

*Supply*

reducing the funds made available to that very important function? It does not make sense. It does not come together. It is a policy that does not seem to take into account the fact that if trade negotiations were ever to be completed, we would need even more to be scientifically and technologically equipped to compete in a more competitive market. How was that decision made? Not one government spokesperson has offered an explanation of that today.

In addition to the National Energy Program, FIRA and what has been done to scientific research and development, there is also the issue of the timing of these negotiations. Even the best friends of Tory Members would have to admit that it could not have been worse. The Government did not take into account or did not seem to realize how powerful Congress could be, how it could manoeuvre its own agenda to our disadvantage and how unwise it was to launch these negotiations just before a mid-term U.S. Congressional election.

That is not all. To launch trade negotiations at a time when we are enjoying a large trade surplus is certainly not the most advantageous moment to do so. We are not negotiating from a position of trying to arrive at a balance in trade. We are not trying to convince our trading partner that the time has come to give us a break. We are trying to negotiate with a partner who can ask at any time what Canadians are complaining about since they have a surplus and are selling to the Americans some \$20 billion more than they are selling to us. The timing of these negotiations leaves one wondering about the thinking that went into the decision before it was made.

No matter how frequently questions are asked by Hon. Members opposite in the course of this debate, the conclusion is that this decision was not thought out. The entire measure was launched without preparing a strategy, without ensuring that we had certain chips with which to bargain and without ensuring that we had certain policies in place at home, policies that would make the transition manageable. It was done without ensuring that the American political process would not stand in the way of these negotiations. As we all know, Congress has now played a much greater role than it has at any other given time. Not only that but the U.S. Government now knows that it has a trade deficit with Canada, and that has never been so clear in the past as it is now.

Let me give the House an example of the kind of at-home domestic planning which is absent, the kind of planning the Government ought to have done in relation to these negotiations. The main debate here at home is about jobs. The preoccupation with jobs, be it in Ontario, Quebec, the Atlantic region or the West, is a real one. The Government cannot tell people that it is good for the economy to have freer trade in North America if it cannot give those people jobs and the assurance that there will be a managed transition and a way of protecting both existing and new jobs. Statistics and studies have indicated that there will be losses in manufacturing, services and other sectors. People will face the kind of job losses that result whenever a market becomes more competitive and particularly when the quantities produced by the

American economy are such that it has all the advantages in retail pricing because of the volume of scale.

Why is domestic planning so evidently absent? Perhaps it has been kept a tight secret from the public and the Opposition. We do not know, for instance, of any adjustment program designed to protect some 520,000 workers who will lose their jobs as indicated by the Economic Council of Canada last week. What kind of protection will men and women who lose their jobs be offered as a result of the trade negotiations? We do not know.

That is not all. What kind of industrial restructuring will be put into place in order to strengthen our industrial capacities and lay the foundation for new industrial capacities? Where is the plan for facilitating the phasing out of certain industrial sectors in case we lose them? We do not know what will happen with the restructuring of industries in Ontario, Quebec and other parts of the country where industries exist. There is a big blank silence on that subject.

What will be our policy in research and development for facilitating our ability to compete once a free trade agreement of this kind is achieved? That we do not know. We all know, however, that cuts are being effected and that our research capacity is being diminished. We do not know what it will be compensated, offset or replaced by. In that kind of vacuum, with that lack of knowledge, it is no wonder the Opposition is opposing this measure. The Opposition has been kept in the dark. We do not know the answers to these three major questions.

• (1720)

I notice that the Member for York East (Mr. Redway) is smiling about this. I remind him that this is very important stuff. We are talking about the jobs of several hundred thousand Canadians whose future is at stake. That is what the news release by the Economic Council of Canada published on October 20—

**Mr. Redway:** Three hundred and seventy thousand new jobs. That is what it says.

**Mr. Caccia:**—about 520,000 jobs would be lost by 1995. That is not a minor figure. Even if it were only one, we would have to be concerned about how we provide for the transition of the person affected by this change.

**An Hon. Member:** Five million people change jobs each year.

**Mr. Caccia:** What we are talking about here is the potential management of a change that could be quite drastic. I submit that a change would not only be limited to trade. Once you touch trade, you also touch a number of other activities in our economy, as other speakers have indicated in a number of exchanges in Question Period. For instance, you touch social security, competition laws, standards, and any other activity that is somehow touched upon by the economy. Therefore,