

Canada-U.S. Free Trade Agreement

2. (a) The Tribunal shall be empowered to receive petitions from any entity, including a trade association, firm, union or group of workers who represents a Canadian industry and who has reason to believe that

(i) the industry is likely to face, as a result of the Canada-United States trade agreement, increased competition from subsidized American imports, including those supported through the United States defense programs; and

(ii) the industry is likely to experience a deterioration in its competitive position during the time negotiations occur between Canada and the United States on subsidies

(b) Upon receipt of a petition under paragraph (a) the Tribunal shall:

(i) compile and make available to the industry, information on the amount of subsidization to the American industry, the increase in market share since the agreement came into effect, and the impact of those imports on the Canadian industry.

(ii) update this information annually or as requested by the industry;

(iii) provide to Parliament a copy of any reports undertaken as a result of subparagraphs (i) or (ii).

(c) (i) The tribunal shall review information obtained under paragraph (2) and consult with the industry to decide whether action may be appropriate under section 59(2) of the Customs Tariff Act, and recommend such action be taken by the Minister of Finance in conjunction with the Secretary of State for External Affairs.

(ii) The Minister of Finance and the Secretary of State for External Affairs shall, upon receipt of any recommendation under subparagraph (i) determine whether to take action and shall on determination that action be taken, give preference to actions that most directly affect the products benefitting from governmental subsidies unless the application of action under section 59(2) of the Customs Tariff Act to other products would be more effective.

(B) Be empowered to implement and oversee adjustment programs for those firms and workers who will be dislocated as a result of the agreement including:

(a) specific programs for groups most disadvantaged; older workers, new immigrants, women, aboriginal workers;

(b) procedures for application by firms to be designated dislocated and apply for adjustment assistance;

(c) generalized programs for workers to insure that they are retrained for jobs that become available.

(C) Monitor and report to Parliament the extent to which United States exports are subsidized by U.S. defense expenditures and the impact such products have on Canadian industry.

Motion No. 93

That Bill C-130 be amended in Clause 146 by adding immediately after line 26 at page 113 the following:

“(5) Implementation through section (4) of this Act is conditional on:

(a) the Tribunal's report to Parliament on United States Defense Department subsidization of transportation

(b) proof that the United States government does not assist the transportation of agricultural exports to Canada.”

He said: Mr. Speaker, in rising to present these amendments, I want to underline why I consider that in the context of this Bill it is one of the most important set of amendments that we can present because of two things: First, it substantially improves the Bill; second, it points out the serious, glaring inadequacy in the entire trade negotiation and the trade agreement. What the motions in fact do is provide additional powers to the Canadian International Trade Tribunal to monitor United States exports in this country, to present a

report on those exports to determine whether in fact they meet the so-called benefits that are supposed to accrue to Canada as a result of the agreement. They provide for the ability of Canadian industry to petition the Canadian International Trade Tribunal where they believe that Canadian-U.S. exports are being unduly subsidized. They provide for the Canadian International Trade Tribunal to initiate action to ensure adjustment for workers, and they specifically require the trade tribunal to monitor U.S. exports to deal specifically with the question of defence-related subsidies.

• (1250)

One would want to ask why you would apply additional new powers on an agreement dealing with free trade. The answer is very simple and obvious. This is what the Americans are doing. The United States has taken advantage of the trade negotiations to strengthen their own powers and procedures to apply actions against Canadian trade. It is a paradox, a joke, an irony. However you want to describe it, the fact of the matter is that it is contrary, in fact totally opposite to what the Prime Minister (Mr. Mulroney) promised in a statement back in 1987 when he said that there would be a new regime against U.S. protectionism. We have in fact ended up with the United States, in both the implementing legislation and the omnibus trade Bill having tougher trade laws against Canada. That in itself should be sufficient to tell Canadians what a hoax this whole thing really is. All the efforts of government propaganda, the \$30 billion or \$40 billion of taxpayers' money that they are spending to sell the trade agreement, cannot avoid that one fundamental fact, that the United States Congress has written into new trade laws tougher laws against Canada.

All that I am proposing in this amendment is that we mirror the legislation, that we at least acquire similar powers to provide a balance, some kind of parallel with the U.S. legislation so that we will not be at a severe disadvantage. I do it to point out just how singularly ludicrous the situation is and how deceptive the statements are by government spokespeople when they go across this country and say: “We have won a free trade deal”. In fact, they have won a pyrrhic victory. They have acquired new U.S. trade legislation where, rather than giving Canada exemption, an easier ride, some kind of special preference, we have been singled out for tougher laws.

The Baucus-Danforth amendment that was introduced has given what I consider to be a very important new advantage to U.S. industry. Under the present laws, if a U.S. industry, whether it is potash or pork or uranium or steel, thinks that it is being affected by a new Canadian export, it has to undertake the research, develop documentation, and provide for the kind of inquiry that is necessary to make their case. Then it can go to the International Trade Commission and ask for countervail or an anti-dumping on that. Now it can petition the U.S. Government to do it for them. The trade office will now undertake to do all that research and investigation, which will give an open sesame, open invitation for U.S. industry to provide enormous harassment of our exports.