

of public interest groups, organized labor, farmers, aboriginal peoples, some churches and the leading women's and teachers' organizations announced that it would lead the way in criticizing the free trade deal (*Globe and Mail*, October 8).

At the same time, the Chairman of the Royal Commission which had advocated free trade, Mr. Donald MacDonald, said that "Canadian businesses and workers now have an opportunity to crack the huge US market, free of the protectionism other world traders will confront" (*Toronto Star*, October 5). Roger Hamel, President of the Canadian Chamber of Commerce, echoed these sentiments, saying "our pleasure knows no bounds" (*Globe and Mail*, October 5). It also became known that a private-sector alliance had been formed to win over Canadians and to bolster the government's position (*Globe and Mail*, October 9). This position was reinforced when the Economic Council of Canada's annual review "Reaching Outward," concluded that based on simulations done on an economic model, it was found that removing tariff and non-tariff barriers would generate 350,000 new jobs for Canadians by 1995. The simulations also indicated that nationally, a bilateral free trade agreement with the US would boost real wages, increase production, stimulate business, revitalize investment and industry, narrow the Canada-US manufacturing productivity gap, lower prices, reduce total government deficits and strengthen the Canadian dollar. (*Globe and Mail*, October 27).

Reacting to these varied positions from affected industries and groups, Prime Minister Mulroney tried to assuage fears of job losses by pledging in the House of Commons a "massive" national program to help re-train workers who lost their jobs as a result of the deal. Finance Minister Michael Wilson reiterated in the House on October 6 that on the subject of adjustment programs, "the Prime Minister has said that if there is a need for those programs, those programs are in place and those programs will be augmented to the extent that is necessary to deal with the problem" (*Hansard*, October 6).

The government's general line in presenting free trade to Canadians, the *Globe and Mail* reported, would stress confidence, competition and new opportunities (*Globe and Mail*, October 6). External Affairs Minister Joe Clark told the Saint John Board of Trade: "What this debate is about is the quality and confidence people have in this country...I have no doubt about [our] ability to compete in the North American market and no doubt about [our] ability to compete in the world" (*External Affairs Statement*, No. 87/56, October 7). To carry this message, Mr. Mulroney created a special committee of policy advisers (*Ottawa Citizen*, October 22). Cross-Canada hearings by the Commons Committee on External Affairs and International Trade were also proposed pending a complete text of the deal. (*Ottawa Citizen*, October 28).

However, efforts to sway public opinion got into difficulty amid revelations that a controversial drug bill was part of the negotiations. The *Globe and Mail* on October 10 reported that the Canadian government

had pledged in writing to pass the drug patent legislation, known as Bill C-22, as part of the deal, but the commitment was withdrawn from the final version of the agreement.

The report also noted that Minister of International Trade Pat Carney said in a written statement that a commitment on Bill C-22 was agreed to by officials of both countries in the trade talks but rejected at the last minute by senior Canadian negotiators.

The *Ottawa Citizen* reported on October 16 that a document obtained by NDP leader Ed Broadbent, and presumed to be confidential briefing notes prepared for US Treasury Secretary James Baker, showed that a proposed Canadian film distribution policy was also part of the deal.

In a mood of optimism, US Trade Representative Clayton Yeutter said some members of Congress believed the free trade pact with Canada could be the greatest achievement of the Reagan administration (*Ottawa Citizen*, October 6). However, former US Trade Representative Robert Strauss said that ignorance about the free trade initiative among the US public, Reagan's weakened clout with a protectionist-minded Congress and obvious Canadian reservations were working against the acceptance of the agreement. The *Ottawa Citizen* on October 23 also reported that the reaction to the pact on Capitol Hill was cautious, with many key members of the Committees saying that they wanted to see more details before committing themselves.

Meanwhile, President Ronald Reagan pledged a worldwide crusade for free trade, seeing the deal with Canada as the cornerstone of American trade policy around the world. In a speech, he urged the US Congress to ratify the pact "and make that agreement a model for our policy towards all nations" (*Toronto Star*, November 17).

Drafting of the legal text of the agreement met with some difficulties, with each country blaming the other for delaying its progress. The differences, it was reported in the *Globe and Mail* on November 5, might require a high-level political meeting to resolve. By November 17, however, Simon Reisman said that the legal text was "98 percent complete" and should be ready by the end of the month. He also downplayed reports that major disputes were delaying the drafting (*Toronto Star*, November 17). On November 21, Chief Negotiator Reisman announced that all major issues in the final text had been resolved (*Toronto Star*, November 21). The *Globe and Mail* later reported that protracted negotiations on the legal wording were still to continue (*Globe and Mail*, November 24).

Meanwhile, a trade dispute developed between Canada and the US which would put to the test the new pact. The dispute involved US offers of subsidized farm commodity sales to the USSR, China and India. Canada has sold mostly wheat to the USSR and China, and oilseeds and oilseeds products to India. Liberal agriculture critic Maurice Foster said in the Commons on October 21 the American move violated a clause in the agreement which stated that both countries