

Canada-U.S. Free Trade Agreement

In the minute I have left I would like to conclude by moving an amendment to the amendment. I move:

That the amendment be amended by deleting the period and adding the following therefor:

"and its implications on the economic and political sovereignty of Canada"

Mr. McDermid: Madam Speaker, I think we just witnessed here on the floor of the House of Commons the approach which the New Democratic Party is taking in this debate, one of frightening Canadians and scaring them with tripe. I want to go through some of the items the Member was speaking about.

First, water. The New Democrats keep bringing up this old canard that water is in the agreement and that the Americans are going to come with their pipes and drain us dry of all the water. Let us take a look at the facts and the truth.

I want to quote Frank Stone who is a prominent Ottawa consultant on trade policy.

Ms. McDonald: And he is wrong.

Mr. McDermid: He is a senior research associate with the Institute for Public Policy. He is the author of *Canada, the GATT and the International Trade System*, published by the institute in 1983 and now being updated. He had a long career in the Department of External Affairs, represented Canada at the GATT in Geneva and led the Canadian side in the 1972 Canada-U.S. Agreement on Great Lakes Water Quality. He said:

"Under the Free Trade Agreement our water is for sale all right, as it always has been—as a beverage. All the Trade Agreement will do is disallow import or export duties on trade in water that is sold normally in bottles and jugs . . .

The Free Trade Agreement, like the many other agreements of its kind and the father of them all the forty year old General Agreement on Tariffs and Trade (GATT), is concerned with regulations over commercial trade, not water diversions or inter-basin transfers. The items in the Canadian and American schedules attached to the Trade Agreement very clearly refer to water as a beverage. Indeed, water falls under the chapter heading Schedules entitled "Beverages, Spirits and Vinegars" which covers trade in mineral water, soft drinks, beer, whiskey and wine as well as vinegar."

He said if this was ever brought to GATT, his words, "it would be laughed off the table".

● (1530)

Just to satisfy the NDP let me read Clause 7 of the Bill which says: "For greater certainty, nothing in this Act or the agreement except Article 401 of the agreement applies to water. In this section water means natural surface and ground water in liquid, gaseous" and she understands gaseous "and/or solid state, but does not include water packaged as a beverage or in tanks." It is all there. Our water policy enunciated by the Minister of the Environment (Mr. McMillan) in November clearly states this Government's position. For the Hon. Member to go around spreading those untruths across the land that the transfer of interbasin water is in this agreement is a total fallacy. The expert she quotes is someone out to do one thing. I would check his political credentials before quoting him.

Ms. McDonald: Madam Speaker, would that the Hon. Member were correct. I would be much happier if that were the case. The submission made by Mr. Frank Stone, a weak lily on which to lean in this case, finishes with a note for editors: "The views expressed in this article are his own". He does not represent the institute on that.

Some Hon. Members: Oh, oh!

Ms. McDonald: He has some experience in the Department of External Affairs. The expert whom I have quoted also has that experience. Mr. Clark is a retired public servant. He was deputy chief negotiator to the Tokyo Round of GATT for Canada and has over 30 years experience on trade issues.

Mr. Kempling: A member of the NDP.

Ms. McDonald: He is not a member of a political party to my knowledge and that would not make him right or wrong if he were. Mr. Mel Clark is certainly an expert and he is a consultant to the Academy of Aquatic Science.

Let me quote further, apropos the statement of the Hon. Member that it is only bottled water, only fizzy water that is included. Mr. Clark says: "Explicit evidence that water is included in the FTA is that tariff item 2201, which is in both the Canadian and U.S. tariff schedules as well as the harmonized systems, includes all natural waters". Let's be very clear: all natural waters. The fact that vinegar is in the title is neither here nor there. The title is not the text, unfortunately. If there is a dispute between what is in the text and what is in the title, it is what is in the text that counts. The tariff item reads: "Waters, including natural or artificial mineral waters and aerated waters not containing added sugar or other sweetening, ice and snow". They have even included ice and snow. Is the Hon. Member trying to tell us that ice and snow are put only in bottles? Never heard of such a thing. Water is included and so is ice and so is snow.

The Hon. Member would like Canadians to be deceived about the importance of this agreement. It sells out water, non-renewable resources, culture and our social programs.

Mr. Siddon: It is a lost cause, Lynn. Forget it.

Ms. McDonald: There are 21 chapters in this agreement and 11 of them are about items that have nothing to do with tariffs. This Government is selling out what is most important to Canadians.

Some Hon. Members: Time!

Ms. McDonald: This Government deserves to be defeated.

Mr. Lewis: Point of order, Mr. Speaker. There have been discussions among the Parties and I think you will find there is unanimous consent to the suggestion that we move Private Members' Hour this evening and therefore interrupt and put all questions necessary to dispose of third reading of Bill C-130 at nine o'clock p.m. Immediately thereafter we will move to Private Members' Hour. In addition, it is the wish of the House that when the Leader of the NDP (Mr. Broadbent) speaks, he should be given sufficient time to complete his remarks.