

and at least give the Canadian textile and garment people a fair chance.

Some Hon. Members: A level playing field.

Mr. Axworthy (Winnipeg South Centre): A level playing field is the correct term, and I thank my colleagues for that suggestion.

Before I leave, Madam Speaker, I can see that you are deeply engrossed in the examination of the Bill, I wish to recall for the newer Members of the House that we had an interesting exchange, over approximately two years, about whether culture was on or off the negotiating table. We were given assurances, including assurances by way of sworn testimony, that that would never even be considered; that it would never be accepted. But the Government then played a little sleight of hand. They said: No, we didn't negotiate culture, but we did negotiate cultural industries.

• (1550)

By changing the terminology, they make it right.

And we have, therefore, a whole series of impositions—impositions that will have a direct impact upon our printing industry, among others. We have eliminated the tax exemptions which prevail for that industry, with the result that a large amount of job printing will now take place in the U.S. The same applies to advertising, to transmission rights, and so forth.

There is a whole host of very important ingredients that are essential to the maintenance of the Canadian communications industry that have been bargained away.

Also threatened is the manufacture and production of records and discs.

And then we have Clause 2005, a clause which gives the U.S. the right to countervail and counteract any future initiatives in this area.

As we have come to learn, these are not simply dead letters in the agreement. They already have an active life. We know now that government Departments are already applying standards and judgments on various programs based upon what is in the Free Trade Agreement.

The Western Diversification Office is already screening all applications for regional development grants based upon what it considers the Americans will or will not be able to countervail under the wording of the Free Trade Agreement. And you can bet that the Department

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of Communications is doing the same thing in any planning that it is involved in. In terms of future cultural initiatives in this country, any planning will now have to be monitored and considered in accordance with the parameters set by the FTA.

This agreement sets up Jack Valenti as the new tsar of the Canadian cultural industry. It is no longer a question of simply saying "Yes, Mr. President". After the "Yes, Mr. President", we will be told: "Go to Hollywood and check with Jack." That is going to be the rule of thumb from now on for our Department of Communications.

It is not simply the legalese that is important; what is absolutely critical is the result.

In the amendments that we presented, we endeavoured to provide greater certainty, such that when and if Jack Valenti and his cohorts and colleagues and the other cadre of media moguls in the U.S. decide that they want to challenge a new Canadian initiative—for example, an initiative in respect of video tapes or books—we would at least have words in the legislation implementing the agreement that could be taken before the trade commission or the review panel to support our view of the law. In that way we could present our interpretation to the adjudicators in black and white.

If we had that type of wording in the legislation, we might have a better defence when we appear before the adjudicators; we might have greater ability to offset the countervail initiatives. But this Government refuses to even consider such an amendment.

For the life of me, I do not understand why it is this Government is prepared to give up so easily the defence of our own interests. It would be an easy matter to include in the legislation the words "for greater certainty". That is not the type of amendment that would do damage to the essentials of the agreement. And if down the road there is a challenge to a Canadian initiative in this area, we would at least have something written in the legislation reflecting the intent of the Parliament of Canada, reflecting the interpretation of the Parliament of Canada.

For the life of me, I cannot understand why this type of an amendment was not given honest and open consideration. At the very least, we should have had the opportunity of hearing the arguments from the government side as to why such an amendment should not be made.

Mrs. Finestone: It is because of Clause 2011.