the Meech Lake approach are from the same provinces which are supporting the free trade deal.

It is ironic, because what they do in this particular case is give up some of the sovereignty which they had before, as well as any possible sovereignty that they might have gained in the Meech Lake Accord. I am talking about provincial sovereignty this time. I know that, federally, the sovereignty is being given up as well. It is being given up to the panel that is going to make the decisions as far as trade problems are concerned between Canada and the United States, if this agreement is accepted and this law is passed.

The federal Government gives up sovereignty to U.S. laws. What this agreement does is guarantee that the U.S. laws will be the laws which govern trade as far as they are concerned. We cannot be sure that the Canadian laws are going to govern trade as far as we are concerned. That is not part of the deal. U.S. laws are guaranteed, but ours are not. The federal Government gives up a certain amount of sovereignty just by signing this agreement, by saying that they will do the things which they have committed themselves to do in this agreement. That is the sovereignty that the federal Government is giving up in this Bill. Provincial Governments as well are giving up a considerable amount of sovereignty. They are giving it up in every way that the federal Government gives it up, and they are giving it up in other ways as well.

Many years ago—1934, I think it was—the provincial Governments in the West, Alberta and Saskatchewan, were given control over their resources. That was when the gas and oil and other resources in the western provinces—in the two prairie provinces anyway—became the responsibility of the provincial Government. Now, under this agreement, these provinces, as well as the other provinces which had those mineral and natural resources controls before that time, are being asked or being told or being required to give that control back. At this time, it is not necessarily back to the federal Government where it came from originally, but back to a panel that is going to make decisions, back to an agreement which is going to decide how much you can charge for these natural resources.

• (2050)

These natural resources are oil and gas and water. They make up the basic strength and power of the economy of the western provinces. Under this agreement, partially under Clause 6 in particular, we are being told that we must give up that authority because when we sell our resources we cannot establish a price provincially that is higher than the price at which we would sell those resources to other people. That is the type of sovereignty that the provinces are giving up. They are not only giving up the rights they had under their control of natural resources but they are giving up rights with respect to the amount that they can expect to get back from those natural resources.

Part of that particular clause and a couple of others which we will be coming to later will have a tremendous effect on the type of control that the provincial Governments have on their own economies, the control which some of them were so happy to get under the Meech Lake Accord. That of course is Motion No. 8 which would delete Clause 6.

Besides that there is a general clause, Clause 3, some parts of which I will read. It is very important that we know exactly what this agreement is supposed to do and then recognize what it does and what it does not do. It states:

> The purpose of this Act is to implement the Agreement, the objectives of which are to
>
> (a) eliminate barriers to trade in goods and services between Canada and the United States;

Over the years we have eliminated 80 per cent of these barriers. I suppose in another seven years with or without the trade deal we would probably eliminate another 17 per cent or so. But that is one of the directions of the Bill. The barriers were put into place for a particular reason. In many cases they were put in place to protect jobs in Canada. What we might possibly do by eliminating these barriers—although if we look at many of the effects of the trade agreement we cannot see a great deal of saving for consumers—is we might save a little bit in consumer goods, we are told. However, the barriers will move those jobs to the places where those goods can be produced the cheapest, which is not always in Canada. In fact, not very often are those jobs in Canada because through our social structure we provide services which the United States does not accept or recognize as services. I refer to services such as medicare, old age pensions and UIC. Those are services which we have in Canada which increase the cost of our products to some extent.

Therefore those barriers were put in place to allow us to have the type of social services that we need. Once we eliminate those social services we become a country very much like the United States where 36 million people do not have any medical coverage at all.

The clause goes on to state:

> (b) facilitate conditions of fair competition within the free-trade area established by the Agreement;
>
> (c) liberalize significantly conditions for investment within that free-trade area;
>
> (d) establish effective procedures for the joint administration of the Agreement and the resolution of disputes; and
>
> (e) lay the foundation for further bilateral and multilateral co-operation to expand and enhance the benefits of the Agreement.

I could spend a bit of time on each of these but I will make just one comment about the last one. Our other trading partners in the world have a great concern that this bilateral agreement will make us fortress North America and that they will not be able to be a part of our trading economy as they have been in the past.