

Canada-U.S. Free Trade Agreement

increase of at least 2 per cent in real income, which means approximately \$450 per year per Canadian.

And so consumers stand to benefit a great deal from the agreement, and they are too easily forgotten on the other side of the House.

An Hon. Member: Good news, wonderful!

[English]

Hon. Warren Allmand (Notre-Dame-de-Grâce—Lachine East): Madam Speaker, this evening, I want to discuss a number of myths that have been put forward in this debate. As you know, Madam Speaker, a myth is a misleading statement or a distortion of the truth.

The first myth that has been put forward in this debate is that this is a debate about free trade. This is not a debate about free trade, despite how it might appear. I repeat, this is not a debate about free trade.

This is not a debate about whether or not we in Canada are for free trade or are against free trade. That suggestion is a myth. This is a debate about a particular trade agreement with the United States. We are debating whether or not that particular agreement concluded by the Prime Minister of Canada (Mr. Mulroney) and the President of the United States is a good agreement for Canada.

We are not debating whether free trade is good or not good in theory. We are not debating multilateral free trade. We are debating a very particular trade agreement between Canada and the United States and we are asking Canadians to look at the provisions of that agreement and to make a judgment. That is what we ask Canadians to decide upon, not theoretical free trade.

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We are opposed to this agreement because we say, and I think Canadians would say as well if they examined it, that we gave too much to the U.S. for what we got in return.

Mr. Crosbie: And they say the opposite.

Mr. Allmand: We gave such things as unrestricted access to our energy, which has no place at all in a free trade agreement. We gave up the right to screen foreign investment, which has no place at all in the free trade agreement. We gave national status to American companies in Canada and vice versa, which really has no place in a free trade agreement. We say that in this agreement we gave up our identity as a country and our sovereignty as a country, and we gave too much power to the U.S. to control our destiny in the future.

I want to make it clear that the Liberal Party is not and has never been opposed to freer trade. If one looks at the record since the end of World War II, one finds that trade barriers between Canada and the U.S. have declined considerably. Even the other side admits that. As a matter of fact, as we debate this agreement, 80 per cent of all trade between

Canada and the U.S. is conducted without any tariffs whatsoever. We are talking about only 20 per cent of the trade between Canada and the U.S. That occurred under Liberal Governments.

In addition, that 20 per cent of trade has an average tariff of about 5 per cent. At the end of World War II it averaged about 30 per cent. Obviously Liberal Governments have pursued freer trade and have been very successful at it, both bilaterally and multilaterally.

The second myth is that this agreement is absolutely necessary for economic prosperity. When the Conservative Government went to the U.S. seeking this agreement, we had a balance of trade with the U.S. of over \$200 billion in our favour. You have to ask, in whose interest would it be to conclude such an agreement? Of course, it was in the interests of the U.S. and not in Canada's interests.

In addition, to say that this agreement, which sells out our sovereignty and identity, is necessary for economic prosperity is to ignore the past. If one looks at the economic history of this country, both before and after World War II, one will conclude that we had economic prosperity and good economic relations with the U.S. without an agreement such as this. As a matter of fact, in the 15-year period between 1965 and 1980 we had an average rate of unemployment of 5.6 per cent. Times were good during that 15 years of Liberal Governments without this kind of trade agreement.

The third myth which has been propagated in this debate is that the agreement is like the Common Market in Europe. It is not at all like that agreement. The Government has argued that if the Common Market is a good thing, this agreement with the U.S. must be a good thing. The Prime Minister of Great Britain put that same proposition to us when she was here. That is a myth. The Common Market is a trade arrangement between the approximately twelve countries in which no one country dominates. In addition, there is not a common language between any two of those countries. You have the British who speak English, the French, the Germans, the Italians, the Spanish, the Portuguese, the Dutch, the Belgians and so on. There is a wide variety of countries with different languages and cultures and no one country dominates the other.

In our situation we have the U.S., a country of 250 million people, speaking English, concluding a trade agreement with a country of 25 million people with two-thirds of its population speaking English and in which there is already a dangerous cross-current running between the two countries in the media, cultural industries and so on. It is quite different from the Common Market.

Another myth is that this agreement is like the Auto Pact. Again, that is not true. That pact is a sectoral trade agreement in which the U.S. is obliged to invest in jobs and plant and equipment in Canada. They are forced to invest in Canada. It is a managed bilateral trade agreement. It does not leave the