

Free Trade

Canadian point of view. First of all, as I said earlier, we have not gained access to the U.S. market. Granted, some customs tariffs have been reduced, but they will be reduced in any case in the next round of GATT and other international talks. Customs tariffs will go down at the same rate on both sides, which will be worse for Canadian than U.S. interests, since our tariffs are generally higher and will therefore have to come down more than the U.S. tariffs.

We have not gained access to procurement contracts. The access we gained in the last GATT talks was far greater, proportionally, than what is provided under this Agreement. If we add up all our concessions, what we have is not a trade agreement but rather a contract to sell Canada at a discount.

We have abandoned control over our investments. We have abandoned control over our capital markets. The maximum for direct takeovers without review has been raised to \$150 million and will disappear altogether in the case of indirect takeovers. This will leave the door open to unlimited takeovers.

In our capital markets, five Americans with no mutual business or family connections will be able to own and operate an American bank in Canada or even purchase a Canadian chartered bank. On the other hand, our banks do not obtain free access to the United States, because the Agreement does not change the laws established by individual States. In this respect, we must realize that the document before the House is not a treaty but an agreement. It is not a treaty that will be binding, by a vote of two-thirds of the U.S. Senate, on the constitution of the fifty States of the Union. It is not. And perhaps our Government will have the same problem in this country with the provinces.

[*English*]

This deal also commits Canada to a new continental energy policy. I refer again to the document, Article 904 which states that we must ensure as Canadians that any tax or other measure we take regarding any energy resource:

... does not impose a higher price for exports of an energy good to the other Party than the price charged for such energy good when consumed domestically ...

That means we can no longer set a separate export price. It also means, as we read further, that we can no longer set reserves. We can no longer set surpluses, no longer provide for our own self-sufficiency.

The National Energy Board will become merely a monitoring agency. Constitutionally, our producing provinces have really lost control over their own energy resources.

I recall when the western provinces responded to the National Energy Program on constitutional grounds because they thought Ottawa was taking away their control over resources. What has happened with this treaty is that Washington has now taken over the resources of this country. We are now obliged to sell our energy to the United States at the same price as we sell it domestically. We no longer have the ability to use our resources as an advantage competitively.

• (1330)

I was brought up believing that people would come to resources. I was brought up believing that resources were the base of this country to build a great nation. We have now allowed the resources to flow to the population and the control of the United States.

We also guarantee that in times of shortage or crisis shipments of energy to the United States can only be reduced as a proportion of total supply based on the most recent three-year period. Our total supply is defined to include everything that we have on top of the ground or in the ground, plus everything that we import. Even the energy that we import becomes part of the continental reservoir of the United States. As if that were not enough, Articles 408 and 409 of the agreement make it clear that the same proportional access and the same regime will apply to all renewable and non-renewable resources, probably including water.

In effect, we have become a storehouse or reservoir for the United States of America. I meant to include water, and I find it a little curious that this morning the Prime Minister referred to Venice as one of the great trading cities—I suppose to remind us that he is in the big leagues and was at the Summit. He mentioned Venice as one of the great trading cities. He did not mention that Venice is slowly sinking into its own canals, which is what will happen to this country if this deal goes through.

Some Hon. Members: Hear, hear!

Mr. Turner (Vancouver Quadra): By virtue of Articles 408 and 409 of this agreement, the United States gets a guaranteed share of our country. What is theirs is theirs; what is ours is theirs too.

This is not only not a free trade deal, Mr. Speaker, this is not even a trade deal. This is "The Sale of Canada Act", and that is why we oppose it.

What about the Auto Pact? The Hon. Member for Oshawa (Mr. Broadbent) will undoubtedly want to deal with it in some detail. This morning the Prime Minister spent approximately 10 or 15 minutes citing the Auto Pact as a great example of free trade. That is a fallacious argument. The Auto Pact is not free trade; it is a managed sectoral agreement between two countries with guaranteed percentages of employment, production, and content. It is not a free trade agreement, and it is absolutely no precedent for free trade as a concept either in theory or in practice.

In terms of that type of sectoral initiative, of course we would be willing to explore more sectoral opportunities with the United States, and to explore ways of eliminating any trade irritations that we have between the two countries.

The Prime Minister and the Minister for International Trade have repeatedly stated, in response to my questions and those of others, that the Auto Pact was not on the table. Yet by virtue of the tariffs moving down the whole enforcement