

*Supply*

and Mark Messier to the Los Angeles Kings for future consideration and a free trip to Disneyland. That about described the equation of this deal.

Not only did we not get what the Government said we would get, but what we put on the bargaining table and negotiated away for time immemorial is breathtaking. It is far beyond anything that one could have imagined when this began. I believe that we still do not know the half of it. I believe that we still do not know of all the secret nooks and crannies in this agreement. However, we know enough to know that the price we paid for this agreement far exceeds any benefit that we could achieve.

The agreement totally enfeebles the powers of the Canadian Government and the provincial Governments to pursue the public interest of Canada, to bring forward policies and initiatives to respond to the various interests of Canadians.

The Government talks about its new vision. I think we know what the new vision is. In his first public address on this agreement, which took place in New York of course, the Minister of Finance (Mr. Wilson) said that we are opening "a brave new world". We know what the brave new world of the Tories is. It is a world which uses jackboots on refugees because the Government does not want to defend their rights. The brave new world will increase drug prices by \$200 million or \$300 million. The brave new world of the Tories includes tax increases of \$2,000 for average Canadian families.

However, that is simply a prelude to what we see in this agreement. This agreement is a total open sesame on foreign investment. According to this agreement, the Canadian Government will no longer have the right to require foreigners who invest in this country to produce jobs, to do research and development, or to produce export performance. We can no longer apply to them a test to learn whether their foreign investment is producing anything of economic value.

We need that test because we know that from 1984 until January of last year, \$22 billion of foreign investment came into Canada, 95 per cent of which went for takeovers and acquisitions rather than new jobs or new enterprises. We know that those foreign-owned corporations do not produce jobs in this country. The jobs are produced by Canadian companies. Those are not Grit figures. They are Statistics Canada figures which show that for \$5 billion worth of investment by a foreign company something like 17 new jobs are created.

It is ludicrous that we would surrender the right to require a foreign owner taking over a Canadian company to produce an equivalent number of jobs in Canada. The Government will wipe that right off the books.

Another example is procurement, and it is an interesting one. According to the statement made by Mr. Baker and Mr. Yeutter in the briefing to their own congressmen, under the procurement arrangement U.S. businesses will have exactly the same right to compete for government contracts worth over \$25,000 as have Canadian companies. Furthermore, we cannot

impose upon them any requirement to invest in this country, to establish a factory in this country, or to provide jobs in this country.

Our good friends in Montreal stole the CF-18 contract from us in Manitoba, but they may not even be able to get that any more. It could go to someone in Hartford, Connecticut, and we would not see even a nickel's worth of production from it.

When I was Minister of Transport we initiated a major modernization of the radar systems in Canadian airports at a cost of \$900 million. Several firms put forward bids, two of which were American and which we accepted. However, we set a standard. We said that if they wanted to do business with the Government of Canada they had to establish a factory here. They built one in Kitchener-Waterloo which now employs several hundred people. They had to provide subsidiaries in Halifax, Winnipeg and Saskatoon. They had to create thousands of jobs in this country because we were spending \$900 million of taxpayers' money. Under this agreement they do not have to do that any more. It is incredible that we would give that away. It is absolutely beyond belief.

With regard to agriculture in the West, farmers have told me that we are surrendering the Canadian capacity for self-sufficiency in food. That will be eroded. The Canadian Wheat Board no longer has the right to provide licensing for the import of wheat, barley and oats. That breaks the generations-long tradition of a two-price wheat system which provided close to \$300 million to the farmers of western Canada when they desperately needed it.

The Western Grain Transportation Act is now an unfair trade practice. We have always used freight rates as a way of compensating for our geography. We have always compensated producers for the necessity to transport their wheat, potash, minerals and forestry products over long distances by rail. We do not have a Mississippi water system. Most of our commodities are far from port. We have always had a subsidized freight rate system. For the first time, a government of Canada has acceded to another country's demands that those freight rates be considered an unfair trade practice.

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Under this agreement, we acknowledge that anything moving to the United States is no longer eligible for freight assistance under the WGTA because it is an unfair trade practice. When all our competitors in the grain business and those others who enjoy subsidized freight rates see that precedent, they will hammer us with trade action cases until we go dizzy.

Today we saw the complete wipe-out of an industry in the area of tender fruits and vegetables and wine. No matter how the Minister tries to evade the issue, the fact is that removing the seasonal tariffs, even by some snap-back retaliation which will never work, we are putting the people in our fruit and vegetable industry in jeopardy.