

Canada-U.S. Free Trade Agreement

U.S. free to do what it wishes with respect to Canada. The Auto Pact is not like this proposed agreement.

The fifth myth is that we have had enough debate on this agreement and that we can close it down. As a matter of fact, the Government has passed a motion of closure and it is going to close down second reading debate on this Bill this very evening. The Minister responsible for the Bill says that closure is justified because the Conservative Party has made up its mind with respect to the Bill. That Party is unequivocally supporting the Bill and the opposition Parties are unequivocally opposing the Bill. Therefore, what need is there for more debate?

The Minister completely misunderstands the role of Parliament in the Canadian system. That role is not simply to inform Members of Parliament on either side. The purpose of continuing debate is to inform the Canadian public so that they will have a better understanding about the Bill, the issues, and make a decision for themselves. If we prolong the debate, as we should, then the Canadian public will be able to decide much better than now whether the Conservative Government is right or whether the opposition Parties are right. By closing down the debate so quickly we cut off that opportunity, and that is what is wrong with closure. It is a question of keeping the debate going so that what we say here gets out to the greater Canadian public and they can make a decision of their own so they will be stimulated to examine the Bill itself and the agreement.

In the few minutes remaining I want to talk about what I consider to be one of the most dangerous articles in this Bill, Article 8. That article says that all the provisions of the trade agreement with the U.S. and of this Bill prevail over every other piece of Canadian legislation wherever there is some inconsistency or conflict. In other words, the Government is saying that this agreement will have precedence and prevail over every other piece of legislation. It will prevail over our agricultural legislation, our regional development legislation, our employment equity legislation, our labour legislation, and our environmental legislation. As a result, this Bill becomes in a sense the most important piece of legislation next to our Constitution. By the way, it is not only so with regard to legislation passed up to this point but any legislation passed afterwards.

That is bad enough, but what is really shocking about this whole situation is that the draft American legislation does not contain that same provision. Their Bill is exactly the opposite. It can be amended by any other legislation, and that is not acceptable.

● (1920)

Hon. Bob Layton (Lachine): Mr. Speaker, I am pleased to have this opportunity to join in the debate on the Canada-U.S. Free Trade Agreement. The legislation, Bill C-130, is now being debated at second reading and those opposing it are making their best efforts to confuse and to undermine the

confidence of Canadians for political purposes before it passes into law. And pass it will, Mr. Speaker, both here and in the U.S. Congress.

It will pass because it is good for Canada and its future. It is good for all Canadians; consumers, students, businessmen, workers and investors. As much as the Opposition would have us believe that the agreement was thrown together—in fact they have adopted a “tear it up” or “tear it down” policy depending upon which part of the Liberal-NDP coalition you talk to—many of their past leaders and supporters, like Donald Macdonald and the Member for St. Henri—Westmount (Mr. Johnston), whom, I was sorry to learn, will not be standing for re-election, favour the trade agreement.

When you include the members of the negotiating team and all those who participated in the sectoral groups of the international trade advisory committee, more than 250 men and women from across Canada participated in these negotiations on Canada's behalf. The negotiations went on for over a year. What an effort, and what a success.

My background, prior to entering politics four very short years ago, was consulting engineering, a sector for which Montreal and Canada have become internationally renowned. My firm of engineers and architects, with which I worked for over 37 years, provided design and project management services to industrial, institutional, and commercial clients around Montreal, but also across Canada and sometimes in the United States, that is, when we could satisfy all the regulations and overcome the obstacles. However, the contracts we won in Vermont and New Jersey were won in competition, and memory assures me that they were very profitable.

Why then is there such mystery, such concern over increased trade in services with the United States? Murray G. Smith, Director of the International Economics Program at the Institute for Research on Public Policy in Ottawa, has made a special study of this part of the trade agreement and I believe that his observations and conclusions will be useful in this debate.

He says that trade in services perhaps can be best understood by contrasting it with trade in goods or tangible commodities. International trade in goods, whether it is in primary commodities such as wheat or lumber, or high technology products such as computer chips and compact discs, involves items that can be counted or measured by customs officials at the border. It may be hard to determine the value of a computer chip or a compact disc but, at least in principle, the existence of the product can be readily verified when it crosses international boundaries. In contrast, trade in services involves intangibles and it is often difficult to determine when or if an international transaction has occurred.

The FTA provisions apply only to specific services, industries. These include a broad range of businesses and consulting services to the resource and manufacturing industries, as well as insurance, real estate and wholesale distribution. In addition, there are specific sectoral agreements that apply to