

Canada-U.S. Free Trade Agreement

Throughout the negotiations, the provincial Governments were regularly briefed and fully consulted. Detailed analyses were conducted of all sectors of the economy. Comprehensive research was conducted on policy issues, ranging from United States trade remedy laws to the European experience in trade liberalization.

When we entered negotiations with the Americans, we had done our homework, thoroughly. As Prime Minister, I involved the Premiers in this process on a basis and to a degree that, I believe, Mr. Speaker, was unprecedented in our history. In a federation like ours, I met the Premiers on 11 separate occasions in intensive working sessions. They were intimately involved in the negotiations of the Free Trade Agreement from beginning to end.

Moreover, the continuing committee of Ministers and officials from the federal and provincial Governments met almost monthly to review progress and to guide our negotiation strategy.

[English]

Throughout, the entire trade initiative was guided with skill and resolve by the Ministers responsible for international trade during this historic period: The Hon. Member for Sault Ste. Marie (Mr. Kelleher), the Hon. Member for Vancouver Centre (Miss Carney), and now the Hon. Member for St. John's West (Mr. Crosbie).

Some Hon. Members: Hear, hear!

● (1600)

Mr. Mulroney: What are the results? In a phrase, security of access and opportunity for economic growth. It is a good deal for Canada, one that serves our national interest, one that fulfils the objectives—not perfectly. Perfection is a rare commodity in our society and in our lives—but it is one that largely fulfilled the objectives that we had set for ourselves and for the Government of Canada.

Most of all, it is a fair deal for both countries, for Canada and the United States. Most obviously, Canadians will pay less for American products. All tariffs on U.S. imports will be removed over the next 10 years. There will be no more U.S. quotas on Canadian uranium exports. There will be no more U.S. import tax on Canadian oil exports. There will be no more U.S. customs user fees on any Canadian exports.

Most fundamentally and most importantly, the agreement will replace the politics of trade with the rule of law, a feature which is of particular value to the smaller of the two trading partners. From now on, any U.S. trade legislation affecting Canada will have to be consistent with the free trade agreement. From now on, all actions by the United States within the scope of the agreement, whether by the executive branch, the Congress or independent regulatory agencies, will be subject to notification beforehand, to consultation and, if necessary, to

dispute settlement. From now on, final decisions on disputes regarding access to that vital market will be taken, not just by the Americans as they have been all too often in the past, but by Americans and Canadians acting together.

Canadian exporters will have a solid defence against harassment by their American competitors. This is good news, for example, to the fish and potato exporters of the Maritimes who have endured six vexatious but expensive investigations launched by their American competitors. Canadian industry will at last escape being sideswiped as the Americans pursue safeguard actions against other foreign exporters, but hit us on the rebound. This is good news for industrialized Ontario particularly.

Canadian exporters of lumber, shakes and shingles, and other goods will at last be able to challenge unilateral decisions imposing duties on their exports to the United States of America. Bi-national review will assure greater fairness, greater objectivity and, I believe, greater caution by U.S. regulators in the first instance. This is particularly good news for British Columbia, Ontario, Québec, New Brunswick, Nova Scotia and, indeed, for all exporting provinces.

This agreement builds on 50 years of bilateral and multilateral negotiations with the United States. The agreement takes a hodgepodge of existing agreements and *ad hoc* arrangements and translates them into a coherent and binding framework of rules tailored to the trade and investment realities of the 21st century. The agreement establishes a new blueprint for almost \$200 billion a year in two-way trade. There will be new opportunities for duty free and more secure access by Canadian exporters. That is why our pork and beef industries and manufacturers in all regions are expressing solid support for the free trade agreement. Its provisions regarding services, business travel, investment, government procurement, trade remedy law and dispute settlement, establish trade rules for the future for Canada and the United States and I believe, as others have said in this House and elsewhere, offer a model to the world.

This is why this particular agreement was strongly welcomed by the industrialized leaders at their summit meeting in Toronto in June, and was underlined, and I quote the leaders from the Socialist President of France to the Conservative Prime Minister of the United Kingdom, who unanimously said this was a "catalyst" for the Uruguay round of multilateral trade negotiations.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Quote him fully. What did he add?

Mr. Mulroney: Which I suppose, Mr. Speaker, if nothing else, proves that some socialists have their heads on properly.

Some Hon. Members: Oh, oh!