

*Canada-U.S. Free Trade Agreement*

[English]

In fact, Mr. Speaker, cries of "sell-out" and "51st state" are not new to those responsible for the conduct of relations with the United States. As a distinguished Canadian once observed:

"The picture of weak and timid Canadian negotiators being pushed around and brow-beaten by American representatives into settlements that were 'sell-outs' is a false and distorted one. It is often painted, however, by Canadians who think that a sure way to get applause and support at home is to exploit our anxieties and exaggerate our suspicions over U.S. power and policies."

That was what Lester Pearson wrote in his memoirs, published in 1972.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** Mr. Pearson's assessment is as valid today as it was then, only today it applies directly to the exaggerations and distortions of the very Party that Mr. Pearson once led so proudly and so well.

[Translation]

To counter such misguided arguments, the Quebec Government published an analysis of the agreement, parts of which should be of interest to all my colleagues in the House. There have been claims that the Government or the Premier of Quebec have not read the document. Indeed, we now have an analysis of the Free Trade Agreement between Canada and the United States as viewed by Quebec. It is vital to Quebec and Canada. Here is what the Province of Quebec has to say in its analysis item by item and chapter by chapter.

Customs matters: During free trade negotiations, Quebec insisted that clear rules on customs matters be spelled out, to avoid the diversion of trade. We are satisfied with the rules adopted in this respect. Mature industries: The periods of reduction of customs tariffs with respect to mature industries reflect Quebec's requests in this regard. Agriculture: Quebec requested that agriculture be accorded special status in the Canada-U.S. Free Trade Agreement, to ensure that farm support programs are maintained, especially income stabilization programs and agricultural marketing boards. In this respect, the Agreement satisfies Quebec's demands.

And now the conclusion drawn by Premier Bourassa and all his colleagues, which is so important to our producers in Quebec and elsewhere in Canada, and I quote:

"Quebec is satisfied with the Agreement, especially with the treatment accorded Canadian supply management programs, federal or provincial income stabilization programs, farm insurance and financing programs and recognition of provincial jurisdiction over agricultural marketing boards."

By the way, the agreement on services is consistent with Quebec's position. Investment: The Agreement reflects the position of the Quebec Government, which hoped that negotiations would create a more stable, open and liberal climate to encourage investment. Institutional provisions: The Quebec Government called for the establishment of a bipartite commission at the ministerial level to manage the Agreement.

As to cultural industries, indeed, Mr. Speaker, this Government is concerned with that highly important reality, Quebec's and Canada's cultural welfare. You can imagine with what care and attention Quebec leaders reviewed every provision that dealt with that major cultural issue. And here is the conclusion. Quebec insisted that the cultural industries be excluded from the free trade agreement. The agreement reflects the position of Quebec and Canada in this respect.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** And here is the conclusion—overall, Quebec is satisfied with the Canada-U.S. Free Trade Agreement. The Quebec Government's support for the agreement is not based solely on compliance with the conditions it initially deemed essential. The agreement also generally satisfies the expectations of the vast majority of Quebec organizations, which apprised the Government of their viewpoint during negotiations, and following the signing of the agreement. Although the agreement is not always as far-reaching as we had hoped, it unquestionably represents a step in the right direction. There, Mr. Speaker, we have a review of each provision by a provincial Government that was deeply involved in the negotiations. The Quebec Government, Hon. Robert Bourassa's Liberal Government, the Leader of the Opposition, Hon. Jacques Parizeau, all Quebecers say "yes" to the Canada-U.S. Free Trade Agreement.

**Some Hon. Members:** Hear, hear!

● (1630)

[English]

Under the free trade agreement, Mr. Speaker, the Auto Pact, so vital to the national interest and so important to Ontario's economy, will be more secure as part of a broader accord. The President of Chrysler Canada, Moe Closs, has said, and I quote:

"The Canada/U.S. F.T.A. will save the Autopact... As we see it, the F.T.A. will permit the Canadian auto industry to continue to grow and prosper by ensuring that our access to the vast U.S. vehicle market will not be hindered by tariff barriers and the threat of trade irritants."

Clearly, the Auto Pact, which is subject to cancellation by either party on 12 months' notice, will be significantly less vulnerable to abrogation as part of this comprehensive free trade agreement than if it stood alone against the winds of protectionist action in the United States Congress.

**Some Hon. Members:** Hear, hear!

**Mr. Mulroney:** Moreover, the Auto Pact's safeguards are retained and the content rules strengthened, to the advantage of North American producers.

What about the most vital aspect of all, jobs? The overwhelming consensus among private, non-governmental research institutions and economists in Canada is that there will be a net gain in jobs for Canada.