

*Customs Tariff*

industry has been experiencing. Yet, now, when that industry looks for a commitment from the Government with respect to a renewal of the quota arrangements, and when it looks for better forms of assistance to be put in place, there is no positive message from this Government. There is no sense of strategy and no sense of direction.

We think that sense of direction has to come. It has to be put into effect aggressively. Putting that direction into effect does not consist of pronouncements in favour of freer trade with the United States. The United States has always been, and I am sure it will continue to be, the most important trade partner which this country enjoys. However, it cannot be the solution to our problems. It cannot be the Good Humour man who brings to us some type of easy answer to our economic difficulties. It cannot be the pot of gold at the end of the rainbow which gives us an answer to the great difficulties which our economy is now experiencing. That seems to be the strategy which this Government is adopting. It is a strategy to find the answers and the whole thrust of our trade policy in terms of a new organization of trade liberalization with the United States. As this Bill shows us, tariff levels are already falling on category after category for Canada because of the General Agreement on Trade and Tariffs of which we are a part. Instead of the easy answer that a free trade arrangement with the United States will somehow solve our problems, we have argued that we should be looking at case after case in which the United States, despite the fact that we have tariff free situations, is putting its back to our mechanisms to block us out of access to that market. This has happened with respect to steel and with respect to pork. It has happened with respect to fish products and it has happened as well with respect to a great many parts of our economy which feel the threat of these kinds of protectionist measures in the United States.

● (1620)

We have argued very strongly that the Prime Minister if he has a close relationship, as he suggests he does, with the President of the United States, should be sitting down with that administration and coming up with answers to these particular problems, these threats to our present access to the U.S. market. The priority should be to deal with those problems, to counter those threats, to get support for our producers who are facing that kind of crisis blockage of their access to the United States in so many different parts of our economy.

I think we can do that by establishing a new agency which will assist Canadian and American producers to work out some of their problems. It should be an agency which will provide, for instance, neutral statistics with respect to the sectors which are facing trade problems. In many cases what we have discovered is authorities on both sides of the border having quite different statistics to explain what is happening in the trade context in steel or in lumber. We could get help from that agency to assist us in working out agreements between Canadian and American producers in order to solve our problems. This is what has happened with respect to the steel industry, for instance. It is what we should be doing as a

priority with respect to lumber, pork and with respect to fish. If we do not take that approach, Mr. Speaker, we run the danger of entering into negotiations with the United States for freer trade under blackmail conditions and under conditions in which the United States has already initiated backdoor protectionist moves against us. We will have to get the United States to give this up and in return we will have to give up important concessions. It's a mugs game, Mr. Speaker, to enter into negotiations under those conditions.

If we take that approach, if the Prime Minister of this country leads us into negotiations when we face this guillotine, this axe over the heads of many of our important trading sectors, I predict that we will find ourselves a year or two years down the line forced to give up very, very important concessions in order to get some kind of agreement out of the United States. I would predict, for instance, if we enter into a free trade agreement under these blackmail circumstances, we will have to accept informal limitations on our lumber exports to the United States. We will have to cut back the support we provide our fishermen in eastern and western Canada. We will have to give up the protection safeguards in the auto pact which have been so crucial to my community and to thousands of other people across Ontario and Quebec.

If we enter into negotiations for free trade with an axe hanging over our heads, it will not mean job gains. It will mean job losses. In my own constituency, I can see thousands of workers who will lose their jobs if we have to give up the production safeguards in the auto pact. If we have to accept limitations on our lumber exports, it will cost thousands of jobs in British Columbia and Atlantic Canada. If we have to accept a cut-back in support for our fishing industry, that will cost us thousands more jobs as well in Atlantic Canada and British Columbia. We will find our pork farmers across Canada facing more concessions. Free trade, then, Mr. Speaker, under those circumstances, will mean job losses for this country and it will mean the loss of a capacity on our part to take the economic initiatives which can rebuild our economy. We feel that this country can be a magnificent competitive and effective economy, able to export throughout this world, able to win thousands more jobs, but only with a tough, aggressive trade strategy which recognizes just how serious the challenges are in a world in which multinational companies are increasingly making the decisions which shape trade flows.

To tackle that challenge, we are going to need every possible instrument of trade policy we have. We will have to use our tariffs effectively. We will have to use our quotas effectively and we will have to bargain with those international companies just as this Bill itself bargains with those international companies. This Bill has an interesting provision within it. It is the provision that I like to call the Hyundai clause which states that after January 1, 1987, exports from South Korea and other countries which benefit from the GPT will be subject to duty in this country of 6 per cent. That clause has already forced the Hyundai Corporation to accept a commitment to put production into this country of the Pony and Stellar models which have gained such a market in this country. That