

*Free Trade*

That is what cultural industries have had to face in this country in the past. Unfortunately, that is what they will have to face in the future.

This agreement still contains the incredibly ambiguous and detrimental clause which states that the United States, notwithstanding anything that is in the agreement otherwise, will have the right to take action against us as a result of any cultural action that we take under the terms of the agreement.

There were major surrenders in the context of economic development. The Atlantic Chamber of Commerce told us quite clearly that it was very concerned about what would happen to regional development programs in this country, and therefore could not endorse the deal. It states in its brief: "The Atlantic Chamber of Commerce is concerned, therefore, that the terms of a free trade deal could preclude the federal Government from implementing policies which address this serious problem of regional underdevelopment". It went on to state that the Atlantic Provinces Chamber of Commerce believes that the Canadian Government cannot negotiate away its right to provide assistance to business and industry in economically depressed parts of the country.

As well, there are serious losses to the Auto Pact and losses which have seriously hurt agriculture. For instance, the President of the British Columbia Fruit Growers said: "Is the family farm no longer significant?" The head of the National Farmers Union said: "The bottom line for producers will be lower prices for farm products. This will come at a time when economic ills in the farm community can be linked to the destructive and predatory practices of the U.S. and the economic community countries. These practices will not end with the signing of this agreement".

All in all, it is a bad deal for ordinary people. It is an inequitable deal between our two countries, and it is an unfair deal for average families across Canada. I believe it is an unacceptable deal for the people of Canada, as the next election will prove conclusively to everyone in this Chamber.

It is perhaps most sad that there was an alternative, just as the Prime Minister told the Leader of the Official Opposition (Mr. Turner) during that memorable debate. He was absolutely right at that time when he said: "Yes, you did have an option". In this case, the Government had and still has an option that it will not follow because of its own ideological blinders.

Let me outline what I believe are some of the key elements of such an alternative. First, it is possible and necessary to deal with the U.S. protectionist pressures directly, on a case by case basis. If we had taken that action with respect to softwood lumber and concentrated our resources on that issue, we would have been much more successful than we were with the terribly unfair deal we ultimately saw.

I believe it is possible to set up sectoral arrangements between ourselves and the United States. With respect to the chemical industry, for instance, we have heard from Canadian

chemical firms that they would be very interested in some kind of sectoral arrangement with the United States. That is the kind of thing we see as important to try to explore. The same is true with computer parts. There was a sectoral arrangement with respect to computer parts which the Government did away with because of its attempt to retaliate against the United States on shakes and shingles. That kind of sectoral arrangement also makes sense.

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One can go through a whole host of different sectors of our economy within which it would be possible for us to work out arrangements like the Auto Pact, with safeguards, with protection for our people and communities, which would give us the possibility of benefiting from the U.S. market, but not at the expense of these tremendous giveaways which we have made part of this trade agreement.

I think that the GATT process, the General Agreement on Trade and Tariffs, is an important part of what this Party has always been committed to in terms of negotiation in order to reach freer trade arrangements throughout the world. It is a process which establishes equality among all the countries taking part. That equality is itself very, very important. It is also a process, I would point out, having been at the start of the last GATT round, within which we have considerable influence. It is a process within which Canada is listened to quite seriously. Within that process of negotiation it would be possible for us to work to reduce the subsidies the United States looks at through its trade legislation, to get an agreed set of rules among all countries, an agreed set of rules in which we would have partners on our side in attempting to achieve the kind of equal relationship in trade about which we are talking.

That kind of approach makes so much more sense than the direct one-on-one relationship we have tried to carry forward with a country so much bigger, so much more powerful economically than our own. That country has successfully won from us all sorts of concessions, and that I am certain would not have happened in the context of a GATT negotiation within which we had Japan, Germany, Britain and Italy on our side as part of an attempt to discipline protectionism within the United States.

Most important, however, is that we as a country develop through government leadership and technological expertise in some of our key industrial and service areas. We have to develop a set of effective and efficient sectors within our economy through training, through emphasis on science and technology, and through a great many other measures which a Government, which had not sold itself out through this trade deal, would be able to make use of. I am referring to mechanisms such as state purchasing policies, planning agreements with the various companies, which play such a key role in the trade both between ourselves and the United States and in trade internationally. We would be able to establish Canadian content rules. We would be able to set conditions on investors