

Government Orders

It seems to me that strengthening this Crown corporation, which is a policy that runs counter to the government's initial instincts which were to throw out all Crown corporations, at the end of the government's mandate is still a good move because this particular corporation functions mostly in markets beyond the United States. I think it is a belated recognition that Canada has to look to the rest of the world, that our saviour is not in a better trade deal with the United States or Mexico but that there is a whole world out there.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for Okanagan—Shuswap, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Notre-Dame-de-Grâce—Immigration; the hon. member for Comox—Alberni—Indian affairs; the hon. member for Don Valley East—Cyprus; the hon. member for St. Boniface—Employment.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, for some time now we have listened to the Minister for International Trade comment on the impressive increase in the export trade figures that Canada demonstrated in 1991-92. We have listened to his argument that it is a direct result of the imposition of the free trade agreement between Canada and the U.S.

When you look at the total in goods and services, it indicates a substantial difference from the rhetoric that we hear from the Minister for International Trade as to the facts and figures that are before us, facts and figures that have been compiled by Statistics Canada.

When we look at the total trade balance in both goods and services between Canada and the United States prior to the free trade agreement coming in, the four year average from 1985 to 1988, we had a total trade surplus of some \$4.8 billion. When you look at the four year average subsequent to the FTA we see that we have turned that trade surplus of \$4.8 billion into a net trade deficit of \$3.1 billion.

I say to my hon. colleague that is a turn around, a loss if you like, of 165 per cent on our trade balance between Canada and the United States.

I would like to ask my friend how he can explain the comments that have been made by the government, and particularly by our minister of trade who says that we have been doing so well under the FTA, when in fact we have a dismal and accelerating trade deficit when you look at the figures both in goods and services.

Mr. Althouse: Mr. Speaker, I guess the explanation is that in magic, in public relations or in politics you always concentrate on the bean or the shell that is most important to the argument.

If you look only at the positive trade balance in goods, 1988 versus 1992, you could make an argument, as the government does, that trade increased by just over \$3 billion.

• (1625)

That does not tell the story on services where trade has produced a negative balance of an additional \$5 billion or \$6 billion. This means that over all—it is over all that counts to the total economy of Canada—we have moved from a positive trade balance in 1988 to a fairly heavy negative balance. There was a loss in fact of \$2.6 billion.

We have imported \$2.6 billion more services and goods combined than we have exported. We are actually shelling out more money after the deal than we were before the deal. Before the deal Canada benefited from the trade with the United States. After the deal they are making more money out of that trade because they are selling us far more services. We have not been able to keep up the same rate of growth in our goods-producing sectors.

The reasons we have lost on the goods-producing sectors are quite clear as I spelled out in my speech. We lost furniture jobs, auto parts jobs and textile manufacturing jobs. When we have lost these jobs we no longer have the ability to produce for export.

Part of the reason why we lost these jobs is because of the terms of trade changing and it was no longer most economical to produce and sell furniture from a Canadian base. We were importing more of it and this has resulted in job loss and a worsening of the trade balance between us and the United States.