

Canada-U.S. Free Trade Agreement

The Hon. Member for Cardigan (Mr. MacAulay) talked about this 80-20 principle. Eighty per cent of the tariffs are going and only 20 per cent are remaining. What they failed to explain to the public is that there are many other aspects to the Free Trade Agreement that eliminated other irritants at the border. I will name a few of them.

In this agreement, we will have clear rules of origin, which we did not have before. That will remove the uncertainty currently associated with the customs officers in making ad hoc decisions. By 1994, the United States will limit the use of customs user fees, which we did not have before. The right of the national treatment gives blanket assurance that the United States will not discriminate against Canadian producers in any activities covered by this agreement. Internal taxes, such as sales and excise, no longer can be used as concealed trade barriers. The agreement eliminates various non-tariff barriers to trade such as the common misuse of standard requirements. This is another aspect that our Loyal Opposition forgot to mention to the people in Canada when they talked about 80-20.

An Hon. Member: It was very convenient what they forgot.

Mr. James: That is right. They tended to forget an awful lot. They did not really know, because they had never really studied the agreement.

The United States will allow unlimited access to its U.S. market for Canadian food products containing up to 10 per cent sugar. We could not get anything with a granule of sugar in it before. They forgot about that.

The tariff agreement restrains the use of technical regulations. There are non-tariff barriers to agricultural trade, for example, relaxing U.S. meat inspection laws. They conveniently forgot to tell the farmer that.

The United States will recognize Canadian whiskey as a distinct product and will not permit the sale of any product labelled as Canadian whiskey unless it has been manufactured in Canada. They conveniently forgot to tell the Canadian people that.

Under the national treatment principle, the United States will allow British Columbia Hydro fair access to the distribution lines of the Bowville Power Administration. They forgot to tell the people in British Columbia about that.

The agreement also opens up some government procurement markets that we did not have access to

before. Temporary entry for Canadian business people and service personnel is another aspect of the agreement that was never mentioned by members of the Opposition because they did not know about it or did not want to know about it.

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I was in Peterborough some months ago where some people told me that when they had to service products which were sold into the United States from Canada, they had to pretend they were going on vacation in order to get into that country to service the equipment. That situation will be remedied by this agreement.

As well, personnel from the United States will be able to come to Canada to service equipment that we buy from them.

National treatment is extended to Canadian business enterprises established in the United States covered by the agreement, thus increasing access for those businesses where physical presence is needed.

All of these subjects were never discussed when the Opposition talked about the fact that 80 per cent of tariffs are gone and only 20 per cent remained.

During the election, the Right Hon. Leader of the Opposition (Mr. Turner) said that he would tear up the agreement. He also said he would go back and negotiate with the Americans on a sectoral basis. I and most Canadians, certainly those in my riding, would like to know what sectors he meant.

The Leader of the Opposition complained about secret negotiations. He did not even want to talk about what areas of sectoral trade he would discuss. When I was travelling with the committee on the East Coast, Mr. Gerry Regan, a former Cabinet Minister in the Trudeau Government, appeared before the Standing Committee on External Affairs and International Trade. He stated most emphatically that the comprehensive trade agreement was much more meaningful and workable than the sectoral policy of the Trudeau Government. While the Trudeau Government realized we needed more access to the American market, it tried to do this on a sectoral basis.

It is difficult to imagine sectoral trade in the steel industry, where the carbon steel sector would be traded off against the specialty steel sector. They would certainly have serious concerns with that type of negotiation. It would not work. It would be far too