

Oral Questions

completely the position of the Attorney General of Ontario. Subsequently, that position received general support from all of the attorneys general with the possible exception of the Attorney General of Manitoba. They have asked us to sit down with them to try to iron out some of the difficulties which they foresaw with our legislation. I think the hon. member will agree with me that when you have a group of responsible people, such as the attorneys general of the various provinces, we should do our utmost to try to come to terms with the very real concerns in their minds which they have raised with us.

Mr. Baker (Nepean-Carleton): Don't get sucked in; that is all.

Mr. Fox: It seems to me that if we were simply to turn down a unanimous request from all of the attorneys general of the various provinces, the hon. member would be on his feet telling me that I was not acting in a way compatible with the true spirit of working federalism.

Mr. Baker (Nepean-Carleton): No, he would not.

An hon. Member: McMurtry doesn't scare us.

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AUTOMOTIVE INDUSTRY**DEFICIT IN AUTO PARTS TRADE WITH JAPAN**

Mr. Derek Blackburn (Brant): Madam Speaker, my question is to the Secretary of State for External Affairs. In his answer I sincerely hope he will not put pious diplomatic platitudes above Canadian jobs. My question has to do with the \$4.35 billion trade deficit in auto parts, a great deal of which is attributed to our imbalance in trade in auto parts with Japan.

● (1150)

In view of the fact that the Minister of Industry, Trade and Commerce just broke off talks with the Japanese because they were not bargaining in good faith, and in view of the fact that the Japanese will flood the Canadian market between now and March 1, when the present agreement expires, what will the Secretary of State do to ensure that these talks get back on track quickly before this calamitous situation develops any further?

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, the hon. member has a version of the facts which I do not possess.

Mr. Deans: He is probably right.

Mr. MacGuigan: Conversations with the Japanese on the question of restraints for the new automotive year have been progressing. They have not yet come to completion, but we are satisfied with the talks at this stage, and we plan to continue them with the Japanese.

I would remind the hon. member that these talks take place in the context of trade with Japan, in which Canada has a heavy surplus with Japan.

CANADIAN CONTENT IN JAPANESE MANUFACTURED AUTOMOBILES

Mr. Derek Blackburn (Brant): Madam Speaker, I am sure the Secretary of State for External Affairs is aware of the fact that this deficit in auto parts with Japan has cost Canada 10,000 jobs in the auto industry. In view of that, I would like to ask the Secretary of State if he will bring all possible pressures to bear on these negotiations to guarantee that Japan will allow 85 per cent Canadian content in Japanese automobiles sold in Canada, which is similar to the agreement between Canada and Germany with respect to Volkswagen Canada Limited.

Hon. Mark MacGuigan (Secretary of State for External Affairs): We have a policy of allowing automotive companies from other countries to take advantage of certain tariff reductions in order to obtain the kind of arrangement about which the hon. gentleman speaks concerning Volkswagen. That arrangement is also open to the Japanese, and we are certainly in the process of encouraging them to take advantage of it. We will certainly be continuing talks with them to try to ensure the best possible arrangement for Canadians.

Mr. Deans: What is stopping them from taking advantage?

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HEALTH**EFFECT OF BUDGET ON DENTAL CARE PROGRAMS**

Mr. Jim Hawkes (Calgary West): Madam Speaker, one of the sad things about the budget is that the Minister of Finance does not seem to understand the implications of his tax measures as they affect real people. I would like to ask the Minister of National Health and Welfare whether she is persuaded that the tax provisions relating to dental care and extended health care benefits are bad news for Canadians who want to protect their health. If she is persuaded that children will not get the same kind of dental care because of the added expense; is she taking steps to inform the Minister of Finance about this negative effect and, if so, could she tell us what steps she is taking?

[Translation]

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, the question of taxing contributions to dental and health care plans must be viewed in the context of equity. Most Canadians, whose employers do not offer to contribute to a dental care group plan or to an additional health plan, such as those providing for private or semi-private rooms, are not allowed to deduct their contributions to their private insurance plan for income tax purposes.