

Oral Questions

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition asks what this document contains and what Canada got out of it. Here is one answer. According to the Hon. Robert Bourassa, the free trade agreement is excellent economic news for Canada, will significantly restrict the growth of American protectionism and is in the best interests of Canada and Quebec. That is what the Canadian Government has accomplished for Canada and Quebec.

[English]

COUNTERVAIL DUTIES—CONTENT OF AGREEMENT

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, I would like to direct a question to the Prime Minister. On March 15 of this year the Minister for International Trade said in an interview, of which I have the transcript, that the result of having a trade dispute mechanism in place would be the elimination of countervail by both countries.

Is it not true that the power of countervail still exists, that the power of anti-dumping still exists, that those laws will still be applied, and that the only function of the mechanism that has been put in place is to provide a review similar to that provided by the U.S. courts? Is that not the basic essence?

The position of the Minister for International Trade has been overturned, the promise has not been fulfilled, and the Government has given up major concessions on investment, energy, automotive trade, and agriculture to get nothing but a Trojan horse.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, apart from the exaggerations and excessive language, there is absolutely nothing to sustain the enthusiasm of the hon. gentleman for his own point. On the contrary, my hon. friend may want to give some consideration to this serious matter. The statement was made today that "all considered, the free trade pact between Canada and the United States is the beginning of a golden era for Canadian business and workers", by the Hon. Donald Macdonald.

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): Come on. Get real.

Mr. Broadbent: Grant Devine will be quoted next.

Mr. Mulroney: Mr. Speaker, I do not know if the heckling from the Liberal side means that they hold Mr. Macdonald's opinion in low regard, but I can assure you that he is held in very high regard by the Government and the people of Canada.

With regard to the point raised by my hon. friend, this represents a substantial gain for Canada and in no way represents anything other than a major advance in this area.

Mr. Axworthy: Mr. Speaker, it is not that we hold Mr. Macdonald in regard or disregard, it is that we hold in

contempt the Prime Minister who will not answer questions directly but simply quotes from newspapers to defend something which is so essential to this country.

Some Hon. Members: Hear, hear!

TRANSITIONAL COSTS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): I prefer to quote from a cabinet document which the Government put together when it started the free trade negotiations. It says that whatever transitional cushioning devices are built into the agreement, the adjustment process would be costly in both financial and social terms and these costs will be higher in Canada than in the United States. Hundreds of thousands of workers will be losing their jobs as a result of this agreement.

Some Hon. Members: Oh, oh!

Mr. Axworthy: The Government has no adjustment procedure, nothing to deal with the costs. When is the Prime Minister going to start showing some concern for the hundreds of thousands who will be victims of his agreement?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Economic Council of Canada has addressed the effects of an international trade agreement on—

Mr. Axworthy: What do they say about countervail?

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the Hon. Member asked a question but cannot wait for the answer before wanting to put another question. Surely he should be interested in the answer to the question he just asked.

The Economic Council points out that five million jobs are changed from one company to another each year. We have a vast number of programs—I think it is \$3 billion in total—that apply to this. However, the Hon. Member should understand that adjustment in a growing economy is much easier than in a stagnating economy.

The Economic Council also tells us that a trade agreement will create 350,000 more jobs than exist today. The adjustment process will be much easier in a growing economy than it would be if we do not enter a trade agreement and find that we are in a stagnating economy.

REQUEST THAT PRIME MINISTER CALL ELECTION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for the Prime Minister. The Government promised the people of Canada that it would pursue a binding dispute settlement mechanism. The people of Canada will be surprised to learn that the Prime Minister had in mind a mechanism which would bind Canadians to countervailing laws passed in the United States. Canadians will be upset by that.

This proposed agreement, the biggest in world economic history as I believe the Prime Minister modestly described it, affects wood producers in British Columbia, farmers on the