Economic blackmail

<u>Pacific Group for Policy Alternatives</u> warned that Canada will open itself up to economic blackmail if it keeps being dependent on one trading partner instead of diversifying its trade with other countries.

The group was particularly worried that a bilateral trade agreement will link Canada to participation in SDI, a trade-off the group finds "offensive". SDI would waste resources and create a less stable world.

The group warned of dangers to the Canadian timber industry and said that "as long as we are dependent on that economic giant, that giant can blackmail us". Canada must diversify its international markets and strengthen its domestic economy since inclusion with the U.S. will destroy its independence while offering no new economic benefits.

Too many problems

International Woodworkers of America (Jack Munro) said that free trade will not correct a number of problems that have been plaguing the timber industry since the early 1980s.

The IWA said that free trade will not correct an inadequate lumber supply or assist employees and communities where mills have run out of lumber. It will not fix the aftermath of monetarist excesses and job losses that began in the 1980s either.

The union said that 80 per cent of our lumber and pulp and paper already goes to the U.S. under free trade conditions but only 5 per cent of our plywood gets in because of a 20 per cent tariff which they would like to see changed. The IWA was also worried about major American shareholders in companies who might