opinion, the American administration had many other concerns besides free trade. The discussions never received all the attention they deserved at the highest level of government, and to quote him: "They only got involved over the last 24 or 36 hours".

This Tory Government is so obsessed with the United States that it is missing completely the time perspective of the rest of the world. As stated today in Toronto by the Leader of the Official Opposition (Mr. Turner), and I will quote him because this is important:

[English]

"In its obsessive focus on the United States in the last three years, our Government has lost opportunities in the Pacific Rim, in the European Economic Community, and with many of our other trading partners outside North America. Our trade deficit with the Pacific Rim countries has jumped from \$764 million in 1984 to \$4 billion in 1986.

With Japan alone, our deficit went from \$71 million in 1984 to \$1.7 billion in 1986. Imports from the United Kingdom and other European countries are up 54 per cent from 1984, while our exports to those countries have only increased 14 per cent in the same period".

● (1805)

That was a quotation from the Right Hon. Leader of the Opposition (Mr. Turner) from a speech that he made in Toronto today at noon.

[Translation]

If at least, Mr. Speaker, that blindness, that boundless attraction to the United States had been beneficial to us, we could and we would then understand that something had to be handed out in the negotiations. But the net result of the Canada-US relations is rather sad. Let me recall it. According to Mr. Reisman, they never took us seriously in those free trade conversations. During that time, Canada for its part dismantled the Foreign Investment Screening Agency and abandoned the National Energy Policy to please the Americans. The latter responded by imposing all kinds of restrictive