

*Canada-U.S. Free Trade Agreement*

would be, first, the adjustment impact which has taken place with respect to companies, with respect to workers, and with respect to communities.

Second, we think that monitoring carefully the activities, economic viability, and the ability to compete within given sectors of companies doing business in Canada and the United States would be a very important contribution to companies in our country being able to compete successfully with those in the United States.

Finally, because we heard a great deal of testimony with the message that there would be serious agricultural problems and pressures associated with this trade deal, we felt that too should be something that is monitored carefully by this committee.

I want to expand on a variety of these points. First, let me talk about the adjustment question. It is absolutely clear, wherever we have had a case of a free trade arrangement being established, that very careful attention must be paid to adjustment programs which are generated as a result of that trade situation.

There has been much talk over the years in which we have been debating this trade deal about the Auto Pact. It should be remembered that the Auto Pact, among other things, recommended an important, useful, and very generous adjustment program associated with it. The TAB program, Transitional Assistance Benefits Program, made it clear that any worker who lost a job because of disruption of trade associated with the Auto Pact would get assistance from this TAB program. In fact, that is what made the trade unions in this country enthusiastic in the end about the Auto Pact.

We recognize the Auto Pact as a sectoral agreement with guarantees that protect Canadian jobs, but the adjustment provisions which were associated with it were nevertheless very important.

The same is true of the Tokyo Round of trade liberalization. We had the labour adjustment benefits program, which was brought into effect to offer retirement benefits to workers in affected industries. Again, it is a very important contribution to making that trade liberalization work effectively.

It has been suggested, even by supporters of this trade deal, that the trade disruption in terms of employment that will take place will be considerable. If we take the Economic Council report, for instance, which supported this deal even with its most optimistic scenario, it came up with 188,000 workers whose jobs would be lost. That is what one requires some response to.

I think the response, at the very least, should be a monitoring of what is happening to these workers and therefore the potential to respond quickly if adjustment programs are hitting them, their communities, and the company they work for.

With respect to my own constituency, for instance, it is quite clear that one of the major producers in a medium-sized town

in my constituency is almost certain to shut down as a consequence of this deal. That would be 550 jobs in a town of 8,000 people. It would devastate the town. Attention must be paid to the adjustment problems of such workers and communities.

Second, if we talk about the competitiveness issue, which I discuss in the second clause of this amendment, it is especially important. We have, for instance, a detailed survey from the Canadian Manufacturers Association. It indicates, first, that fewer than 12 per cent of the companies surveyed by the CMA had actually analysed the free trade agreement in detail. Therefore, the work has not been done by these companies with respect to competitiveness and what is going to face them as they move into a new trade situation. That same survey indicates that if the value of the Canadian dollar rose to 85 cents, 67 per cent of these companies would feel themselves at a competitive disadvantage with the United States. We can say that the dollar is not likely to do that, but in fact the dollar has risen by close to 6 cents in the last six months. For it to move another 4 cents and put 67 per cent of CMA companies into this uncompetitive situation *vis-à-vis* the United States is absolutely possible. Therefore, we need a committee to monitor this and be able to prepare responses if this kind of thing begins to happen.

• (1240)

Finally, I want to speak briefly about the agricultural pressures which were brought before us in the committee. There must also be close monitoring to be able to respond to these possibilities. The submission of the prairie pools, which represent a combined membership of over 130,000 farmers in Manitoba, Saskatchewan, and Alberta, states:

The three Pool organizations are concerned about changes that may occur in the grain marketing system, and the impact which these changes may have on the competitive ability of western Canadian farmers.

We are concerned about losing the Crow benefit on products moving to the U.S.A. through Pacific ports.

We are concerned that the U.S.A. administration may interpret Article 705(5) as giving the U.S.A. the right to restrict Canadian grain into their market while increasing exports to Canada.

We are concerned about pressures, originating in the U.S.A., to require the Canadian Wheat Board to make public their actual selling price—

There is also concern expressed by the Saskatchewan Wheat Pool that energy commitments to the U.S.A. may on occasion create a shortage of domestic agriculture needs. There is also concern expressed by the Saskatchewan Wheat Pool that because of changed investment regulations, Canada may pass control of many institutions important to Canadian agriculture to companies outside of Canada that have no understanding of our industry or recognize its unique requirements.

We see that in all three of these areas there are potential crucial problems which face this country.

I urge Conservatives, in this case, to look honestly at the amendment and recognize that it is a constructive attempt to improve what would face this country if this trade deal in fact