

*Canada-U.S. Free Trade Agreement*

time allocation and stays on for the full five years, we will have to serve the six-month notice after we win the election in order to terminate this deal. Members opposite may think it is funny that people in Saskatchewan strongly oppose this deal, but there will be very few Conservative Members elected in Saskatchewan because of this kind of trade deal.

I say to Members opposite, particularly my friend, the Hon. Member for Gatineau (Mrs. Maily), that she is a very honest and trustworthy person. It must hurt very badly in her heart of hearts to see her Prime Minister do this when he said in the last election campaign that a free trade deal with the United States is like a mouse sleeping with an elephant. He said that in 1911 the Conservative Party campaigned against this kind of trade deal which the people rejected then and which they reject again in 1983. That is what the Prime Minister said.

The Hon. Member for Bow River (Mr. Taylor) agrees. He knows that every Conservative in the leadership campaign in 1983, except for the Minister for International Trade (Mr. Crosbie), took a very strong stand against a comprehensive trade deal with the United States. The Prime Minister, the Minister of Finance (Mr. Wilson), the former Secretary of State, and the Minister of Justice (Mr. Hnatyshyn) took that position. Now, like the Liberal Party with wage and price controls, they are doing a flip-flop and trying to introduce a deal that will transform this country beyond recognition in the next 20 years.

The Minister for International Trade is in the House. He has not even read the Bill that he is trying to sell to Canadians. At least he is being consistent because he has always supported this kind of deal. He wants to transform this great country into something which his Party strongly opposed for some 100 years. He is probably an old Liberal at heart. I believe he and his family campaigned to join the United States rather than Canada back in 1949. At least that Minister is consistent when he wants to tie our country even more closely to the United States.

Let me explain why the people of Saskatchewan, including Conservatives, New Democrats and Liberals, oppose this deal.

**Mrs. Maily:** They do not.

**Mr. Nystrom:** They oppose this deal because they are afraid we will lose our sovereignty in this country.

**Mr. Crosbie:** Get your security blanket. Run home with your security blanket.

**Mr. Nystrom:** The Minister has not read the agreement, but I refer him to page 233, which deals with investment. According to this article, the Prime Minister and Mr. Reagan have agreed that each country will treat each other's investors exactly the same. We will provide national treatment for each other's investors. A wealthy American investor in this country will be treated the same as a wealthy Canadian investor, like the Minister of State for Science and Technology (Mr. Oberle). I say as a Canadian that that is not right. Canadians

should maintain the right to set our own rules, to be the master in our own house.

I am not saying anything radical. We should maintain the right to set our own rules for our people.

Article 1602.1 on national treatment states:

1. Except as otherwise provided in this Chapter, each Party shall accord to investors of the other Party treatment no less favourable than that accorded in like circumstances to its investors with respect to its measures affecting:

- a) the establishment of new business enterprises located in its territories;
- b) the acquisition of business enterprises located in its territories;
- c) the conduct and operation of business enterprises located in its territories; and
- d) the sale of business enterprises located in its territory.

In other words, American investors will be treated the same as Canadian investors. We should not give up our sovereignty in establishing our own rules. That is the position the Conservative Party took for some 120 years.

I can hardly believe that Article 1602 would go on to state:

2. Neither Party shall impose on an investor of the other Party a requirement that a minimum level of equity (other than nominal qualifying shares for directors or incorporators of corporations) be held by its nationals in a business enterprise located in its territory controlled by such investor.

We Canadians cannot determine a minimum amount of equity for our own investors. That infringes on our sovereignty and independence and I, as a Canadian, want to ensure that at least a minimum number of shares and equity in many sectors of our economy is kept by Canadians.

**Mr. Kempling:** You never bought a share in your life.

**Mr. Nystrom:** The Member for Gatineau is looking through the agreement. It is on page 234 of the free trade agreement, Article 1602.2.

Article 1602 states:

3. Neither Party shall require an investor of the other Party by reason of its nationality to sell or otherwise dispose of an investment (or any part thereof) made in its territory.

**Mrs. Maily:** What is wrong with that?

**Mr. Nystrom:** What is wrong with that? There are many cases in Canadian history when we have legislated Canadian ownership and Canadian investment. Foreign investors have been told in the past that such enterprises as broadcasting and banking should be Canadian.

In the 1970s, our Government in Saskatchewan decided to buy out American and other foreign owners of potash mines in order to Canadianize the potash industry in our province.

**Mrs. Maily:** We are still doing that.

**Mr. Nystrom:** Just read the section. One cannot necessarily legislate to ensure that the industry is Canadian.