

Canada-U.S. Free Trade Agreement

of Ontario and in the communities of Alliston, in Waterloo Region and Oxford County, there exists a tremendous work ethic. When education is combined with work ethic one gets greater productivity. We recognize it. The workers recognize it. More important, industry recognizes it, too.

The companies are willing to pay higher wages here because of the greater productivity of Canadian workers, and that makes it a good investment for these companies. Canadian workers should be congratulated for the well-earned reputation they have achieved in the international community.

I suggest that where wages are low productivity is low. I suggest that where wages are low quality is low. In other words, one gets what one pays for.

I want to say a few words about Canada's aerospace industry that stands as a concrete example that free trade can and does benefit Canadian companies and Canadian workers. The aerospace industry is one of the only Canadian industrial sectors to have firsthand experience with and to operate a multinational free trade agreement.

The Civil Aircraft Agreement is a multinational trade agreement signed by the participating countries of the GATT which came into effect January 1, 1980, and virtually eliminated all tariff duties on commercial aviation products, including aircraft components and parts.

What have been the results between 1980 and 1987? The aerospace industry has greatly benefited under this agreement, allowing the Canadian aerospace industry to add more than 14,000 new jobs—a 30 per cent increase since 1980. In comparison, the remainder of the Canadian economy added new jobs in those seven years at the rate of 11.5 per cent.

The Canadian aerospace industry is proof that international agreements, whose purpose is to encourage export trade, can and do work. Canadian companies and their employees can and do win.

I would now like to be more specific as I review a few companies in the riding of Cambridge.

Com-Dev Limited is part of that aerospace industry that exports most of its products to the United States. The company predicts the current work force of 260, composed of young men and women from our universities and community colleges, will double over the next five years.

Com-Dev Limited is a Canadian company that sells a high tech product to the United States, Europe and Japan. This Cambridge industry is a study of excellence that is another example proving Canada can compete with the best in the world.

The textile industry also has a presence in Cambridge. Let us look at Tiger Brand, a successful Canadian company. Tiger Brand is an example of the kind of restructured and modernized garment plant that will succeed under free trade. As the president of that firm indicated:

The Free Trade Agreement is just a simple transaction between two countries. It will help this company to employ more people by expanding our share of the U.S. market. The fact is that there is not a single 'modern' sewing machine collecting dust in Canada.

This company does not make the \$1.50 T-shirts. It wants no part of that market. Let the developing countries manufacture that product.

Tiger Brand markets a high quality, colourful, fashion-oriented sportswear that is aggressively sold in the competitive North American market-place. This is a progressive company, willing to move with the times. Yet, at the same time, it has established a child care centre to assist the employees working there.

Another firm, Allen-Bradley, a major player in the industrial electrical field, supports the Free Trade Agreement because it will protect and expand its access to the large U.S. market. In fact, the president of the firm has indicated that: "When duties are removed from our medium-voltage products, we will be in an even better position to compete in the United States. By increasing our exports, we will be creating many more jobs for our area. Our Canadian employees can compete with American employees in any state, now and in the future."

Allen-Bradley is also committed to the long-term development of business in Canada with its employees. During the past two years it has spent \$14 million to improve its facilities and equipment. In 1989, it plans to spend at least \$7.4 million on new capital projects.

I might add that Allen-Bradley's record of community involvement is a model of good corporate citizenship.

Canadian General-Tower Limited is a medium-sized vinyl manufacturing Canadian company located in Cambridge, Oakville and Etobicoke that ships 50 per cent of everything it makes to the United States. According to its Chairman, the prospects of free trade have enabled the firm to increase its factory capacities