

Oral Questions

If the Hon. Member continues to fight the issue, that is probably the best campaign in favour of the free trade issue in Canada. For a gentleman who wants to promote growth, jobs, and opportunity, to suggest that he has no alternative but to tear the deal up is, I think, really copping out.

• (1420)

EFFECT ON INVESTMENT IN ENERGY

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, we on this side of the House do not believe that it is a trade deal at all. We believe that it is the "Sale of Canada Act". That is why we are fighting the deal.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): One of the aspects of the deal on which we never received a satisfactory answer in the House is the extent of the sell-out of energy. The deal has now been introduced by way of first reading. According to page 246 of the so-called free trade agreement, the Prime Minister and the President have agreed to exchange letters between them explaining what the limits will be on the extent of investment in energy across the border. According to the wording of the deal itself, those very important letters were to be exchanged before either country began to implement the deal, the process of which began this morning by the introduction of the omnibus Bill at first reading.

Since the Minister has now introduced legislation, will the Deputy Prime Minister be good enough to produce the letters between the President of the United States and our Prime Minister relating to how the purchase of energy and the transfer of energy investment are to be regulated under this deal?

[Translation]

Hon. Marcel Masse (Minister of Energy, Mines and Resources): Mr. Speaker, the chapter "Energy" in the free trade agreement is a chapter that is favourable to Canadians and Canadian producers, because it assures them of a market in the United States.

I also think the Leader of the Opposition and the Leader of the New Democratic Party ought to remember that nothing in the Canada-U.S. Free Trade Agreement obliges a Canadian to sell Canada's energy if he is not satisfied with the competitive pricing under free trade.

The agreement provides for an organized market. What it does not do is what the previous Liberal Government did when its National Energy Policy brought the West to its knees and undermined the credibility of Canadians on the energy market.

[English]

WATER RESOURCES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the absence of the Minister for International Trade, my question is directed to the Deputy Prime Minister. The Deputy Prime

Minister and all those who were in the House last Wednesday heard the Minister for International Trade inform the House, as reported at page 15577 of *Hansard*:

Water is not even the subject of a provision of the U.S.-Canada Free Trade Agreement.

Yet item 22.01 on page 86 of the Tariff Schedule of Canada refers explicitly and clearly to water under the trade deal. Therefore, will the Deputy Prime Minister explain to the House why, in the view of the Minister for International Trade, water is not part of the trade deal?

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the short answer to that question is because it is not part of the trade deal. That was explained by the Minister in the House very clearly last week, and by the Minister of the Environment very clearly in his statement last November, I believe.

The only exception to that, which the Hon. Minister mentioned last week, I believe, was non tariffs on bottled water such as Perrier and the like being sold across the border, which is a product that is produced here in Canada and sold. However, the large scale diversion of water in this country is a no-no.

REFERENCE TO WATER IN TARIFF SCHEDULE

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, water is referred to in the Tariff Schedule attached to the trade deal. If the Parliamentary Secretary can read it, he will see waters are referred to very clearly and very specifically.

If the Government found it necessary and desirable to exclude beer, unprocessed fish, and logs, why did the Government not exclude water in order to avoid any misinterpretation? Does the Parliamentary Secretary not realize that a clear reference to water makes a mockery of the federal water policy which promises a legislative ban on water resources and water exports?

• (1425)

Mr. John McDermid (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, again, I repeat, that statement has been made very clear by the Minister of the Environment and by the Minister for International Trade. The mention of tariffs within the bottled water section is explained very clearly.

I want to say that if the Liberal Party's policy is not to allow the industries that have developed in Quebec, especially in terms of bottling water, to export bottled water, to the United States, then members of the Party should stand up and say so right now.

REQUEST THAT ELECTION BE HELD

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for the Deputy Prime Minister on this proposed legislation.