

*Government Orders*

from what is happening in Europe where you see harmonization happening upward because the most powerful countries in Europe economically are countries with strong social democratic traditions, Germany, Denmark, The Netherlands, et cetera.

That is happening there because the stronger countries economically are also the most progressive. Then you have this harmonization upward. In the context of the Canada-U.S. Free Trade Agreement, the stronger nation economically happens to be the least progressive of the two countries involved and so the harmonization can be expected to go the other way.

We have not even got to that point here in our relationship with the United States. We have not got to the point of talking about harmonization as obviously it is a dilemma for those of us who are against the free trade agreement. We maintain especially, as we look to Europe, that you cannot have free and unfettered competition without a socially just basis for that competition, and yet at the same time we see that if such an attempt were made in the context of the Canada-U.S. Free Trade Agreement that harmonization might actually lead to less social justice rather than more social justice. Even if it represented some sort of conceptual victory, the real nuts and bolts of the thing would be that Canadian men and women would be worse off rather than better off if they were led into a process by which the labour laws and the income legislation of Georgia became the model for Canadian social standards.

One other thing I would like to speak about this afternoon in the context of this Bill C-81, where we are talking about the international regulation of trade, in this case having to do with the protection of buyers and sellers in international contracts, is whether or not in the mind of our neighbour to the south trade is to be regulated by the international community at all.

One thing we found out in the last week or so was that they are fully prepared to contemplate saying to companies which are located in Canada that they cannot trade with Cuba. If they are American in origin and their headquarters is in the United States of America, Washington would like to apply this sort of extraterritorial power over them and forbid them from trading with Cuba, which has been designated by the United States as

a country that American companies should not trade with.

There is nothing terribly new in this, Mr. Speaker, but what is new about it is that in this day and age one would think they would have more sense than to try and impose that kind of regulation on American companies, and particularly those that are operating out of Canada.

That obviously affects a lot of companies in Canada, given the high percentage of foreign ownership, particularly American ownership here in Canada. That affects a lot of Canadian companies.

I am glad the Secretary of State for External Affairs has indicated that he regards this as an unwarranted intrusion into Canadian sovereignty. I encourage the government to use as strong language as possible to send as strong a message as possible to Washington and to President Bush that this kind of interference in Canadian trade and sovereignty will simply not be tolerated.

I have done two things so far. I have talked about the social charter in Europe and the way in which what is being done there is so different from the kind of new trading arrangements that this government has already entered into with the United States and seems to be on the verge of entering into with Mexico. Second, I talked about the whole question of trade with Cuba and the way in which our neighbour to the south has tried to exert its will over international trade in this case rather than respecting the role of the international community.

Third, I would like to talk about the way in which all international trade is distorted at the present time by the whole question of the debt crisis and the way in which countries are not truly free to trade as they would and to trade in what they would because of the debt crisis. Many countries are forced by the current international financial system which has existed for a long time, basically since the Second World War, to devote all their energies and indeed much of their land to the growing of cash crops to produce hard currency, to buy things in the international marketplace. The problem now is that they are not even able to buy things in the international marketplace. They have to devote all that money that they earn through these cash crops, which were destructive enough in themselves, simply to pay the interest on their debts, so they are not going anywhere. They are having all the disadvantages of having turned over their local economies to the growing of cash crops without the