

The government has hidden behind its argument that water is not included in the North American free trade agreement nor is there any provision for the bulk transport of water through either this agreement or the FTA.

The fact is that without a specific exclusion for bulk water transports, whether they be through interbasin transfers, tanker transports or pipeline transports, water is very much part and parcel of both the free trade agreement and the North American free trade agreement. There has been considerable expert opinion tabled in this regard, some of it tabled right in the legislative committee for the NAFTA agreement.

I want to clarify some of the misconceptions that the government has by reading a submission from the Rawson Academy of Aquatic Science regarding NAFTA and water exports. It says: "Without an exclusion water is certainly part of the agreement". That is referring to the NAFTA. "Any good or service covered by a tariff heading annexed to the NAFTA is subject to the rights and obligations set out in the agreement itself". Tariff heading 22.01 of the North American free trade agreement is as follows: "Waters including natural or artificial mineral waters and aerated waters not containing added sugar or other sweetening matter, ice and snow".

The document from the Rawson Academy of Sciences goes on to explain the specific exclusion of water as a commodity of trade under tariff item article 22.01 which is referred to in both the North American free trade agreement and the FTA. This is an article I should add that was just released a short time ago, April 1993. It goes on to say: "It has been upheld by recognized and respected Canadian experts in international trade and resource law that naturally flowing water is indeed covered under tariff heading 22.01. Even the Ottawa law firm that the federal government referenced in the water trade debate of 1988 has in fact acknowledged this".

• (1710)

If we make reference to the specific provisions of the North American free trade agreement we see that the trade agreement is about reducing trade barriers to goods and services between parties or between nations.

Adjournment Debate

It goes on in article 22.01 to say that the goods of a party are identified as products as understood in the General Agreement on Tariffs and Trades.

If we go a little further we see in looking at the General Agreement on Tariffs and Trades that the harmonized commodity coding system identifies as a good of a party tariff item 22.01. When we look at that long list of numeric codes we find article 22.01 actually being defined in the GATT as ordinary natural water of all kinds other than sea water.

Whether you look under the General Agreement on Tariffs and Trades or the referenced agreement that is included both in the NAFTA and the FTA, there is water sitting there as article 22.01, ordinary natural water of all kinds other than sea water. There is no question about it. Water is definitely included as a good of trade in both the FTA and the NAFTA.

The point I have been making time and time again is that there is no specific provision to exclude the possibility of bulk water transport as they have excluded the possibility of the export of raw logs or the possibility of exporting unprocessed fish written into the North American trade agreement.

Despite any implementing legislation that may say otherwise, despite any federal water policy that may say otherwise, without a specific exclusion that would exempt water exports, the possibility of exporting Canada's water is made vulnerable under the provisions of both the free trade agreement and the proposed North American free trade agreement.

In summary we have a unique opportunity here with the call from the President of the United States for an environmental review to place in parallel agreements specific exclusions for the possibility of bulk export of water which would assist this—

The Acting Speaker (Mr. Paproski): The hon. member's time has expired.

Mr. Bill Domm (Parliamentary Secretary to Minister for Science and Minister of State (Small Businesses and Tourism)): Mr. Speaker, water in its natural state is not covered by NAFTA. It is not covered by the free trade agreement, the GATT or any other trade agreement. Lakes and rivers are simply not goods or products any