

Canada-U.S. Free Trade Agreement

If one wishes to look at the independence of Canada, every nation in the world has, to one degree or another, committed itself to trade arrangements. No other nation in the world has accused itself or its Government of surrendering independence by virtue of pursuit of better business for more people in the jurisdiction in which the trade pact has been made.

The Hon. Member for Regina West (Mr. Benjamin) and I have been in accord on a number of subjects, particularly in respect to transportation. However, as to his remarks and his complaints about the transportation system, particularly as it relates to rail in Canada, until such time as both the Crown corporation and the publicly held corporation decide that they want to be competitive in the transportation industry, we shall be poorly served.

Unfortunately, the rates which go north and south are usually more beneficial to Canadian traders than are the rates which go east and west. That is the difficulty that both eastern and western Canada have in trade locked into an East-West pattern for this nation. It is fine for the centre, but it is not applicable to the best prosperity which we could obtain in either eastern or western Canada.

I am amazed that one who is so dependent upon the livestock industry of the West, as is the hon. gentleman from Regina, would hold such a position in respect of this item because north-south is a way for the fringes of Canada to trade.

There will be certain industries in this land which may not prosper as well as they have under this structure. However, I submit that the natural resource industries, in particular, and the technical industries now have a market which they can reach and that there is a challenge to Canadian government to ensure that the taxation system of Canada is competitive with that of our trading partners.

We must keep that competitive. If our taxes exceed the taxes which entrepreneurs or labourers would experience in other jurisdictions, we cannot provide the world market with our goods and services. We must recognize that there is an international competitive world in which we trade. Whether it be with the Pacific Rim, the United States, or the European Economic Community, we are in a world of trade, not in a nation isolated in an igloo, and we cannot prosper under that perception of our trading responsibilities.

It has been stated that the American law in respect to trade will still apply. It has been ignored that the Canadian law in respect to our trade with the United States will also still apply, and this is important. The other facet is that there is to be an international tribunal. Our fate is no longer to be decided by a single political thrust from our neighbour to the south. Rather, an international tribunal will discuss the difficulties which we may experience in whatever item of trade may be concerned. In our experience, particularly in lumber and potatoes, we have been the subject of a political decision rather than a legal or a trade agreement schedule. That is wrong.

Surely we have responsibility. I said that government must not tax excessively. We must have beneficent, ambitious, and competent management in the industrial life of this country. We must be in pursuit of markets. It is said that we should seek the Pacific Rim. We have been seeking markets in the Pacific Rim and we have been expanding, but in no way have they ever accommodated the degree and volume of trade which this nation needs for its prosperity.

We have been and shall continue to be in pursuit of all markets, but if we do not give notice to the world that we, as the European Economic Community, as Australia and New Zealand, and as, to some degree at least, the Pacific Rim, are a unit of trade; that we are a market of trade; that we are in pursuit of fair trade and equitable trade, then we will find ourselves in the same position as all those trade agreements which have been made by the coalition, which has actually been in existence for quite some time, whereby all the laws of the United States apply to GATT and all the laws of the United States apply to Canadian trade. They have and, yes, they still do, but future law cannot amend the treaty. That can only be amended by negotiation. That has been the traditional international structure in which we have traded by treaty for a good many years.

Mr. Langdon: That's not true.

Mr. McCain: I hear a little chirp over there. I would like to quote the Right Hon. Winston Churchill in his response to some remarks. I think this is very applicable to the type of remarks which have been emanating from both opposition Parties. "The Hon. Member is never lucky in the coincidence of his facts with the truth". In another situation of a comparable nature Sir Winston Churchill said: "I should think it hardly possible to state the opposite of the truth with more precision".

With that, Mr. Speaker, I leave this subject matter because never has the opposite of the truth been presented to the Canadian public by its political representatives with more precision than it has been done by both opposition Parties. That is a disgrace to both of them and it is not the leadership which Canada needs from either.

Hon. Bob Kaplan (York Centre): Mr. Speaker, I will enter the debate by taking up the point made by my hon. friend who has just spoken and for whom I have very great respect. The remarks he made illustrate one of the main reasons it is essential that there be more debate, more discussion, and more exposure of the terms of the free trade agreement which is dealt with by the legislation before us.

My friend said that we should not be worried about future law because from the time the trade agreement was signed future law does not apply to it. He referred with some affection and pride to the binational dispute settlement mechanism which is pioneered in this particular agreement and, of course, validated in the legislation.