

Inquiries of the Ministry

Hon. E. J. Benson (Minister of National Defence): Mr. Speaker, to my knowledge we have not been requested by the Department of Fisheries to do so.

Mr. McGrath: May I ask the minister whether reconnaissance is taking place at the present time by aircraft of Maritime Air Command over the area of the east coast of Newfoundland, and is this aerial reconnaissance reporting incursions by foreign trawlers to the appropriate authorities?

Mr. Benson: Mr. Speaker, as the hon. member knows, there is continuous surveillance. No such report has been made to me.

Mr. McGrath: Is the government prepared to give consideration to the deployment of aircraft in eastern Newfoundland which would make aerial reconnaissance much more practical since it would add about 1,000 miles to their range?

Mr. Benson: Mr. Speaker, I appreciate the hon. member's advice on defence strategy.

ACTIVITIES OF FOREIGN FISHERMEN—SUGGESTED
EXPANSION OF FISHERIES PROTECTION PATROL

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in view of the absence of the Minister of Transport and the Minister of Fisheries, I will direct my supplementary question to the Prime Minister. In view of the obvious lack of proper surveillance, as reported to the fisheries committee yesterday, over the excessive fishing operations which are being carried on within our 12-mile limit off the east coast of Canada, would the Prime Minister consider the expansion of fisheries protection patrol by our ships in that area?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot answer affirmatively because I do not agree with the premise of the question. I believe the Minister of National Defence and the Minister of Fisheries are better equipped than the hon. member to decide whether there should be more surveillance.

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TRADE

REPRESENTATIONS TO UNITED STATES ON
CONSEQUENCES FOR CERTAIN COMPANIES OF POSSIBLE
IMPOSITION OF COUNTERVAILING DUTIES

Mr. David Lewis (York South): Mr. Speaker, I have some questions for the Minister of Industry, Trade and Commerce. My first question arises out of a statement by the president of the Atlantic Development Council that United States countervailing duties against Canadian imports from companies such as Michelin and McCain Foods on the basis that those companies are in receipt of government grants will seriously endanger development in the Atlantic provinces. On that basis, I ask the minister to inform the House whether the government has made representations to the American administration on this specific point or plans to indicate to them that counter-

[Mr. McGrath.]

vailing duties would have very serious consequences, particularly in the Atlantic provinces?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not aware of countervailing against McCain. I am, of course, aware of the countervailing procedures against Michelin. I have already indicated, as has the Minister of Finance, that we shall be making representations, and we have already had discussions with the United States government with respect to the Michelin case.

Mr. Lewis: On the basis of reports that exports of potato granules, for example, which are produced by McCain Foods Limited, are the subject of investigation in Washington, and the apparently general attitude in Washington that products exported by Canadian companies in receipt of government grants are in fact being subsidized and that countervailing duties are justified, may I ask whether the department is studying this entire area and developing some approach to the Americans which might avoid the serious harm that could occur if such duties were applied in a broad way?

Mr. Pepin: Of course we are studying these things all the time. The countervailing and anti-dumping measures presently being taken are taken at the request of companies. I should like to underline the fact that we do the same in Canada; these procedures are not confined to the United States. I should also like to underline the fact that to my knowledge, there is no United States global position against regional development in Canada. It is only when regional development subsidies end up in substantial exports to the United States that opposition is expressed; in other words, it is not a global complaint against regional development through industrial support in Canada. Is that clear?

Mr. Lewis: I do not think it is mud. I think it is very clear. The answer therefore demands the following question. Do I gather from the minister that since there is no global policy, as he calls it, he does not consider the imposition of countervailing duties against products from Michelin and other companies receiving federal grants as an important matter about which his department should be concerned? Is that the impact of the minister's answer?

Mr. Pepin: The hon. member is putting words into my mouth; I thought there were already enough! I simply said that as far as I know there is no United States position against regional development in Canada, against the fact that the Department of Regional Economic Expansion provides support for industrial establishment in certain regions of Canada. It is only when there are substantial exports to the United States that the Americans appear to take objection.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for York South on a further supplementary, but we will have to try to move on.