

CANADIAN CULTURAL INDUSTRIES—NEED TO MAINTAIN  
CANADIANISM

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, my question is again addressed to the Prime Minister. The United States senators visiting Ottawa yesterday also indicated that Canada's cultural industries were still on the table. Did the Prime Minister have a chance to make it clear to our American friends that our cultural industries will remain Canadian and that they are not on the table in the free trade talks?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, yesterday, there were a number of meetings but these were not negotiating sessions. The United States senators did not have a mandate to negotiate. These were meetings to provide a general overview, considering the increasing importance the committee will have starting in January. There was no question of negotiating sessions, but the Minister for International Trade, the Secretary of State, the Minister of Finance and myself again emphasized Canada's cultural issues and their vital importance to our future. To my knowledge, nothing was said that might cost doubts on this position.

SOFTWOOD LUMBER—COUNTERVAILING RIGHTS—  
GOVERNMENT POSITION

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, the subject arose in our conversations with the United States senators. We also indicated that countervailing duties of the kind used in the recent exercise involving our lumber exports were not acceptable to Canada. However, the United States senators insisted, both publicly, in speaking to the press, and to us, that these duties will remain law in the U.S. Is the Prime Minister of Canada prepared to continue these talks if the Americans reject any restrictions on these duties?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, we will have to start negotiations to find out what kind of settlement will be useful and feasible. We have not reached that stage yet. I stressed the problems this duty creates for Canada in the present circumstances, and I expressed the hope that we could find a formula or formulas that would be more favourable to Canada. I also said that if the final decision was not to our advantage, there would be no transaction. The Government would reject the decision, and I said I saw a valid transaction as one that was in the interests of both sides. I was speaking above all as the Prime Minister of Canada. I stressed the primary importance of a very good settlement for Canadians.

● (1425)

[English]

UNITED STATES DUTY ON CANADIAN SOFTWOOD LUMBER

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, my question is directed to the Minister for International Trade. We have just received the memo from the Minister saying that the proposed negotiations with the United

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States on softwood lumber have now failed. The Government has now put the country back to square one in trying to resolve the major problems with the U.S. lumber industry, which will affect 400,000 jobs. Now that the flawed and failed approach has once again been demonstrated, will the Minister do what she should have been doing right along, that is, pursue Canadian interests through the international tribunal and through the American tribunal where we have and have had a good case, and could win that case if you had not been fooling around so long?

**Mr. Speaker:** The Hon. Member knows that the last part of the question directed to the Minister used the personal "you". I ask Hon. Members to remember that that leads to difficulties in the Chamber. I do not like to interrupt lead questions, but I would ask the Hon. Member to be very careful.

**Mr. Axworthy:** I will rephrase the question.

**Some Hon. Members:** Oh, oh!

**Mr. Axworthy:** Could the Minister tell us when the Government will stop fooling around and pursue the proper course of action with international tribunals? When will the Government stop fooling around?

**Hon. Pat Carney (Minister for International Trade):** Mr. Speaker, the Hon. Member, who has asked his first question on international trade since they failed to resolve the issue in the Liberal convention, is wrong on both counts. First, we are pursuing the matter in the GATT vigorously. We took it before the GATT, and we are fighting it vigorously before the GATT. He is wrong when he says that we are not doing that. There was a hearing on November 3, and there will be another hearing on the issue before the GATT panel on Friday.

He is also wrong when he says that negotiations have failed. I am making a statement saying that Canadians have taken to Washington a proposal, as agreed to between the Prime Minister and the Premiers. That is under intense discussion. The American administration has put forward a proposal, some elements of which are unacceptable to us. I will be informing them, after I have had a chance to review it, of those elements which are unacceptable to us.

Officials are meeting right now with the Ministers of the provinces to review developments, and further meetings are scheduled in Washington next week.

**Mr. Axworthy:** I say to the Minister that the statement she just made sounds very much to me like a grand, big failure on the part of the Government.

CONTINUATION OF NEGOTIATIONS

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, how does the Minister reconcile the continuation of so-called negotiations which are clearly unacceptable at the same time as she says that the Government wants to go in front of tribunals in the United States and GATT, even though