

*Government Orders*

**Mr. Werner Schmidt (Okanagan Centre, Ref.):** Mr. Speaker, it is a pleasure for me to enter the debate on Bill C-57.

This bill supports the conclusions of the latest round of GATT, an agreement that provides a framework in which Canada and the rest of the free trading world can share in prosperity and put the world economy on a sound footing as it heads toward the 21st century.

For Canada, a country heavily dependent on trade, the GATT represents the world's commitment to a strong international trading system. GATT shows us that the world has the courage to co-operate, not hide behind destructive, protective measures and that it is able to find a trade dispute mechanism which can be agreed on, not only in principle but in the real world.

The GATT has created the World Trading Organization, a strong, effective, permanent institution which will oversee world trade policy and settle disputes between nations on a multilateral basis.

The GATT has strengthened trade rules on subsidies and countervailing duties. The GATT has achieved commitment from 120 participating countries to lower or eliminate tariffs or other barriers to trade. The GATT is multilateral. One hundred and forty-one partners in 21 countries came to these agreements. It is progress. It is prosperity.

But the GATT does something else, succinctly, clearly, loudly. It points out a glaring deficiency. It is easier for Canadians to trade with the world than it is for Canadians to trade with Canadians. While the world creates its own window of opportunity, the federal government and the provinces are still unable to make any real progress toward achieving the same.

Emphasis is put on the fact that one in five jobs are dependent on international trade and that 30 per cent of Canada's GDP is reliant on international trade. But what about the four jobs that rely on internal trade within Canada and the 70 per cent of GDP that still relies on a sound fiscal and monetary climate right here within our own boundaries?

It is like throwing salt in a wound to know that the textile industry can find more support in the GATT than it can at home. Canada's textile market is about to gain improved access to major developed trading partners including the European union and Japan. It is what the textile industry pushed for and it is what they got. But not here in Canada.

The same is true for 11 other sectors from wood to steel to agriculture. Everywhere in the world, but not here. This must change.

More than an avenue of tacit trade globally, the GATT has provided Canada the blueprint for success in breaking down

internal trade barriers. Like the GATT, we must acknowledge that it takes the development of a strong, central body like the World Trade Organization to ensure a well engineered program.

In Canada we need a strong central federal government able to direct the provinces toward initiation of a multilateral, equally beneficial agreement among the provinces like the GATT. It is important to acknowledge that in large part the success of Canada in the GATT negotiations has been inspired by an industry driven agenda.

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Industry knows what it needs to increase production and provide more jobs. The federal government must listen to it, as the world has, for industry's drive and confidence will give the provinces the incentive to want to trade with other provinces.

Like the GATT, we must seek to find a level playing field. We must encourage the internal trade market to expand so that the trading system does not operate solely for the benefit of a powerful few. We must create an environment in which all provinces will be encouraged to become key players. Each province must have the opportunity to access the Canadian market without fearing counter-protective measures or costly compromise.

The Minister of Industry has said again and again that we must ensure Canada's prosperity, that trade barriers are a question of economics, that we must liberalize trade in Canada. The minister says we are making progress in this direction, but I cannot agree. The urgency of this matter seems apparent to only a few. Otherwise the government and the provinces would be trying harder to come to an agreement.

The GATT agreement should give Canadians the confidence to reach an interim trade agreement and prove that the advantage lies in being less protective of our home markets, not more. Industry knows it, but government is slow to respond. Industry is anxious to develop a strong market inside the country, but it is being forced to rely more and more on what is outside. Why? Because the provinces have become so adept at their political agendas they have forgotten the initial agenda.

We do not act like a country. We act like jealous neighbours whose sole interest is to protect ourselves. By doing so we fail to see that we are divesting, not investing, in ourselves and creating limits to the markets we could access. Internal trade is about economic unity. Without it we do not progress, but are mired down on issues like sovereignty which only serve to divert our focus.

While we struggle with these secondary battles the rest of the world moves on and takes advantage of the global marketplace. While we bicker about organization and administration, we fail to consider strategy. We do not present ourselves to the world as Team Canada, but 12 small and separate countries.