

*Trade Policies*

objective comments and some objective judgments to make on the whole progress made in the past few years.

As we have seen, our balance of payments deficit increased to the tremendous level of \$7 billion; the balance of trade on manufactured account increased from a \$3 billion deficit, around the time he left office, to the current level of something in excess of \$12 billion. He has been sitting on the sidelines as a dispassionate observer. I would have thought we would have heard something of substance from him today which we might be able to use to benefit the development of our trade policies.

I look forward to further discussions with him and further comments from him in the House and in committee, whereby I can have the benefit of his knowledge and experience. But to have a professorial discourse which shuffles over the very top of the ground does not get into the depth we must get into. As he observed himself, it is a complex issue.

During the first few months in office, we have taken a good, hard look at the problems we are facing. What we have today is a position where there is a trade surplus over all, a surplus last year which was about \$3.5 billion. This year it will be somewhere between \$2 billion and \$2.5 billion. It is offset by the very large outflow of funds through service accounts. I have mentioned the problems we have on the manufactured and trade deficits. What we have identified here is that trade and tourism are two of the key areas where we believe we have the greatest amount of leverage to offset the deficits we have today: trade manufactured account as well as in resources account. I do not propose to talk about the resources policies today. I believe it would be more appropriate if that came from other ministers.

I will talk about the manufactured account. We have identified some short-term initiatives which we can take very quickly, without a lot of planning and strategy formulation. We have set the stage for a good policy debate on the international trade policies this country should be taking over the eighties, and I will come back to that later. The hon. member seems to feel that we should be changing overnight and curing in six months all the wrongs which have been developing over the past ten years. He more than anyone in the House, being a former minister, should know that there is a lot of momentum in the problem we are facing today.

I should like to outline some of the major advances we have taken. We have identified certain key areas of emphasis which I should like to come to, but before doing that perhaps it would be helpful if I addressed two or three of the specific issues the hon. member raised in his comments. Candu, the sale of the Candu reactor: I do not know how many times I have heard from members opposite about the so-called mistakes this government made in an attempt at being successful at selling that Candu system. We have tried to pick up the pieces left by the previous government in formulating a cohesive and well-organized, strongly supported effort to sell this very successful Canadian technology in other parts of the world.

I have met with the Minister of Energy, Mines and Resources (Mr. Hnatyshyn) and Mr. Donnelly, the president of AECL. We have identified those markets in which we feel

we have the best chance of selling that product. We have formulated a strategy as to how we will go about selling that product to those markets, with the maximum amount of government support. The previous government showed a remarkable lack of government support. The other day in the House I said that there had not been a minister from the other side in the previous government sent to Argentina during the whole period when they were looking at selling the Candu reactor. The hon. member for Etobicoke-Lakeshore (Mr. Robinson) corrected me and said that the hon. member for Saint-Maurice (Mr. Chrétien) was down there as minister. I should like to put on the record today that he was not down there as minister. He was down there as the president of the Inter-American Development Bank. It was clearly pointed out to me by the people in Argentina that he was not there as the minister supporting Candu.

For a period of three years the Argentinians have been trying to open discussions at the political level, where they could understand what was going on in the minds of the previous government, so that they could come to grips with the problems they were clearly facing in incorporating the Candu system into their own marketplace. That is the problem we had in Argentina. That is the problem we had to overcome. We are doing our darndest to overcome it, and we will have some success in Candu sales in the near future.

May I call it one o'clock?

**Mr. Deputy Speaker:** It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At one o'clock the House took recess.

● (1400)

**AFTER RECESS**

The House resumed at 2 p.m.

**Mr. Wilson:** Mr. Speaker, I do not know how well I am going to do after a very full lunch at the cafeteria here, but I am very pleased to resume my remarks on the very important topic of international trade.

**Mr. Knowles:** I thought the government was practising restraint?

**Mr. Wilson:** I did practice a great deal of restraint over lunch. I had no dessert, not even my oranges from Florida.

Back in June the Prime Minister (Mr. Clark) designated a separate ministry for international trade. I think this was an indication of the degree of importance the government places on the matter of international trade, and that it was meant to be an indication to the country of the importance that the government places on the matter. I think it also indicates that the government wished to free up one minister to take on the various responsibilities and activities that international trade involves in this country.

[Mr. Wilson.]