

Canada-U.S. Free Trade Agreement

will have an impact on farming, processing and retailing, all the way up the chain.

The Deputy Minister of Agriculture of the federal Government came in front of our committee. I asked him: "Have you studied the impact of this agreement on the agrifood industry?" Do you know what the answer was? He said no. One of Canada's largest industries, one of the most important foundations of this country in terms of self-sufficiency and food, and the Department of Agriculture had not got around to studying what the impact would be. He said: "But I can tell you that the food processing people are wrong because I read the Economic Council report". I said, "How did they arrive at their calculations?" He said, "Oh, by a computer".

There are people in the industry who say that there are going to be job losses. The Deputy Minister of Agriculture said that he relied on somebody else's computer. I put it to this House, who would you rather trust? I heard from the Minister for International Trade that I should listen to people in industry. He said to listen to the council of wisdom, the people who create the jobs. Well, I did. What do they say? "We are going to lose jobs". The printing industry said that 6,000 jobs may be at risk. The textile people, the clothing people, the electrical appliance people, they were not kidding. They said: "We have big problems here if you go ahead".

At the same time, we have a Government that refuses to talk about adjustment, that is perpetrating one of the great falsehoods of all time, saying: "We do not need any adjustment programs because there will be so few people affected, or communities affected. We will get by with the Canadian Jobs Strategy", which is that great success story that every committee of this Commons has lacerated as being a total failure. Nor do they say that the Canadian Jobs Strategy has had its budget cut by 30 or 40 per cent.

My colleague from Notre-Dame-de-Grâce—Lachine East (Mr. Allmand) has stated many times in this House that the Government—how can they make the case and keep a straight face while they are doing it—claims they are going to deal with the thousands of people needing adjustment in food processing or printing when they have already cut back 30 or 40 per cent from their present budget and they cannot even meet the need? There are community colleges across Canada closing their doors because of a lack of money under the Canadian Jobs Strategy. I know the reason why they will not have adjustment programs. They are afraid that under the trade agreement any attempt to help workers or industries will be subject to countervail, to trade action.

If anyone wants to see a clear case in point of how we are limiting our freedom of action, there we are. We cannot even mount the means of responding to the problem created by the trade agreement because of the trade agreement. We do not have any adjustment programs, but we know that we are going to have job losses.

I saw in this morning's *Toronto Star* a report from the Social Council of Metro Toronto. They are not Grits or New

Democrats. They are a respected social agency of independent mind. What did they say? Under the trade agreement older workers will be left behind. They are going to be the real victims, people over 40 years old. People in those manufacturing industries who are going to lose their jobs cannot go to work for McDonald's and serve hamburgers the same way. The Social Council of Metro Toronto said: "Where are the programs to help?" Well, we get a placebo, a pat on the head, or assurances.

Let us talk about some other so-called economic benefits. For example, the consumer benefit. I have read the book of the Minister of Consumer and Corporate Affairs (Mr. Andre) very carefully. It talks about approximately \$800 in savings. There were some interesting gaps and omissions in that study.

An Hon. Member: It is not surprising.

Mr. Axworthy: This vision that is being presented to Canadians whereby that they can rush to Buffalo, Burlington, Grand Forks or Spokane and pick up a VCR at 50 per cent off, rush back across the border, is pure hokum, an absolute hoax. There is a rule of origin which says that anything that has less than 50 per cent North American origin is still subject to the tariff. Who do you think is making the VCRs that the Americans are buying? They are not making them in Michigan; they are making them in Taiwan and in Korea. Even if you find something that is North American in origin, when you cross the border you are still hit with the taxes, the currency controls. All of a sudden those savings begin to evaporate.

Mr. Nunziata: The travel limits, they are all part of the big lie.

Mr. Axworthy: The economist, Mr. Kerton, for the Consumers Association of Canada estimated that the savings for a Canadian family under the trade agreement as it is written might be one-fifth of 1 per cent a year, perhaps a total of 30 or 40 bucks. Mr. Racicot from the Consumer's Association of Québec estimated \$38 a year in savings, perhaps, if you are driving back and forth across the border. Those are the so-called consumer benefits. Is that going to have you dancing in the streets, 38 bucks a year? Maybe. The information that we are not being given today is what we will ultimately end up losing.

Presently, the tariff structure generates about \$2 billion worth of revenue for Canada per year. That disappears. It has to be made up somehow. We either increase the deficit or we tax. We saw in the last Budget an extra \$500 million raised by a new tax on gasoline to pay for what we are going to lose this year if the trade agreement goes through. You just lost your \$38. If you drive a car or you heat your home, it is gone. It is not there any more. That is just the beginning. Wait until you have to pay the full \$2 billion. I do not see the Minister of Consumer and Corporate Affairs talking about that in his little pamphlets that he spews around the country. It does not mention those kinds of calculations, that somehow there are