

The implications, in terms of the consequences of entering into a continentalized economic arrangement with the United States, are that these firms, most of which are owned in the United States, could very well have a major economic reason to move their branch plants back to the United States, if not this year, at least in two years. It does not assume that they are sinister. It does not assume that they are plotting against Canadian interests. All it assumes is for them to be what they are—profit-making business organizations. If they can make more money by moving a branch plant from Michigan to Georgia, it is not foolish to think that they may believe it is more economically sensible to move the branch plant out of Oakville or Hamilton or some place in British Columbia or Manitoba.

If we tear down the border economically and all its implications, with no requirement for a certain level of investment in Canada, why would these firms not move to the greater market in size, which is the United States, not Canada? Again we have serious reasons to doubt the wisdom of the policy of the Government in this regard.

Agricultural marketing is profoundly important to at least half our provinces as a crucial sector of their economy. I want to be very specific about a concern which has been raised with me in this regard. It is one thing to talk about protecting marketing boards, but what may well be involved—and I will be very frank—and what I suspect is involved is that the Government will say marketing boards will be kept but the supply-management side of marketing will go, that there will be no control of imports coming from the United States to these sectors.

Also we are concerned about the auto industry. We are concerned that once again we may have the form of the agreement protected but the substance gutted.

That is no laughing or joking matter. If the Government is to indulge in a bogus game of saying that it will keep the formal requirements of the pact which talk about investment levels but remove the negative incentive, if I can put it that way, of

tariffs and duties if they do not live up to their requirements, we in this country could see before the end of the century the complete obliteration—and I put it as strongly as that—of the North American automotive industry.

All of us in the House can agree on the cliché that the cultural identity of Canada must be preserved. It is a cliché but it is also reality. I would like to believe all Members wish to preserve it. There are all kinds of uniquely important and distinctive aspects to French-Canadian cultural heritage and to English-Canadian cultural heritage which are monthly gaining greater and greater international recognition.

We also know that important protective mechanisms have been put in place in Canada through the years to ensure the survival and growth of Canada's creative people. I say that it is not enough to talk about the protection of cultural identity and uniqueness in this context without talking about the protection of cultural industries. There is nothing in the resolution that refers to cultural industries. Once again, if the Prime Minister had been forthcoming and had wanted to allay some concerns, rather than raising new ones, he would have told us what the Government plans to do with cultural industries.

Another question which looms as a very important concern in terms of the resolution and what flows out of it is what will happen during the phase-in period of such a trade agreement. If we have no FIRA, no effective instrument to protect highly creative, quite profitable, in the Canadian context, and in many cases technically sophisticated industries during this phase-in period, what will stop these companies from being gobbled up by larger companies with more capital resources from the United States?

After the gobbling up process has begun, the pattern in this kind of international economic development is that an American company first buys a competitor, a good, small Canadian firm, and then operates it as a branch plant for a while. Then the company moves operations back to the United States. We are very concerned about this