

*Canada-U.S. Free Trade Agreement*

**Mr. Harvey (Edmonton East):** As the Minister for International Trade seems so fond of saying, if this deal had been in place the shakes and shingle tariff never would have been imposed, the softwood lumber tariff never would have been imposed. That is nonsense. It is perfectly within the right of the Americans to impose those duties under Article 1902.

For example, let us say a steel plant in Edmonton comes up with some fantastic new steel fabricating process that takes the market by storm, and it is exporting into the United States to beat the band. There is nothing under Article 1902(2) to prevent the Americans from introducing new tariff laws to prevent that.

**Mr. McDermid:** Read chapter 18.

**Mr. Harvey (Edmonton East):** I have read chapter 18 but it does nothing to impair the effect of Article 1902(1) and (2).

**Mr. McDermid:** What does it say about introducing new trade legislation? Come on, get with it. What does it say about being GATT consistent or FTA consistent?

**Mr. Harvey (Edmonton East):** Nothing that is not overcome by Article 1902.

**Mr. McDermid:** Read chapter 18.

**Mr. Harvey (Edmonton East):** I have read chapter 18. It does not defeat Article 1902.

**Mr. Langdon:** No guaranteed access. None at all.

**Mr. McDermid:** He's changing his tune about the laws.

**Mr. Harvey (Edmonton East):** They are very excitable tonight, Mr. Chairman. Do you suppose that they have been dealing with Mr. Ben Johnson's staff? I would suggest that the pages check whatever it is that they are putting in the water.

**Mr. McDermid:** Order. What was that crack about Johnson?

**Mr. Harvey (Edmonton East):** Another article that the people of Edmonton East found most intriguing was Article 2005. We were told originally that cultural industries were not on the table. Then, having been dropped on the table by accident, it was discerned that, by God, they were exempt. It is true. The first four words of Article 2005(1) are: "Cultural industries are exempt". By God, congratulations.

Alas, Mr. Chairman, those of us who felt so compelled continued to paragraph 2 where it is with grieving heart we read:

Notwithstanding any other provision of this Agreement, a Party may take measures of equivalent commercial effect in response to actions that would have been inconsistent with this Agreement but for paragraph 1.

How the heck did that get in there?

**Mr. Langdon:** That's the contradiction.

**Mr. Harvey (Edmonton East):** I have not been to law school, but as I read this it means that if, for example, in a surfeit of nationalist fervour the Government decides to pursue vigorously a national film industry including subsidized distribution—whoa! Flora, where are you? I hear Members opposite saying no, no. I know that it is too much to ask until Members opposite are replaced by the New Democrats. Before the century is over, it will happen, Mr. Chairman.

In any event, in this deal there is nothing to stop the Americans from imposing a duty of equivalent commercial effect on anything.

**Mr. Fulton:** Right on.

**Mr. Harvey (Edmonton East):** Let us say, Mr. Fulton's cherished salmon.

**Mr. McDermid:** Order.

**Mr. Harvey (Edmonton East):** Or perhaps those automobile parts for which this particular province is so well famed.

**Mr. Langdon:** Be careful now.

**Mr. McDermid:** Reel him in a little, Steve.

**Mr. Harvey (Edmonton East):** What we have here is an exemption for culture that is no exemption at all. It is merely a shifting of commercial responsibility from culture to anything else the Americans decide. It becomes even more interesting when one reads the definition of cultural industry found in Article 2012 which states that "cultural industry means", among other things:

c) the production, distribution, sale or exhibition of audio or video music recording,

In my town there is an outfit called Stony Plain Records. It is one of the most successful independent Canadian record labels in the country. The owner of that company, Mr. Holger Petersen, is a good friend of