

*Canada-U.S. Free Trade Agreement*

Canada untrammled and unchained by government policies that would act in the interests of protecting all Canadians across the country.

We have heard the Government boast about ACOA, saying it is a regional development program which will do something about this. The Economic Council of Canada stated in its most recent annual review that the programs administered by ACOA were likely to be the targets of U.S. countervailing actions. That is despite and regardless of whatever is in the agreement negotiated by this Government.

This American trade agreement will put Newfoundland and Atlantic Canada up against even greater market forces, which will force us either up against the wall or to compete. Companies can compete, but they compete at the expense of individual workers and their families who will pay the price in lower wages, lower social benefits, lower government services, part-time employment and part-time futures, such as we are already experiencing quite severely in Newfoundland.

Competition results in a number of factors. The President of the Canadian Manufacturers' Association, Laurent Thibeault, said:

It's simply a fact that as we ask our industries to compete toe to toe with American industries—we in Canada are obviously forced to create the same conditions in Canada that exist in the U.S. whether it is the Unemployment Insurance scheme, workman's compensation, the cost of government, the level of taxation or whatever.

We in Canada are worried. The Canadian Teachers' Association says that it is concerned about the downward pressure that business will place on the cost of government and warns of a great long-term hazard to education of the free trade agreement. In Canada keeping the cost of government competitive in terms of education would mean cutting spending for education. Canada now spends about 5.3 per cent of total personal spending on primary and secondary education, whereas the U.S. spends 3.7 per cent. In American dollars we spend about \$3,420 per child compared to \$3,199 in the United States.

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In the Atlantic Provinces Harrison McCain of McCain Industries, a very large international company, no small potatoes in New Brunswick, said that if economic factors were to make his plants' continued presence in the province untenable, "we're a multinational and have other options. Unfortunately, our employees and our growers don't". He is honest about the prospects for Atlantic Canada under this agreement.

Regional development programs are vital to the development of Newfoundland and Atlantic Canada. The Economic Council of Newfoundland warned that regional and industrial development policies, local preference and procurement policies, and agricultural subsidies have been identified by the U.S. in recent actions as being incompatible with the tenets of free trade, but these same policies are seen as important tools for economic development in that province and region.

Yet, we are told that the agreement does not interfere with regional development policies. Whom do we believe? Unfortunately, we must believe those who have read the agreement and studied it, not those who have not read it and are prepared to tout it anyway.

In the United States social benefits are quite clearly seen by business leaders to be a cost to business. When proposals were put in the United States for federal legislation for compulsory maternity benefits for women, the biggest opponent to such benefits was the business community. It said that that would bring about an economic catastrophe and make it uncompetitive. The U.S. Chamber of Commerce spoke out strongly against granting time off without pay and a guarantee of a return to a previous job for a women who was pregnant. These programs are seen by business leaders in the United States as a cost of doing business. In Canada business leaders will come to see it in the same way. In Newfoundland we have already heard the St. John's Board of Trade speaking out about high hospital costs and how we must lower them.

We are told by the Deputy House Leader that big Canada is in favour of this deal and small Canada is against it. Well, there are more of us than there are of them. As Tennyson said: "Some work of noble note may yet be done, Come my friends it's not to late to seek your newer world". We will help build that world. We will defeat the Government. We cannot defeat this Bill because we do not have the numbers, but we will defeat this policy and this Government.

**Mr. Jim Edwards (Edmonton South):** Mr. Speaker, it is a privilege to intervene in this debate because to us in Alberta, those of us who are able to think large and dream big dreams, this is an opportunity not to be missed.

The final comment in the peroration of the Hon. Member for St. John's East (Mr. Harris) was unfortunate. He referred to a comment made by the Hon. Government House Leader. In that particular comment the Government House Leader was referring to small-minded Canada rather than small town or small Canada. We all have small town roots, and it is quite evident that small town Canada and rural Canada as well as urban Canada support this trade agreement.

We sounded some views in my own constituency of Edmonton South. One of the first questions in a recent scientific poll that was taken in the constituency asked what was the most important issue facing the country. Bear in mind, Madam Speaker, that this was an open-ended questionnaire in so far as that particular question was concerned. The question was simply: "What is the most important issue facing Canada today?" It was a write-in question.

It is interesting that the issue which led all the rest was the free trade agreement with the United States. Twenty-seven per cent of the respondents said that it was the most important issue facing the country. The next issue was far down the line. It was economic questions and questions of employment which were at 11 per cent. There were many others down the line.