

*Canada-U.S. Free Trade Agreement*

We said it before the election and again after the election: Canada's social programs are here to stay. If we had had the least doubt in that regard, we would not have signed the Free Trade Agreement.

Besides, why would our social programs be threatened? Starting in 1935, trade tariffs were gradually removed and now 80 per cent of our trade with the United States is tariff-free. During that period, Canadian trade with the United States continued to grow. Nevertheless, it is in the last 53 years that the bulk of our social programs has been established. That never affected in any way our capacity to compete. Why should things be any different today? Why should continuity in our trade relationships bring about a break in our social and cultural traditions?

The villifiers of free trade are especially worried about those five to seven years during which we will define with our American partners what is a subsidy and which subsidies will come under the new rules developed by the task force.

According to them, that period of negotiation will result in the abolition of almost all our social programs, from old age security to unemployment insurance benefits through regional development assistance. They either ignore or forget to mention that we already have sure indications of the way those negotiations will go. Already, under the auspices of GATT, Canada and the United States recognize that internal subsidies are legitimate means to promote, for instance, economic and regional development. GATT does not limit the right of its members to use internal subsidies to reach such goals. What that clearly confirms is the capacity of Canada, within the free trade framework, to keep on fighting against regional disparities and allocating as many billions of dollars as we are putting into it now.

On the other hand, in 1985, the American Trade Department had rejected the claim of East Coast American fishermen that unemployment insurance benefits paid to Canadian fishermen were subsidies liable to countervailing duties.

Invoking more or less the same arguments, and taking advantage, it ought to be pointed out, of the Canadian people's interest in the issue, the opponents of free trade have tried to make us believe that the agreement would be a disaster for our environment. As the Prime Minister has entrusted me temporarily with the environment portfolio, it behooves me today to respond to the assertions made by certain groups opposed to the Free Trade Agreement. By signing the agreement, we have not

given up an iota of our sovereignty either in the field of social programs or with respect to our ability to maintain strict environmental protection programs.

During our first mandate, we passed environmental protection legislation which ranks among the most exacting in the world. We took vigorous measures to reduce chemical pollution. We invested millions of dollars for cleaning up our waterways, whether it be the Great Lakes, the Saint-Lawrence or the port of Halifax, to name only a few initiatives.

Canada has adhered to the concept of "sustainable development", which entails that economic development must be subordinated to environmental considerations. We set up a task force on environment and the economy, further to the suggestion made by the United Nations Commission on Environment, whose Chairperson Mrs. Brundtland, Premier of Norway, underlined Canada's contribution as a world leader in the fight for the protection of the environment.

All those actions were actions by a sovereign nation aware of the gigantic steps that remain to be taken for its citizens to have purer air and cleaner water.

To suggest that the Free Trade Agreement with the United States will affect our ability to do that is sheer speculation and, as much as I regret to say, demagoguery.

Some groups also stated the Agreement would force Canada to harmonize its environmental standards with those of the United States. Nothing could be farther from the truth! Quite the opposite, the Agreement recognizes our right to maintain and create environmental conservation policies. As a matter of fact, the Agreement includes no requirement of any kind for the harmonization of standards.

Others further submitted that under the Free Trade Agreement, Canada could no longer provide financial assistance to industries wishing to reduce their emissions of pollutants. That is false! Because the GATT, Mr. Speaker, recognizes environmental protection as a legitimate goal governments may promote through subsidies. Therefore governments, both federal and provincial, will continue to financially support industries undertaking clean-up measures.

One of the most evident signs of ignorance and bad faith exhibited by some critics of Free Trade, Mr. Speaker, deals with that alleged treaty obligation for Canada to export our water to the United States.

Those absolute lies are still being propagated even after the Minister of International Trade had an