



# Editorial: Free trade debate swamps election priorities

Most elections are about priorities. Each person votes for the candidate or party that gives priority to their particular interests. However, the Liberals' successful strategy of making this election more of a referendum on the free trade proposal has forced many candidates for office to ignore issues such as defense policy, abortion, and the Meech Lake Accord, which were considered priorities by Canadians before this election was called.

So, what's the big deal about free trade? Under the Free Trade Agreement (FTA) Canadians would gradually gain freer access to the American market over a period of ten years, and vice-versa. The proposed legislation is intended to benefit both economies by implementing "the broadest possible package of mutually beneficial reductions in barriers to trades and services".

Opponents to the deal argue that the powerful nature of the American market and the aggressive attitudes of its entrepreneurs will infiltrate our cultural mosaic and ultimately define the terms by which Canadians guide their lives.

Critics point to the publishing industry to argue their case against free trade. Many

of Canada's major publishing houses are subsidiaries of American companies, who presently must conform to standards which prescribe that schools must purchase a specified amount of Canadian content for their curriculum. Under the FTA, government regulations for either country must not favour business of their own nationality when it comes to the sale of goods. This means that under the FTA the Canadian government will no longer enforce Canadian content regulations because that would give Canadian authors and textbook manufacturers an unfair advantage in a competitive market. The potential exists that the more powerful competitors in the market, i.e. American subsidiaries in Canada, will define the content of the material read by Canadian students. This is one regard in which our culture is threatened.

Much of the argument against free trade has focused specifically on the objectives of the agreement "... to provide balanced and equitable opportunities" (to both parties) in a competitive market. In particular, both the Liberals and the NDP are concerned that under the terms of the agreement, the U.S. could justifiably argue the

Canadian social assistance programs such as Medicare and subsidies to farmers give an unfair economic advantage to Canadians and must therefore be eliminated.

Conservatives have argued that there is nothing in the agreement that specifies that social programs must be eliminated. However, a debate continued specifically because there is nothing in the agreement to guarantee that social programs will not be eliminated.

Much criticism of the deal has focused on the inability of its creators to recognize that money is not the sole means of achieving happiness. Competitiveness, individuality and lack of concern for others are attitudes which have permeated American culture, whereas the predominance of altruism in our society is reflected in our social programs. Critics fear that our principal concern for one another will eventually be lost as individuals struggle to compete and subsist in the harsh economic climate which will be created by free trade.

Supporters believe the future prosperity of Canada depends on the success of this initiative. They argue that existing barriers to trade and services restrict the flow of goods both into and within our country,

and we are suffering because of it. Without the deal, they argue, Canada's economic potential will never be fully realized.

From either point of view, the FTA has given Canadians food for thought. As a succession of polls has indicated, Canadians are uneasy about the deal as they speculate on their future and the future of their country.

As grape growers in British Columbia would willingly argue, free trade will change the way we all run our lives. About six weeks ago, Mulroney introduced a \$28 million compensation package for the growers so that they may adjust to changes in the market as a result of free trade. For those who want to continue their lifestyle in the grape industry, money will not replace the culture they have perpetuated and within which they have lived.

Regardless of whether local candidates have tackled other issues in this election, free trade has become a priority to which we should apply our utmost attention as we head to the polls. Because no matter how you slice it, we will have to adjust, because free trade will change the way we interact with one another and the way we think about ourselves.

Mike Thompson

During two years of negotiations of the Free Trade Agreement (FTA), there was no discussion and no negotiation directly concerning the environment. Although the FTA is a commercial accord, if implemented, it could have profound effects on Canada's environment.

Recently, the environment has become a hot political topic; politicians have seen growing public concern for the protection of our environment and they have been climbing over one another to express their concern. In 1987 the World Commission on Environment and Development presented a report on environmental protection and sustainable resource management; through the National Task Force on Environment and Economy, Canada adopted the main objectives of this report. The two main principles unamm-

## Not-so-sweet Harmony

by Ellen Reynolds

ously endorsed by the federal government and all provinces and territories state that: 1) the governments will act as trustees of resources and exercise far-sighted leadership in supporting sustainable economic development and 2) In realizing this objective, governments must, from now on, use environmental input in decision-making at the highest level.

If the FTA is implemented, it will become increasingly difficult for Canada to continue on this road of environmental responsibility.

Canadian subsidies and incentives promote environmental and resource management such as acid rain abatement which, under the FTA, could be seen by the US Trade Law as an "unfair" trading practice. It is not yet clear what will be classified a fair or unfair subsidy under the agreement but over the next five to seven years negotiators have agreed to develop common rules to define subsidies and dumping practices. In Canada, federal government grants attempt to equalize regional disparity. Sysco in Cape Breton receives millions of dollars in federal grants which under the FTA would probably be seen as an unfair subsidy, as would reforestation grants necessary for the continuation of our

forests and lumber industry. Canadian marketing boards which form the basis of our agricultural industry could impose quotas on US produce entering Canada but with our shorter growing season, transportation and energy costs, Canada couldn't compete with US prices.

Canada is rich in resources and has a huge capacity for energy production. Under the FTA Canada is not compelled to sell energy to the US but if we do we must charge them the same price we charge other provinces. Also, a contract would

ment on Tariffs and Trade (GATT), water is a "good" and water diversion projects from Canada to the US are already underway. Premier Robert Bourassa wants to dam James Bay, convert it into a freshwater lake and export the water to the US.

The FTA refers consistently to the "harmonization" of US and Canadian standards which would take place over several years after the deal is implemented. Harmonization will probably mean moving towards the lowest common denominator and lowering Canada's environmental standards to meet those of the US. Canada is just beginning to get tough on the control of sulphur dioxide emissions which cause acid rain. Also, the Canadian Pest Control Products Act which sets provisions for licensed pesticides, emphasizes a "safety" analysis as opposed to the US "risk/benefit" analysis. For example, the US allows the use of the herbicide Lasso because they feel its benefits outweigh its risks. Lasso is banned in Canada because tests prove that it is a probable carcinogen.

Obviously, there are questions yet to be answered. It is the uncertainty in this deal about subsidies, harmonization and access to resources which threatens Canada's



The deal says Canada must "harmonize" its standards with American ones.

bind Canadian company to continue providing the US with a proportional amount of energy even during times of shortage.

The Progressive Conservatives continue to say that water is not for sale under the FTA but under our own General Agree-

environment. David Suzuki, a Canadian scientist who is always on the lookout for our environmental future, poses an important question: "The only way to find out what will really happen is to try it - but should we?"