

*Free Trade*

● (1340)

We have always believed in a mixed economy in Canada. Yes, we believe in success, enterprise, and initiative. We want people to succeed. We also felt that it was very important to protect those of our citizens who are less able to protect themselves.

The mixed economy depends from time to time on where the private sector cannot intervene or will not or cannot do the job in the public interest, and the Government, the state, the people intervene to achieve a specific result. Market forces would not have given us public housing. Market forces would not have given us public transportation. Market forces would not give us the spine of the country in terms of a publicly owned railway, airline, and broadcasting system.

The whole basis of this agreement is the unleashing of sheer market forces which would destroy nationhood for Canada and would destroy the equality of the country from one coast to another and into the North. It would also destroy the basis for Canadians to intervene where they felt the public sector needed to intervene to preserve some equality of opportunity in the country.

President Reagan has said that this deal represents the fulfilment of an American dream. I can understand that. Let the Americans dream, but we have our own dreams. We dream of an independent and a distinct nation north of the 49th parallel. Despite the assurances of the Prime Minister given just yesterday to the provincial Premiers that social programs and regional development programs are safeguarded in the deal, it is just not true. Read the text. There is no specific exemption from U.S. action under its definition of subsidies against either our social programs or our regional equality development programs.

I turn again to the text. Article 1906 and Article 1907 commit us to begin a negotiating process for up to seven years to decide which social and regional development programs are to be defined as subsidies for the purpose of the agreement. If those programs qualify as subsidies within the nature of this agreement, and certainly within the ambit of current American law—1930, 1974, and particularly the omnibus Bill before the Congress of the United States—our programs socially and regionally will be subject to countervail and other American remedy. It means that we are negotiating with the Americans the type of general assistance we will be allowed to provide our citizens as Canadians.

There will also be pressure to harmonize those programs from another source. As free market forces are unleashed under this agreement north and south, American business will look northward and say that there is unfair competition from Canada because we have public medicare, which our companies have to pay down in the United States by way of private plans, and because we have benefits such as the unemployment insurance and the Canada Pension Plan. There will be pressure in terms of competitive forces to harmonize our programs, that is to say, to reduce our programs to American levels.

[*Translation*]

Mr. Speaker, the Minister for International Trade (Miss Carney) is asking us to have confidence in the Government for five to seven years to enable it to negotiate a new set of rules.

Confidence in this Government, Mr. Speaker? All we need to remember is what it has done in the social field and in regional development since it came into office. They attempted to de-index old age security pensions. They cut down youth assistance and employment programs. They slashed expenditures for the regions to the tune of several million dollars. They did away with the national training program called "First Chance". They shelved a number of training programs. So Canadians no longer believe that the Government will be able to stop the Americans when they get around to axing some of our social programs.

American companies will be in a good position to argue that we do have one advantage over them—health insurance and pensions plans—and that it costs less here. The American companies themselves pay for the social benefits available to their employees.

[*English*]

The Prime Minister has said in Atlantic Canada that his trade deal is a solution to regional disparities. He told the Atlantic provinces that this deal would allow them to trade their way to prosperity. This deal will abandon Atlantic Canada to the sheer, raw market forces. This deal will cut Atlantic Canada adrift. This deal is based, I say again, upon the premise of the free market American style, and we have used a mixed economy to equalize opportunity in Canada between regions and among all levels of our citizens.

We have just received this massive text. We are spending two or three days debating it before it is signed by our Prime Minister and the President of the United States on January 2.

[*Translation*]

The House committee responsible for trade matters looked into this question, but none of its members ever saw the text before the report was drafted. That may be good enough for the trained seals who sit behind the Prime Minister, but not for us. Perhaps they have confidence in the Government, but we certainly do not, neither I nor the people of Canada.

As we indicate in our minority report, consideration of the agreement was not done in a democratic or representative manner. The committee hearings were a parody of democracy. Without the final text, the study it did was just a big joke.

[*English*]

The Prime Minister challenges us to a positive alternative. We published that in the minority report which we issued on Tuesday to the House of Commons committee report. It was entitled *Reaching Out*. We in the Liberal Party have always favoured more liberalized trade, not only with the United States but across the world and around the world. Under this Government our trade with the Pacific Rim has dropped