

*Canada-U.S. Free Trade Agreement*

Their society is a giant melting pot while ours is a cultural mosaic. We have two official languages. The United States is a unilingual nation. We have a parliamentary tradition which is being honoured here today in a momentous debate. There is a presidential system with a separation of powers.

We are more influenced by geography, by our environment, and by the vast expanses of wilderness reflected so dramatically in the paintings of Lawren Harris, A. Y. Jackson, and others of the Group of Seven. My favourite painter, Emily Carr, is from British Columbia.

Every Canadian dreams, not only of his own home but of a cottage, a cabin, a tent beside a lake or a river. With all the black flies, the mosquitoes, and the thunderstorms, it is his own escape, his retreat in the wilderness, something he can call his own. That is very much a part of us.

The Government opposite and the supporters of this trade deal are perpetrating the myth that because we as a Party oppose this particular trade deal we are anti-American. That Conservative myth is completely false. We are not anti-American. We are pro-Canadian and we do not like being sold out as Wayne Gretzky was. What Peter Pocklington is to Edmonton, Brian Mulroney is to Canada.

**Some Hon. Members:** Hear, hear!

[Translation]

**Mr. Turner (Vancouver—Quadra):** Mr. Speaker, let us not tell each other fairy stories or try to rewrite history. There was no iron curtain between Canada and the United States before this Conservative Government was elected. Trade relations between Canada and the United States did not start in 1984. In fact, previous Liberal governments have always perfectly understood the importance of our trade with the United States. We have always tried to reduce trade and tariff barriers between our two countries. We have always worked very hard to expand, increase and improve our trade with our neighbours to the south. That is a known historic fact.

Since the end of World War II, thanks to successive GATT rounds we have lowered our tariffs from an average 40 per cent down to 4 per cent. Today, before this Government signed a trade agreement with the United States, about 80 per cent of everything we sold on the American market crossed the border duty free. We obtained this without conceding one iota of our sovereignty to the United States.

However, to phase out 20 per cent of remaining tariffs over ten years, the Prime Minister (Mr. Mulroney) sold the whole store. He sold us out to the Americans.

The Liberals were never afraid, and have never refused, to discuss trade with the Americans, far from it. What some people have forgotten or choose to ignore altogether in the present debate is the initial reasons that led the Government to start the talks with the United States.

Since the last war, we have had enviable success in negotiating with the United States within an international framework. However, the Conservative Government decided to take a different approach by initiating comprehensive bilateral talks

with the United States. Basically, the purpose of initiating bilateral talks was to obtain secure access to the U.S. market. To achieve this, there were two things we needed first: exemption from U.S. protectionist legislation and a compulsory arbitration system to deal with cases when both countries could not agree on enforcement and implementation of this exemption. Both conditions were absolutely essential.

[English]

We in this Party have been saying that ever since these negotiations first started. We have said all along that any agreement with the United States that did not have a specific exemption from American trade law, that did not exempt us from their protectionist legislation—and I speak here about the 1930 Trade Act, the American trade law of 1974, and particularly about the Omnibus Bill just passed by the Congress and signed by the President—and did not give us a dispute settlement mechanism that would enforce that exemption, would not be fair, would not be free, and would not be worth the paper it was written on.

I recall the day when the Prime Minister and his Ministers agreed with me on that point. A year ago in New York the Prime Minister, as quoted by *The Wall Street Journal* said, "The U.S. trade remedy laws can't apply to Canada, period". The former Minister for International Trade, the Member for Vancouver Centre (Miss Carney), said in the House of Commons that the objective of any trade agreement would be the elimination of countervail by both parties. The current Trade Minister (Mr. Crosbie) agreed with his predecessor and with the Prime Minister. He spoke to the St. John's Board of Trade in Newfoundland on July 2, 1987 and said that "unless we get out from under the threat of countervail and other U.S. trade remedy law, and unless there is an effective dispute resolution mechanism to bind the Americans to their commitments, a free trade agreement with the United States would not be a good deal for Canada."

We have been saying that ever since the negotiations started.

I have been referring to this agreement in speaking across the country and have been referring as well to the Canadian and American legislation and the presidential interpretation of that legislation. Article 1902.1 of the trade agreement signed by the Prime Minister says that the United States "reserves the right to apply its anti-dumping law and countervailing duty law to goods imported from the territory of the other Party". This is confirmed by the President's statement of administrative action submitted to Congress on July 25, which states on page 98:

"The United States retains the right to apply its national anti-dumping and countervailing duty laws to goods of the other party and also reserves its right to amend these laws."

In other words, there is no exemption from U.S. protectionist trade laws, no matter what the Prime Minister said this afternoon. The same laws which crippled our exports of softwood lumber and potash and fish, imposed quotas on our steel, still apply.