

EDITORIALS-PAGE 4

Montreal Gazette Dec. 7/84

The Gazette concluded that bilateral free trade might bring overall prosperity but it would likely erode Canadian sovereignty. The paper said Canadian industry needed a boost in some other way. One way would be Canada unilaterally to declare free trade with all countries. That would force the Canadian economy to become more competitive, but many firms and workers would have to make painful adjustments. And it could never be politically acceptable.

Globe and Mail Dec. 10-14/84  
(five-part editorial series)

Thorough review of free trade discussions through the years and sectoral pacts reached in autos and other areas. Globe concluded by raising a series of questions about the impact of a free trade arrangement with the U.S. Would Canada surrender its regional development incentives, abolish its freight rate subsidies, align its environmental standards and tax breaks and development with those in the U.S. Would it adopt a common tariff with the U.S. toward the rest of the world. Canada, it conceded, with the U.S. could decide to omit policy harmonization, but this would erode the potential benefits of the free trade trade pact. If the two countries did harmonize economic policies, Canada and the U.S. would have to create bilateral institutions to interpret and enforce its provisions. Since such machinery would oversee wide areas of policy which had previously been each nation's private affair, the relationship would be akin to "sovereignty association." "Even if Canadians resisted this pull toward formal political union," The Globe said, "they would hesitate to differ loudly with the U.S. on foreign policy questions--lest this produce fallout on unrelated issues under review by the economic IJC..." The Globe felt such a trend was apparent even in the stage enroute to possible free trade. The Mulroney government "already treads lightly on U.S. policies abroad in order to create a favourable mood in Washington for closer economic relations."

Halifax Chronicle Herald Dec. 11/84

The lead editorial praises the Investment Canada legislation and the PM's pitch to the Economic Club of New York as evidence that the PCs are ready to "cast off the hair-shirt which doctrinaire economic nationalism had imposed."

La Presse Sept. 21/84

Canada needed to seize the opportunity of the Mulroney visit to Washington to urge the United States to adopt policies aimed at reducing the threat of protectionism in trade.

Ottawa Citizen Sept. 26/84

Ferguson suggested that the Mulroney government strategy of lowering barriers to foreign investment represented an extremely delicate one that would require all of his political talent to avoid "having the breath squeezed out of him by the mighty American embrace."