

*Canada-U.S. Free Trade Agreement*

We asked the question in front of the committee: "How are you going to police against this? How will you stop those "Made in U.S.A." products competing with us?" The answer was that we can go down and inspect those factories. Just imagine for a moment, Mr. Speaker, a Canadian customs officer going into a small town in Georgia or a town on the border of Texas, with all those Texas Rangers and guys walking around with six-guns, saying: "I have come to see if you are cheating"? We may never hear from that customs officer again. It would be the highest risk occupation in the Public Service. I would not even give the job to the Minister for International Trade.

This is not a laughing matter. It represents a very serious pressure for us over time to accept a wholly different way of doing things, and not because the Americans are necessarily going to bludgeon us. It will be our own people who will say they cannot compete, and we will have to change the rules. That will bring about fundamental change in the way we do business in this country. It will again limit the parameters, the horizons, the options of Canadian Governments to understand any kind of investment, programming and support, with its own environmental standards, social programs, or whatever it may be. That is what we mean by "harmonization". It is not a figment of my imagination. It is reinforced by statements made by the Social Council of Canada, the Nurses' Federation, and the Wildlife Federation. Highly respected, serious minded, interest groups in this country have made that same case. When I read the editorials in the *Winnipeg Free Press* which say there is no problem or threat, I would ask those reporters to read the testimony of people who know. They should listen to the kind of people who can see that kind of problem.

These people are not worried about the bottom line. What they are saying is very simple. Capital can move quickly. One can move a million dollars in a second on a computer. Someone can set up a new factory tomorrow in any part of North America, but the jobs cannot be moved, the farmers cannot be moved, the communities cannot be moved, people cannot be moved very easily. That is part of the problem. This agreement may suit us fine and dandy if we are simply worried about a quick, fast shuffle of capital playing in those markets. But one of the things that has made us different as Canadians is that we have not just listened to the bottom line. We have not just simply followed the dictates of the market-place. We have not simply followed the profit margins of the stock exchange. They are important. They are necessary institutions. But they are not the dominant force. They should not set all our priorities. They should not make all our decisions for us.

We talk about Canadian independence. What has made us independent has been the role of the public sector, the ability to make major public investment when the private sector often would not do it. My part of the country grew because of investments made by the public sector, be it the Wheat Board, transportation or even investment in our communications system. We would not have a country if it were not for that

ability of Governments at all levels to make those kinds of decisions. But we are now faced with an agreement that will limit those kinds of decisions and replace them with the market-place. That is why there are millions of concerned Canadians. That is why there is a deep and abiding split in this country. There are Canadians who recognize that this has been part and parcel of our history. It is an essential ingredient in what makes us different, and it is absolutely crucial for our maintenance as a country.

If we put ourselves into a strait-jacket, if we find ourselves no longer with the same kind of freedom of action we had before, then we no longer exist. I listened to the Minister for International Trade carefully. He said "Well, you signed agreements with GATT. You accepted rights and obligations", and that is true. The reason is very simple. There were some shrewd Canadian leaders back in the 1940s and 1950s who had some sense of vision. They understood very well that by joining an international body, we were able to protect that right of decision. When we negotiated reductions in tariffs, which we did, we did not do it at the sacrifice of our right to make decisions about investment. We did not sacrifice our right to make decisions about how we were going to support our energy industry or our mineral industry. We did not sacrifice our right to decide environmental concerns or financial institutions. We found there was a way of getting a balance, of opening up trade, of liberalizing trade, of bringing down trade barriers without putting those other things on the table.

One of the reasons for this was that we were not the "demander". We were able to share a bargaining power in those international organizations. We were able to get concessions from the United States and other big trading partners because other countries were part of the team. There is a good analogy in football. If you are a blocking lineman, and you are across the line from a 190 pound defensive end, and he is going to push you over, you get someone else to block him out. You double-team him. That is what you do with your international organizations. You double-team the Americans. You provide some way of putting proper pressure and balance against them. That is why it is worked well for us. That is why we suggest that that is the best way of bringing down trade barriers without giving away the store and all the rest of the chattel and goods that this agreement gives away.

The Minister for International Trade does not understand that, nor does the Prime Minister. They have forgotten that fundamental lesson we have learned in the last 40 years. It goes back to what I said before, not because it is a lesson they do not want to learn but because the motivating force, the driving impetus of the agreement does not really have as much to do with trade as it does with limiting government, of destroying the political mixed economy of Canada, of making the market-place supreme—of giving the big corporations the right to decide. That is what is really behind this type of agreement. It is that type of philosophy, theology or ideology which is really at the base root of where this agreement comes from.