Mr. Dick: Poor John. Give him some water.

REQUEST THAT AGREEMENT BE AMENDED

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, in that celebrated declaration which the Minister cites that I made 20 years ago to the United States Chamber of Commerce I said quite clearly to the suggestion that the water of North America should be considered a continental water supply, Canadians say hold on a minute. We say there is Canadian water, there is American water, and there is Mexican water, but we do not like the new vocabulary which calls our water continental water. That has always been my position and it is my position here before the House.

I don't care what Clayton Yeutter's PhD. thesis says or how he interprets the agreement. The Minister of National Revenue in his official interpretation of Article 22.01 includes ordinary natural water within the purview of the agreement. No matter what the Minister of Trade says, no matter what Clayton Yeutter says or what anybody else, that is the official interpretation of this Government.

The Minister of Justice—I ought to put this to the Acting Prime Minister, and I would like to be advised who is Acting Prime Minister today—

Mr. Crosbie: We will let you know.

Mr. Beatty: Who is the Acting Leader of the Opposition today?

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): Mr. Speaker, I will put the question to the Acting Prime Minister whoever he or she may be.

On Friday the Minister of Justice said:

The question of our ability to control water policy in Canada transcends any agreement.

That is to say our water policy would out rank anything in the agreement. However, Clause 8 of the legislation passed by this House says quite clearly that the trade agreement supersedes and transcends any Canadian legislation or policy.

• (1425)

With great respect, I say to the Minister of Justice that he does not know what he is talking about. I ask the Acting Prime Minister, if the Minister for International Trade is so categorical that despite the trade agreement, despite the trade legislation and despite the customs tariff we have recited, why does he not agree to an amendment specifically to exclude water from the purview of the agreement?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I want to remind the hon. gentleman first about what he said in his famous book. He said:

Oral Questions

We might wish to export water, not for money as we sold power under the Columbia River Treaty, but in return for access to your markets. That, as I see it, must be our position. I don't want to sound tough.

He didn't.

There is nothing in the free trade agreement which requires the diversion of water to the United States. We are not going to permit the diversion of water to the United States. That is our policy.

The prohibition of water exports by means of inter-basin transfers falls squarely within exceptions permitted by GATT and is totally consistent with the free trade agreement. The hon. gentleman, *The Toronto Star*, and their supporters who are anti-free trade are trying to stir up these fictitious fears. Let the mud settle. It just is not true. Please just let it settle and stick to the facts. Don't stick to your book of a few years ago; that is too dangerous.

REQUEST FOR SPECIFIC EXEMPTION OF WATER

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is directed to the Minister for International Trade, and sticks to reported facts, at least that are as recent as one week ago.

Last week the same chief negotiator for the United States, Mr. Yeutter, was quoted as having said in an interview with Republican Representative Grandy that water is in the agreement. This is as recently as one week ago.

In light of continuous pressures on Canadian water, what has the Government of Canada got to lose by adding water to the list of items including beer, unprocessed fish, and lumber, items that are exempted from the trade agreement?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman who asked the question himself issued a release just a few days ago, July 5, not that long ago, which should not have passed out of his mind so quickly, in which he said, "While the Government has repeatedly stated that nothing in the trade deal forces Canada to sell water to the U.S."—the hon, gentleman admits that the free trade agreement does not force Canada to sell water and then he goes on to say—"the same Government cannot give assurance that the deal prevents the export of water." We do not enter into agreements to prevent something. If we are a Government with resolution, a Government that has a policy, we do not need an agreement to tell us what we can prevent. We prevent it by saying it is against our policy to permit it, something which you never did when you were in power and now you are clucking like a rooster every time water is mentioned.

MINISTER'S POSITION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, that is exactly where we want the Minister for International Trade to do, to take a measure that will prevent it. That is all we are