

Canada-U.S. Free Trade Agreement

business people and the workers of Canada. Most important, we have confidence in the youth of Canada who are coming along and who will be prepared to accept the challenges and the opportunities in the future.

Tonight, in approximately three hours, we will take a major step in the history of Canada, a major step into the future. I am proud to be part of that action. I look forward to the future of Canada. If we want a strong and vibrant Canada, we have the opportunity to have it. If we want a strong business community, we have that opportunity. If we want an independent Canada with our own unique culture and identity, a country with tolerance and compassion for everyone, we too will have that opportunity. The future is up to us. We can face it without fear. I am proud to be part of that future.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, as I commence my remarks here tonight in what I believe is a truly historical evening, I want to extend to the Speaker of the House and the Clerk of the House my appreciation for their courtesy and efforts to assist in the settlement of new Members of Parliament in what has been a relatively short period of time. As important, I want to thank the constituents of Scarborough—Rouge River for their electoral support that permits me to speak to the House tonight.

The riding of Scarborough—Rouge River is a constituency of urban Canadian multiculturalism. It is a riding where, thanks to the laws and institutions created by our people in this Parliament, the mix and interplay of culture are laying the groundwork of cultural understanding and tolerance which we hope will serve our nation in the decades to come.

My riding is one part of the country where we see at work the great Liberal principles of opportunity, tolerance, and reform. These principles are minimum government contributions to our society under what I could call the social contract that we have entered into in the Canadian parliamentary democracy. Opportunity is what trade agreements are all about. Liberals in the western world are no strangers to the concept of free trade. Liberals have been free traders for 200 years. North America was built on the principles of classic Liberalism.

In speaking of the subjects of opportunity and trade, I want to note sadly the death this week of Mr. Arthur G. Simpson, a man who manifested in my riding the opportunities present in our country with or without trade agreements. Through his company, A.G. Simpson

Ltd., Mr. Simpson operated five automobile parts manufacturing plants in Scarborough, Oshawa, Cambridge, Oakville, and Windsor. He employed more than 1,700 people. His success and that of his workers is testament to the opportunities present in our country. Mr. Simpson was an industrial builder who needed no lessons in how to think smart, manufacture, and export. He will be missed.

Economists generally accept the theory that if barriers to trade are lowered trade will increase. If trade increases then enhanced economic activity and related economic growth will occur. These principles are contained in every basic economics text.

Let us look at exactly how much trade liberalization is contained in the Canada-U.S. Free Trade Agreement for Canadian exports. First, there are the two general types of barriers to trade. There are tariff barriers and non-tariff barriers. The principal non-tariff barriers are anti-dumping duties, "buy American" legislation, countervail duties, and regulatory barriers.

These types of tariff barriers were initially described as the chief motivating reason for entering into negotiations for a trade agreement with the United States in the first place. Exporting to the United States was beginning to become a minefield of non-tariff trade barriers. Under the proposed trade agreement they still are.

Our softwood lumber export position is deteriorating because of non-tariff barriers. Even though the Hon. Minister for International Trade (Mr. Crosbie) vaunts in glowing terms the prospects that this trade agreement will bring about, it does precious little to remove non-tariff trade barriers. Not the countervail, not the anti-dumping, not the regulatory framework; only U.S. federal purchasing regulations will be changed but not the state or municipal.

The Government's negotiating team brought back the equivalent of a consolation prize. The Government claims it has created a non-binding dispute settlement mechanism. I submit that this consolation prize is a lifeless, toothless dead fish. The Hon. Minister for International Trade will know what that is all about.

With respect to actual trade barriers, how much trade liberalization did we achieve in this area? Only one-fifth of our current U.S. trade is now subject to tariffs. While I would not underestimate the significance of this portion of our trade, the actual measure of tariff relief was small. The actual bottom line total of trade liberalization was as follows: tariff reductions to zero for only one-fifth of our U.S. exports, no relief from anti-