

*Oral Questions*

**Mr. Mulroney:**—appears to be perplexed.

**Mr. Axworthy:** Dalton Camp is going to get you.

**Mr. Mulroney:** May I refer to the statement made. It was: "We have agreed on a proposal. There is agreement on the approach that Canada has taken". Perhaps my hon. friend has not seen the text. It continues: "Until there is something signed there is no deal obviously".

We were seeking, very much in the national interest and very much in a mature and reasonable way, to obtain agreement on an approach which we believe, when negotiated with the United States, will be of great benefit to Canada, British Columbia, the producers, and the timber industry.

**Mr. Broadbent:** Mr. Speaker, half the country saw the news report of the Minister for International Trade announcing that there was agreement with the Department of Commerce. Within hours the Department of Commerce of the United States announced that there had been no deal established with the Government of Canada. That is the truth, no matter what the Government wants to say today.

[Translation]

## GOVERNMENT POSITION

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, my question is as follows.

In the United States, the Department of Commerce and even major newspapers like *The Los Angeles Times* are against the position taken by the American lumber industry on this issue.

My question to the Prime Minister is therefore: Why is the Canadian Government supporting the U.S. industry?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, it is exactly the other way around.

The Government of Canada has agreed, for instance, to support the Government of Quebec, which manages this natural resource and which under another formula would have lost as much as \$150 million per year. The Leader of the New Democratic Party supports a position that would cost the Government of Quebec between \$100 and 150 million per year. That is totally unacceptable.

[English]

**Mr. Broadbent:** Mr. Speaker, the Prime Minister knows that if the Government of Canada spoke up with the traditional position taken by the Government of Canada, we could be winning that case in the international tribunals without costing Canadians one cent.

## GOVERNMENT ACTIONS

**Hon. Edward Broadbent (Oshawa):** The Prime Minister in the House, and the Minister outside the House, have said today that no precedent is being set by this plea bargaining by the Government of Canada. The position which we have taken

in the U.S. is now being considered there and is being appealed to GATT by the Government of Canada. Will the Prime Minister not acknowledge that by this constant plea bargaining we are undermining the future of several other sectors in Canada?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, I do not know why my friend draws in words like "plea bargaining" which have pejorative connotations for other areas. There have been and always will be discussions on matters this complex. We are attempting to resolve the issue with conditions favourable to Canada, British Columbia, Manitoba, Quebec and the other involved provinces.

**Mr. Benjamin:** You just wrecked our case. I sure wouldn't hire you for a lawyer.

**Mr. Mulroney:** One of the NDP Members just said that the Government surrendered the case. Jack Munro, the President of the IWA in Vancouver, said on Friday that the Government was completely right on course and that he supported the initiative of the Government and that of the Government of British Columbia completely.

## CANADIAN APPROACH

**Mr. Brian Tobin (Humber—Port au Port—St. Barbe):** Mr. Speaker, this afternoon the Prime Minister looks very much like a fellow who has fallen into quicksand and is foolishly trying to kick his way out. We all know what happens. Will he confirm whether he is telling the House of Commons that, contrary to statements made by the Minister for International Trade last weekend in Vancouver, in fact she has reached no agreement with Secretary of Commerce in the United States, Malcolm Baldrige? Will he also tell us why the Deputy Minister for International Trade, Mr. Gerry Shannon, is in Washington today trying to negotiate a deal that was announced last Friday by the Prime Minister and the Minister for International Trade?

• (1430)

**Mr. John McDermid (Parliamentary Secretary to Minister for International Trade):** Mr. Speaker, the Hon. Member has his facts wrong. On Friday the Minister did not say there was an agreement with the United States. With your permission, let me quote the following:

Without committing himself to all the details involved, Secretary Baldrige informed Minister Carney that he endorsed such an approach—

That is what we are talking about, an approach to try to get out of this very difficult and complicated situation.

## IMPACT ON HOUSING COSTS

**Mr. Brian Tobin (Humber—Port au Port—St. Barbe):** Mr. Speaker, my supplementary question is directed to the Prime Minister, who has now become the head waiter for the White House, compared to when he was head waiter to the provinces. Why did the Government of Canada not consult the forest