

## Mr. Vic Althouse, NDP (Humboldt—Lake Centre)

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**“Canadians will not believe that their culture, their agriculture, their social programs and their unique identity is safe.”**

What we see is an American economy which is still the leader in the western world financially, and it has used its dollar to maintain that position. However, we are seeing an America that has an ever-increasing trade deficit. It has not been able to produce enough goods and services for export to offset what has become a growing, continuing and accelerating trade deficit. The Prime Minister has not recognized the increasing budgetary deficits or the government spending in that country which has taken off as well at an accelerated rate. Within the next year or two, it is expected to be in effect living off its external investments. It will be relying totally on foreign investment and foreign debt to keep its economy from floundering completely.

That is not exactly the kind of economy one would hook one's star to. It is not the kind of partnership that I would make if I were a farmer. That would not be the kind of neighbour I would hook myself on to if I wanted to pull myself through a tough spell.

Why have we decided that the United States is the place to go? We should have known, and the Prime Minister could have known had he or his officials looked at the record, that the United States has been declining in agricultural trade as well. It has had a decline since 1981 when it

exported \$44 billion worth of agricultural products. It declined to something like \$29 billion worth of agricultural products in 1986. That is a decline over that period of five years of \$15 billion, as a result of a strong U.S. dollar, relative to other currencies, in its attempt to maintain itself as a pre-eminent economy in the West, and I have to say it, looking at it quite dispassionately, due to a less efficient and effective grain marketing system. Because it is not as efficient and effective it has lost markets and has run up a trade deficit in agricultural products. That should have been visible to the Prime Minister. When he made the initial proposal that we begin a comprehensive bilateral trade arrangement or begin talks on such an arrangement with the United States, he should have been aware that the Americans were quite worried about their declining role in agricultural trade. He should have looked at our trade in agriculture *vis-a-vis the United States*.

Contrary to the big picture the Government is always trying to put before the people of Canada and the opposition Parties, we have a trade deficit with the United States. It sells us more goods in agriculture than we sell it. It is a fairly hefty negative trade balance, running between \$1 billion and \$2 billion per year. If we look at our over-all trade exports to the United States of all commodi-