

*Routine Proceedings*

• (2040)

President Reagan was asked what the greatest trading partner of the United States was. I guess he is not the greatest economist and so he said: "I guess it is Japan". His neighbour, Canada, certainly beat Japan by a great deal. Our trade now is \$200 billion a year in two-way trade, and Canada has a surplus. We are selling more than we are buying. Is that such a bad deal?

Jobs have been lost, and possibly that is true, but new jobs have also been created. Many industries have started up here. Many industries have enlarged their capacities because of the free trade agreement.

Why is it that several other countries are just drooling at the mouth at the idea of the Canada-U.S. trade agreement, hoping they can get the same deal? Israel is one country that has some trade breaks, but they are not nearly as good as Canada's.

These are the things that the Canadian people should be thinking about. The NAFTA, which is supposed to be a disaster according to the opposition and the media, will provide us with a market of about 300 million people. It will be the greatest market in the world. There is a lot of worry and criticism about Mexico's 85 million people, not taking into consideration at all that those people will be purchasing goods. At the present time Mexico and Canada have very insignificant two-way trade. It is \$2.5 billion but the worst part is that of that \$2.5 billion Canada only has \$600 million, and most of those goods trade back and forth without any tariffs at all.

I am quite sure the NAFTA will prove to be successful. The Prime Minister has been berated for the things that he has done. He has had the guts to do things that other governments were afraid to tackle. With regard to the GST, the opposition and the public at large consider it to be a new tax but it is a replacement for the manufacturers' sales tax of 13.5 per cent. As an example, Canadian Tire, which is a huge chain across the country, now says that 90 per cent or more of the goods sold in its stores are cheaper than when the manufacturers' sales tax was in effect. That is the fact. However that does not seem to sink in.

The other thing is that the GST is broadly based. It could have been more broadly based but we did not want to include food. The GST at 7 per cent is berated by the public but they do not seem to have any criticism of the 8

per cent Ontario provincial sales tax. I am wondering if that is really fair. When one is in government one has to take the good with the bad.

All the time we hear our colleagues across the House talking about the free trade agreement and the NAFTA agreement, and the various items in it. They are scaring the Canadian people that water is going to be transported or diverted to the United States. That is absolutely incorrect. Water will be sold to the United States but it will be sold in bottles. It will be sold in bottles of mineral water, beer and wine. Surely no Canadian is going to say that that is the incorrect thing to do. We have to educate the public. I am telling the people in my riding, and we have lots of water there, water is not going to be diverted.

• (2045)

I want to pay tribute to all the people in my riding of Parry Sound—Muskoka who have supported me over the past 21 years. I have endeavoured to work on their behalf. Certainly I have not satisfied them all from the letters I get. A great many of them come in and say I am doing a good job, but they were not singing the praises of the Prime Minister.

Speaking of the Prime Minister, even though he is low in the polls, he is going to have a very important place in history because he has been able to have a government that would bring in these things that have not helped his popularity. But they are in the best interest of Canada and he has taken that stand. Certainly I say more power to him for that.

At this time I would like to pay a special tribute to my staff. The success of a member of Parliament and his or her continuing re-election depends on the staff. They are the ones who take the telephone calls and have to get all the information that is necessary. I have an outstanding staff.

I want to pay a special tribute to my constituency secretary in Burk's Falls, Mrs. Ina Trollove, who often works six and seven days a week. She is the most knowledgeable person one could ever lay eyes on. She can handle anything and she is about three months younger than I am. What do you think of that? Then of course I have an excellent staff in Ottawa, my chief secretary, Mary Culinin, Melanie Byck and an outstanding research assistant, Phillip McNeil.