

Canada-U.S. Free Trade Agreement

every case those who are opposed are strongly opposed. They will get out to fight the deal all the way. This is in spite of the fact that the Minister for International Trade (Mr. Crosbie) is spending some \$25 million to \$35 million to try to sell the deal as if it were soap, a vacuum cleaner, or an encyclopaedia. These millions of bucks are not working. When the Minister admitted that he had not read the deal, we see that that is understandable.

Canadians are not very impressed with the deal, or with the Minister's salesmanship of it. We can at least say that the Minister is consistent. He was opposed to Newfoundland joining Canada. He is in favour of this deal, the free trade deal. He said so in the 1983 Tory leadership convention. All the other candidates were opposed, as was the Prime Minister (Mr. Mulroney). At least the Minister for International Trade is consistent whereas the Prime Minister, the Secretary of State for External Affairs (Mr. Clark), the former Secretary of State, and the Minister of Finance (Mr. Wilson) have done a complete flip-flop. But Canadians are gradually and determinedly coming down against the deal.

I do not believe that Canadians are opposed to the liberalization of trade. I do not believe that in most cases they are opposed to the removal of tariffs. In this deal our average tariff is something in the range of 5 per cent. The tariff coming back from the United States for goods coming into Canada is even less. I do not believe that most Canadians are opposed to the removal or the reduction of tariffs, which have been taking place in any event. As a result of the Uruguay Round of GATT, most of those tariffs will be removed. In fact, some will be removed faster.

I travelled with the committee across the country. There were various delegations that appeared before the committee. It seemed that when the Americans wanted a resource that was great. They were delighted to provide access, especially when talking about energy and resources. But wherever they were not competitive, such as in softwood lumber, an export tax was put in place. If they were not competitive, for instance, in coasting or shipping, then the Jones Act was put in place. But the Jones Act was not good enough. The Maritime Union got to check it out and said: "Oh, not only do we want the Jones Act in now but we want it into the future". Thus that whole section was pulled out of the deal. In pulling it out I think Simon Reisman's comments to the effect that "we really licked the pants off them in this deal" are particularly hilarious. Clearly, the Americans got the best of the deal in every round, whether it be in agriculture or whatever. That is why Canadians are opposing this deal more and more and those who are opposing it are doing so more strongly.

Clearly, when the Americans gave something up or pulled it out, as in the case of coasting and transportation, they received full access through foreign investment. In the case of coasting, for instance in the Great Lakes, Algoma Central Steamship Lines in Sault Ste. Marie do a great job. It can compete on the Great Lakes. However, that was pulled out of the deal. That company cannot now go in to set up a company in the United

States, but an American can come in to set up a company in Canada and have 100 per cent ownership of it. Clearly, we saw that the Americans generally gave full access in most cases for commodities that were already being freely traded. Wherever there was something that was not competitive, then they had a law, a regulation, or they did not put it into the deal.

At the end of the day they kept countervail duties and dumping duties. These are items which are controlled by the Government of the United States. If potash producers in a non-productive potash mine in New Mexico are concerned, they simply slap on a dumping duty, as they did, and saw off a deal in which no potash can go into the United States unless it goes in at \$92 a tonne. That is great. Inefficient potash producers can be maintained forever in that way.

In agriculture we gave up practically on every front. We gave up supply managed commodities, the Wheat Board, and transportation subsidies. On top of that we agreed to go to the GATT negotiations in Geneva to state that we support the Americans in the removal of tariffs and agricultural subsidies. That may be true. They are our best friends, our allies, and our biggest trading partner, but they are also involved in international trade. In farm commodities such as grain, wheat, barley, and oats they are our competition.

• (1830)

It is ridiculous to say: "We will support you regardless of your position." I am not sure about the Government and the Minister for International Trade, but generally Canadian farmers do not support the removal of Article 11 of the GATT which would destroy farm marketing boards. The farmers of Canada will not be pleased with the removal of the import control arrangements provided in the GATT.

We are looking at the vision of Canada. Is it a vision where we want to trade world-wide? Is trade with the U.S. important? Maintaining our independence to trade internationally, not throwing ourselves into a continental energy agreement but moving down the barriers to trade through the GATT, is our vision. This arrangement is designed to give less power to the House of Commons and the legislatures of the country, and to put more power into the hands of the multinational corporations and of the Senate and the Congress of the United States.

That is not what we want to do. We want to trade more broadly, but we want to maintain our independence as a sovereign country and maintain the economic regional development and social programs that are distinctive to our country and to our communities. That is why we do not support this deal and we do not think it is good for Canadians.

In the past week the polls indicate that the majority of Canadians no longer support the deal. They want liberalized trade, but they do not want the Mulroney-Reagan trade deal.

Mr. Girve Fretz (Erie): Madam Speaker, I am pleased to have this opportunity to take part in the debate on a subject that holds so much promise for Canadians—the free trade