

Alberta and Quebec protect their rights very strongly and probably talk about provincial rights more than any others. Both of those provinces support the free trade agreement very strongly. If they thought provincial rights were at all diminished by this free trade agreement they would be the first knocking on our doors worried about this clause. Yet, they are not.

On May 4, 1988, the Senate Standing Committee on Foreign Affairs in its wisdom reported on the constitutional jurisdiction pertaining to the free trade agreement. It said that it was perfectly within the power of the federal Government to implement the free trade agreement. All Clause 6 says is that we can implement the free trade agreement. That is exactly what we are doing and that is what we will be doing when the free trade agreement is passed by the House of Commons.

Mr. Les Benjamin (Regina West): Mr. Speaker, I am delighted to take part in this debate in support of Motion Nos. 5, 6, and 8. I hope you will note that I have mentioned them and I will try to get to them again.

Motion No. 5 is to strike out certain clauses. Clause 5 says it is to facilitate conditions of fair competition. Well, we have been running into these conditions of fair competition ever since the legislation to deregulate transportation which was started by the Liberals, as my colleague reminds me. Let us not be under any illusions. Deregulation, privatization, and the trade deal are all part and parcel of the same operation. They are the three essential parts.

We find that the so-called fair competition under the new National Transportation Act and the free trade agreement is a farce. In fact, it increases unfair competition from the American side. Let me illustrate. The National Transportation Act provided for competitive line rates. That means that a railroad or a trucking company, but particularly a railroad in the United States, could negotiate a rate with International Nickel in Sudbury or a forest product company in Thunder Bay or British Columbia. The Canadian railroad has to haul that commodity only for its share of the competitive line rate, from its origin to the U.S. border. That would be acceptable if the free trade agreement allowed us to do the same in the United States, but it does not. Competitive line rates are prohibited in the United States so that what American railroads can do to us here, we cannot do to American railroads there. There should be a clause in the agreement stating: "We shall do unto you what you do unto us".

• (2150)

When we proposed such an amendment to the National Transportation Act, the Tories turned it down. They state that they have an agreement to facilitate conditions of fair competition. I want any Conservative to tell me what is fair about competitive line rates that are allowed in Canada but disallowed in the United States. While I am not noted as a great fan of the CPR, they are correct, for once, that \$300 million of their revenue in transborder traffic is jeopardized under the

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National Transportation Act and the free trade agreement. Canadian National states that up to \$500 million of its revenue is jeopardized.

I have a copy of a freight waybill in my office that was sent to me in a plain brown envelope. It is a confidential contract with a competitive line rate. It concerns a carload of plywood manufactured just outside New Westminster that is to travel some 25 miles south, across the U.S. border to the Burlington Northern line. It travels on the Burlington Northern line from about Seattle to Minneapolis, then travels on Conrail from Minneapolis to Port Huron. The last 30 miles is to Kitchener, Ontario, on the CNR. There is no weight of the carload lot on the waybill. There are no freight charges, just a note saying, "Destination railway, weigh the car for your own revenue". Canadian National had to weigh the car itself to get its freight charges for the last 30 miles. The belt line railroad for the originating 25 miles is jointly owned by Burlington Northern and a collection of railroads.

Historically, such a load would travel CN or CP east-west across Canada. Instead, it went south, then east, then back into Canada. The Tories want to tell me about fair competition. They do not know what they are talking about.

I regret to say that our good neighbours to the south do not have a very good record, if not one of the worst, of living up to agreements. The history of our contracts, deals and treaties with them since 1812 is replete with violations. The same thing applies to this present Government. I always understood that when a treaty is signed or an agreement is made, one's word is one's bond. I cannot help but remark on how the Government has broken the agreement between the Government of Saskatchewan and the federal Government and the native people of our province reached in 1976. It has refused to implement it. It is not only the Americans, the Government's word is no good. The Conservatives will not live up to the bond of the federal Government in power prior to their coming into existence. I was always under the impression that governments honoured the agreements and treaties of predecessor governments.

The Government talks about deliberating significantly conditions of investment. I had a long phone conversation with the Canadian Truckers Association last week. As a result of the free trade agreement and the new National Transportation Act, and deregulation, trucking companies will now establish profit centres in the United States because of taxation laws that will allow them to write off a tractor and trailer in three years rather than the 10 years it takes up here.

We do not come anywhere near the tax breaks that exist there. The competition is not fair and, therefore, Canadian investment is leaving Canada for the United States as a result of the policies of the Government. It calls it free trade, but I call it unfair trade. I call it a decimation of Canadian sovereignty and Canadian independence.