

level. There are some 300 protectionist-oriented Bills in the United States Congress, many of them are aimed at Canada and some of them are aimed at Canada exclusively. We cannot put our heads in the sand and retreat. We must find a way to deal with this and then negotiate an agreement. If we find a basis on which to forge an agreement, we will be able to deal with the countervail and anti-dumping procedures currently in place in the United States.

Perhaps we could use the example of the agreement between steel exporters in the United States and European and Asiatic exporters of steel. The American Government has dealt with this and had them come to what is called a voluntary restraint agreement in which the American Government will not proceed with anti-dumping or countervail remedies providing that they stay within the parameters of that agreement.

I believe that whatever trading agreement we can forge would have an element of that VRA so that people trading across the border would not be constantly harassed with threats of countervail and anti-dumping.

We hope there would be a procedure to deal with the trade irritants. A set of rules would be enshrined in a trade treaty so that the trade debate would be removed from Congress and Parliament. At no time have we told the Americans or have the Americans told us in the course of these negotiations that either side would set aside their countervail or anti-dumping.

Surely Hon. Members must realize that trade, tariff and taxes are the prerogative of Congress, not the prerogative of the administration. That is why the President had to go to Congress and the Senate to get approval to proceed with negotiations with Canada. It is not realistic to tell us at this stage of negotiations to ask them to set aside their countervail and anti-dumping because it will not happen. That is why the President stated in his letter to Senator Packwood that he would not set those aside. If we can forge an agreement we will have a method by which we can look after trade irritants as they come before the two countries.

Mr. Keeper: They will keep putting the boots to you, even if you have an agreement. That is the point.

Mr. Kempling: The difficulty we are dealing with here is that those Members are a bunch of caviar socialists, none of whom ever invested. They think an investment is buying a ticket in the 6/49 lottery. They do not know what investment means. Most of them have never worked a day in their life. If they had a callous on their hand, it would be a transplant.

Some Hon. Members: Oh, oh!

Mr. Keeper: Mr. Speaker, I rise on a point of order. Surely the Member should be required to tell the truth.

Mr. Stewart: He did.

The Acting Speaker (Mr. Paproski): That is not a point of order. That is debate.

Supply

Mr. Kempling: It was never a condition of our trade talks that we would suspend countervail or anti-dumping procedures while discussions with the Americans proceeded. Furthermore, it was not their position that they would suspend any of their trade remedies while discussions continued.

It is quite possible that if there is sufficient agreement on issues that could lead to a trade treaty, the negotiators may recommend a suspension of each country's trade remedies as part of a preliminary phase in signing a comprehensive trade agreement.

Any agreement that we reach must be good for both parties. The Prime Minister (Mr. Mulroney) said that we will not sign an agreement unless it is a good deal for Canada. I am sure that the President of the United States holds the same view.

Mr. McCurdy: I am sure he does. He is going all over the place saying that he wants to sign a good deal for Canada.

Mr. Kempling: I see the Hon. Member for Windsor—Walkerville (Mr. McCurdy) who beats his chest about the Auto Pact and drives a Mazda.

Some Hon. Members: Oh, oh!

• (1750)

Mr. Kempling: Several members of the Opposition have brought up the subject of our fish trade on the East Coast. In reality there is more trade in fish on the East Coast today than there ever was. The demand has increased. The only result of that tariff has been that it costs the American consumer more money. Lumber interests on the East Coast will tell you the same thing. We are going to fight to have the 15 per cent tariff eliminated or reduced, but what is it going to do? The industry says that we will have more orders for more lumber all the time. Jack Munro on the West Coast says that the 15 per cent tariff will not cause any jobs to be lost or decrease shipments across the border. Yet Member after Member in this House has risen and said that there will be 150,000 people put out of jobs.

We negotiated the Auto Pact a few years ago and I was involved in it from the beginning. At that time we heard the same doom and gloom from the same people. They said that everyone was going to be out of work, that American cars were going to flood across the border and that we would not be able to sell Canadian-made products in Canada. In fact, employment in the automotive industry has risen from 30,000 to 120,000. Recently the automotive parts industry announced that it will invest \$875 million more in its operations in Canada. General Motors has announced a \$2.4 billion expansion of its plant in Oshawa. On the international scale, 10 new automobile plants have been built in North America, five in the United States and five in Canada. I think we are doing very well.

This is my favourite subject and I could go on for hours, Mr. Speaker. I will deal with some of the comments made by Members opposite.