

concerning regional and industrial development. However, I am quite sure the Canadian people will not appreciate the fact that it took the government three years to realize its lack of policy.

Therefore, I trust that the minister, who wants now to be known as the new prophet of regional economic development, will be able to come up with a new policy before the next election; afterwards would be too late; meanwhile, they would have lost both time and money.

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● (1415)

[English]

## HOUSING

### TORONTO—INCREASE IN RENTS

**Mr. Reginald Stackhouse (Scarborough West):** Mr. Speaker, the rise in the cost of living in Canada has not affected all those Canadians whose salaries or wages have kept up to or exceeded the rise in the consumer price index. Parliament must focus more attention on those who are well below, especially when we consider the increasing significance of the price of principal accommodation.

In 1980 it was rising at a rate much more slowly than the cost of food. In 1987 it is rising at a rate that is much faster. During that period of time the average rent for a one-bedroom apartment in Metro Toronto has gone up more than 50 per cent. It is becoming a critical challenge to many people whose incomes are so low that they must spend 40 per cent or more of their income to pay for minimal accommodation in a basement apartment.

## ORAL QUESTION PERIOD

[English]

### TRADE

#### IMPASSE IN CANADA-UNITED STATES NEGOTIATIONS— CANADIAN DELEGATION IN WASHINGTON

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, I wish to address my questions to the Prime Minister.

Last Friday in the House in answer to a question, the Secretary of State for External Affairs said, "... if there were ever to be any meeting on a higher level, it would occur only after a change in the United States position".

Yesterday on television we had the chief Canadian negotiator pro tem, Simon Reisman, say, "I have seen nothing in the suggestions put forward by the United States to change in any

significant way the impasse and difficulties that we encountered last week".

My question to the Prime Minister is this. If the Government of Canada was only going to respond to a major change—and Mr. Reisman states there has been no major change—why have we sent a high-level delegation, headed by Mr. Burney, together with two of his assistants, to Washington to start negotiating a new deal?

Has there been a major change in the American position, or is it truer that the only change in position is the one that is taking place by the Canadian Government?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, following the interview that was given Sunday morning by Ambassador Reisman there were communications throughout the day. Ambassador Reisman was quite correct and entirely consistent in saying what he did when he did. There were further communications from the Government of the United States which the Government determined met the criteria as set out by the Secretary of State for External Affairs on Friday, as a result of which the meeting is taking place just about now.

#### UNITED STATES POSITION

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, my supplementary question is directed to the Prime Minister.

Is the Prime Minister then saying that the United States Government is now prepared to make major changes on the question of the dispute settlement mechanism, and the major exclusion of programs like cultural industries and regional development?

Can we receive an assurance from the Prime Minister that the concessions are on the American side and not, as suggested on Friday, that Canada was also prepared to make changes dealing with the dispute settlement mechanism and to water down that program? Is it only the Americans who are making the changes at this point in time?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, my hon. friend is inaccurate in his characterization of what is taking place. The statement that was issued is fairly clear cut. Communications between the two Governments were continuing during the weekend. As a result of these exchanges, it was agreed that senior political representatives of the two Governments would meet on Monday, September 28, on this matter.

I think my hon. friend can safely conclude that the information that came from Washington was enough to justify the presence of representatives of the Government of Canada to see if there were adequate reasons for resuming formal negotiations.