

GOVERNMENT ORDERS

[English]

TRADE

CANADA-U.S. FREE TRADE AGREEMENT

The House resumed consideration of the motion of Miss Carney that this House endorse, as being in the national interest, the Canada-United States Free Trade Agreement, the legal text of which was tabled in the House of Commons on Friday, December 11, 1987, and the amendment of Mr. Langdon (p. 11885).

Mr. Maurice Foster (Algoma): Mr. Speaker, I am pleased to have an opportunity to speak on this resolution before the House concerning the Canada-U.S. trade deal. I had the opportunity to be with the standing committee during a number of the hearings in Ottawa and across western Canada. One theme that came through during the hearings across western Canada was that there was no text available, no one knew what was happening, and the general public did not have an opportunity to put forward its views. Although the committee put in a very onerous five days in five territories or provinces during that week, the general public did not have an opportunity.

Therefore, we find ourselves today dealing with the final text of this agreement here for the first time, which the committee did not have access to at its official hearings, and to which the public did not have access. We now have a three day debate in which to consider this matter, perhaps the most important trade agreement that Canada has ever proposed entering into.

It seems that we are on a fast track of three days in anticipation of the Prime Minister (Mr. Mulroney) signing the agreement on January 2, yet we are told that the United States Congress will not deal with the issue until June, 1988. It seems that ironically we have been put on a fast track, the United States is on a slow track, and the Canadian people generally are very upset and concerned about this.

I was interested to note that when the Minister of Consumer and Corporate Affairs (Mr. Andre) spoke this morning he did not mention two things. He did not mention that the Consumers' Association of Canada, which has historically been in favour of a free trade deal with the United States, has gradually, as it saw the details of the deal, reduced its support to practically nil.

● (1240)

I think it is also important to look at the deal from the consumers' point of view. I live in a border city in the Sault Ste. Marie—Algoma district where many consumers have been dramatically misled by the Minister for International Trade (Miss Carney) to believe that they would be able to go to the United States and bring back unlimited amounts of goods with no duty or tax. In fact, that is not true. Last week

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officials made clear that the same limit of \$100 after a 48-hour visit would apply, that the same sales tax of 12 per cent would apply, and that there would be no reduction in the duties on goods brought into Canada from the United States which were manufactured in Japan, Malaysia, or some other country.

On average, 80 per cent of all goods going into the United States from Canada, and I assume vice versa, are duty-free. The amount of duty reduction is very low. The idea that Canadians will have unlimited access to the United States and that there will be no customs duties is incorrect. In fact, there will be even greater customs inspections because each item brought back from the U.S. would have to be identified to ensure that it was manufactured in the United States. It would be necessary to ensure that the goods on which duties will be reduced over a 10-year period are actually manufactured in the United States.

I want to talk for a moment about the agricultural side of the issue. When the external affairs committee was in Saskatchewan, Alberta, Manitoba, and British Columbia, we heard long and very concerned presentations from agricultural groups. Some groups like hog producers, beef producers, and Canadian cattlemen who essentially have free trade now are pleased to see that there will be free trade in the future. I understand that over the course of a five-year period there will be a reduction of one cent per pound on the amount of duty they will pay. That applies to red meat going in either direction across the border.

However, groups like the Canadian Federation of Agriculture have expressed concern. In its brief it said that the draft agreement did not fully meet the requirements set forth by the federation at the onset of the negotiations, and that Canada had not achieved the trade rules and dispute handling mechanisms which it sought. That comment was echoed and spelled out in graphic terms by B.C. wine producers, as well as tender fruit and fruit and vegetable associations in that province.

Similarly, the majority of members of the Saskatchewan pool voted against the trade deal. The Ontario Federation of Agriculture has turned it down in a strong and decisive manner. Maritime groups have turned it down, as has the UPA in Quebec. I understand that it will be having a press conference this afternoon in which it will further elaborate upon its concerns.

Just to show how insensitive the Minister of Regional Industrial Expansion (Mr. de Cotret) has been, he volunteered that the UPA in Quebec did not read the deal and did not know what was in it. They know exactly what is in the deal. They are very concerned about the arrangement under Article 710 and how it will be subservient to Article 703 which provides for the removal of all tariff barriers and quotas in the long haul. They are extremely concerned.

At a recent conference which they had in Quebec, it was interesting that they characterized the Prime Minister's side of the deal by holding up a little white rabbit in a cage and by indicating that the President of the United States was leading