

I know that some parties and some groups in Canada do not view jobs with the same priority that the Government does. It is a most important consideration in the conclusion of this kind of arrangement, and all of the independent analysis, mostly all that can be obtained, indicates that the gains in job creation will be substantial.

Mr. Axworthy: Minusculé.

Mr. Mulroney: In April of this year, the Economic Council of Canada concluded an extensive impact analysis of the free trade agreement and determined that the agreement will generate some 250,000 new jobs as the agreement takes effect. The logic is straightforward. Improved access to the U.S. market will lead to more investment, larger and more specialized enterprises, less protection, less harassment, lower consumer prices and higher wages and incomes. This logic is already at work in Canada.

In the years since the Government has committed itself to the goal of the free trade agreement with the United States, investment, job creation and growth in Canada are second to none in the industrialized world.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Canadian business people in the hundreds of thousands are demonstrating their endorsement of the agreement through concrete deeds.

[*Translation*]

Investors from Canada and around the world have already said "yes" to the agreement, as witnessed by their continuing interest in the Canadian investment market. Concerns have been raised about adjustment programs. A panel of prominent Canadians, chaired by Jean De Granpré and appointed by the Government, is examining this question, and we will be considering their recommendations with great care.

But I am encouraged by the fact that labour adjustment has not been a major factor in free trade and even common market arrangements in other parts of the world. Canadian manpower mobility never has been so great. According to certain estimates for example, each year 4 million Canadian workers, or one out of four, change jobs. In other words, with or without free trade, adjustment for Canadian workers is an important fact of life in Canada. The best way to meet this challenge is through economic growth. And the Canada-United States Free Trade Agreement, Mr. Speaker, will contribute significantly to this growth. And what are the alternatives? We all know it is important, before accepting or rejecting something, to consider the alternatives.

So, on October 26, 1987, the Leader of the Opposition announced in this House he would "tear up" the F.T.A. Now he has proposed what he describes as a five-point alternative. Let us examine the five points.

Who can quarrel with efforts to strengthen and streamline the GATT. It is an objective fully in line with what Canada's

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team at the GATT is presently attempting to achieve. Similarly, who would challenge the idea of modernizing the international monetary system? That is precisely what we are doing, Mr. Speaker, especially now that this government has gained admission for Canada to the G-7 table, to help coordinate such efforts. We have certainly never doubted the need to encourage Canadian companies to export and become internationally competitive. We have introduced policies and programs responding to that objective, and I think they are working. Our exports are expanding and not only to the United States. In the first seven months of this year, our exports to Japan are up a whopping 54 per cent over the same period last year, and that is no small measure of the success of Canadian programs.

Some Hon. Members: Hear, hear!

Mr. Mulroney: But the United States are still, by far, our biggest customer and our largest supplier and, if relations with your biggest customer are in trouble, you correct the problem, you do it thoroughly and you do it well.

● (1640)

[*English*]

What of the sector by sector approach that is now being recommended by the Opposition? Listen to the counsel of the Trade Minister in the Liberal Government who tried the sectoral approach, the Hon. Gerald Regan, who said recently:

"When I was Minister of Trade in Mr. Trudeau's Government, I recognized the importance of obtaining better guarantees of access to the vital American market to which we send the lion's share of our exports.

I sought to move in that direction by initiating free trade talks with the United States on a sector by sector basis.

The defeat of the Liberals ended that effort, but I have come to the conclusion that the present free trade project is more meaningful, more courageous and an important undertaking—more important than our limited negotiations."

Mr. Regan was a far-sighted Minister then and continues to be a man of vision now. He wanted to go further. He was held back by the forces of protectionism and negativism in his own Party.

And then, of course, there is the GATT to consider. It is curious indeed that a Party seeking to strengthen the GATT embraces a sectoral approach which most experts, including Premier Robert Bourassa two weeks ago in Quebec City, consider to be inconsistent with GATT rules. The "Five-Point Plan" withers under the most elementary scrutiny. I urge the Leader of the Opposition (Mr. Turner) to heed the advice of one of his Liberal colleagues in the Senate, George Van Roggen, a wise parliamentarian who has spent more than a decade analysing trade policy, especially in the area of Canada-U.S. trade. Here is what he said:

"It is a pity that what is essentially an economic agreement has been so distorted by its critics.

It would be a tragedy if the opportunity were lost to conclude an arrangement that offers such large benefits to Canada."