

*Canada-U.S. Free Trade Agreement*

The United States does not particularly care about little Canada. After all, we are one-tenth of their domestic market. However, we in British Columbia care about big California which is as large to us as the entire Canadian market. We care about the history which has forced us to ship our natural resources to central Canada or the Far East and bring the finished products back.

We want access to California. We want access to the states of the northwest; Washington, Oregon, and Idaho. We want that access on a fair and competitive basis because we are confident that given that opportunity we can sell 10 times more into that market than they can sell into ours. We are confident in the ability of our industrial leadership, our well organized union work forces, and our scientific institutions to compete aggressively and have access to that market 10 times larger than our own.

The Americans really care about the Far East. They care about dumping and the sweat shop labour about which I often hear our colleagues talking. They know that Canada, as part of a great continental alliance, is an important neighbour. We stand to gain vastly more than the Americans as a result of this free trade agreement. That is why the Government is so committed to it.

We would not have had to deal with the harassment of the countervail action and the anti-dumping action against our Atlantic fish exports in the United States, at great cost and uncertainty to the fishing industry, had this free trade agreement been in place.

**Mr. Langdon:** You certainly would.

**Mr. Siddon:** We would not have had to deal with the threatened 30 per cent countervail duty against our lumber exports had this free trade agreement been in place.

**Mr. Langdon:** That is not so.

**Mr. Siddon:** The Hon. Member sits in his seat kibitzing. He can speak when he has his turn. We would probably not have had to deal with the GATT case on the export restrictions on our west coast fish products if this free trade agreement had been in place.

**Mr. Langdon:** Tell the truth.

**Mr. Siddon:** I will tell the House why. We and our industries have been harassed by these protectionist measures coming from certain sectors of the U.S. industrial economy and driven by political force and weight right through the Congress and up to the presidential level in the administration because there was no protection, no remedy other than to go into the U.S. system and use U.S. lawyers to fight our case.

**Mr. Langdon:** It still exists.

**Mr. Siddon:** I think the Hon. Member opposite is concerned that I might be telling the people of Canada something that is true.

**Mr. Langdon:** No, untrue.

**Mr. Siddon:** The fact is that we have, for the first time in history, an unprecedented agreement with the United States of America which gives Canada something no other nation in the world has, that is, a trade dispute system which treats Canada as an equal to our immediate neighbour, the United States of America. In that process tribunals will be the point of referral of any of these disputes.

**Mr. Langdon:** No, no, no.

**Mr. Siddon:** Yes, the point of referral before important and detrimental initiatives can be taken to further tax and frustrate the productivity of our industries. We will, for the first time in history, and unique among nations, be able to refer such controversies to this balanced, non-partisan group of tribunals, this trade dispute panel, in order to head off this kind of problem.

**Mr. Langdon:** Not true.

**Mr. Siddon:** That is a great achievement of the Minister for International Trade (Mr. Crosbie) and the Government of Canada which will bring untold benefits to the Canadian economy.

In the time I have remaining I want to illustrate the reality of this as shown in the solution which was found to the softwood lumber countervail case. For many months, in fact extending back three or four years, our industry was harassed by the threat of a major countervail duty being levied against our exports of softwood lumber. That industry, which is British Columbia's first industry, contributes 45 per cent of our Gross National Product in terms of our exports to the United States. That industry was in such a state of uncertainty that the investment decisions were not being made, the technology was not being put into our plants, and we were not going out and seeking other markets because of the uncertainty of that countervail action.

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The point I wish to make is simply that when the former Minister for International Trade, now the President of the Treasury Board (Miss Carney), concluded an agreement with the Americans in January, 1987, it stabilized our forest industry. The industry put massive new investment into its plants. The stocks of the principal forest industries of British Columbia went up and employment reached unprecedented levels, with 30,000 new jobs being created in the forest industry in British Columbia last year.

If it was good for the automotive industry in Ontario, if it was good for the constituency of the Leader of the New Democratic Party, it ought to be good for western Canada. It ought to be good for British Columbia.