

trade-related investment measures and to listen to any U.S. proposals that go beyond that. We encourage him to do that. In the last negotiating session the Americans did not present a paper but suggested orally, as reported to us by our negotiators, some of the features on investment which might be incorporated into a bilateral agreement.

• (1410)

To summarize, yes, some investment measures are being discussed. Those are the trade-related investment measures which they have a mandate to discuss. That should be no surprise to the Opposition. In fact, they should welcome it because they are proponents, as are we, of multilateral trade negotiations. They also know that TRIMs, trade-related investment measures, are part of the Uruguay round. We signed the Uruguay round and therefore we are committed to deal with trade-related investment measures on a world-wide scale. Of course we will carry out that commitment on a bilateral basis.

As for other investment issues, as I have said, our negotiators have been given a mandate by Cabinet to listen to the U.S. and find out exactly what is proposed. Of course we know, and this House knows, that the Americans are asking for a broader agreement on investment. The House knows that because I said that here two months ago. I said investment is also on the table. All countries around the world are loosening their investment policies. We did so when FIRA became Investment Canada. The result was a record \$6.8 billion worth of investment for 1986.

So far we are dealing only with trade-related investment measures. The Americans want more. We are listening but we have not given the negotiators a general investment mandate. When the negotiating team is satisfied that the U.S. proposals are clearly understood and the implications for Canada have been fully considered by Cabinet a decision will be taken. As in all areas of negotiations, the mandate of the negotiators is determined by Cabinet and discussed with First Ministers and the provinces. My colleagues and I regularly review all aspects of these negotiations.

Let me say in closing that the opposition Parties do a disservice to the people of Canada. They are making baseless accusations and raising unnecessary fears. I suggest that Members opposite let us and the negotiators get on with the job of securing Canada's future through a free trade agreement in our best interests. Canada will judge whether a deal is in the national interest.

The Acting Speaker (Mr. Paproski): Questions or comments?

Mr. Axworthy: Mr. Speaker, I am pleased that the Minister has returned so we have an opportunity to pursue further questions with her concerning the very serious issue of the direction the Government is taking on trade-related investments and the mandate it carries with it.

Supply

The Minister has just finished accusing the Opposition of trying to disrupt the negotiations. I suggest with all due respect to her that if anyone is disrupting the negotiations it is the Keystone Cop operation carried on by the Government. The chief trade negotiator says one thing. That is contradicted by the Minister. That is then modified by the Prime Minister (Mr. Mulroney). That is in turn contradicted by the Secretary of State for External Affairs (Mr. Clark). Over the last three or four days we have had five different versions of what is going on. Is it any wonder that questions are raised in the minds, not only of Members of Parliament but the public as to who is really in charge, who knows what is going on, and who will ultimately make some kind of decision? That is the complete picture of how the Government has handled negotiations from day one. It has always been a matter of bewitched, bothered and bewildered rather than one of coherence.

The Minister referred to the question of how Investment Canada is performing its duties and the role of foreign investment. She suggested that we not take asset value as the measurement, even though 94 per cent of it represents acquisitions and takeovers. I would suggest that perhaps the best measure is the employment factor. From the \$22 billion invested from June to December something like 5,000 jobs were created. That is, about 300 to 400 jobs a month. Compare that to close to 80,000 positions taken over. What we do not know, and I will elaborate on these remarks when I have a chance, is how much high technology has been stripped away in those takeovers.

Mr. Dick: Is this a speech?

Mr. Axworthy: The Associate Minister of National Defence (Mr. Dick) has been in the House long enough to know that this is called question and comment.

Mr. Dick: No question?

Mr. Axworthy: If he wants to read the rules I will be glad to send him a copy. I do direct a question specifically—

Mr. Dick: Oh, now a question. Hear, hear!

Mr. Axworthy: I am always prepared to take applause even from such dubious sources.

The Minister said the issue is very clear. Yet Mr. Reisman, our chief negotiator, is quoted as saying he wants to be very candid with reporters and the U.S. has, at every level, presidential, cabinet secretary, Secretary Shultz and Secretary Baker, made representations to our Government seeking a broader definition of the term investment. If the President, the Secretary of State and the Secretary of the Treasury do it, I presume the Government might get the message eventually. How can the Minister stand up and say that the Government is totally oblivious of these American demands—

Mr. McDermid: We did not say that.