

*Canada-U.S. Free Trade Agreement*

and municipal legislatures, which through their procurement policies develop a great clientele and market-place. No, we do not have access to that. Do we have access to any specific sector of their economy that other states do not yet have? No, we do not have that either.

What we have is an opportunity over the course of the next 10 years to diminish tariffs so that we can make it easier for American and multinational corporations to increase competition in Canada. Yes, competition will be good. Perhaps it might even lead to lower prices. I say "perhaps" because there is no study which indicates that the benefits to consumers will be anything but marginal.

What will we have? Will we have an opportunity to create a greater entrepreneurial class? Perhaps, if we ignore the fact that 55 per cent of all manufacture and trade being conducted between the United States and Canada is done between a branch plant and a home office, if there is to be rationalization, then we in the branch plants will be the first victims of such rationalization. Is there going to be greater opportunity for us to increase our development of industrial capacities here when American corporations will increase as well their production capacity here?

**Mr. McDermid:** Here?

**Mr. Volpe:** Perhaps not. One question that we have to ask ourselves is what will happen? We acknowledge what the Government has said over the course of the last few days. There will be winners and losers. If those losers are many of our employees, what will happen as our Government is pressured to meet either the needs of those businesses which find themselves in difficulties or the workers that find themselves dislocated? Will we make a decision to support industry? Will we make a decision to support our workers and our families?

We find ourselves entering into a deal that turns out to be little more than a continental energy pact, a continental energy pact that might make some sense to producers. It makes a lot of sense to the government side, but it does not make a lot of sense to the manufacturers in my riding. The manufacturers in my riding ask why would I give my competitor to the south the same price that I have to pay for my energy costs? When my overhead stays at  $x$  dollars and is compared to a competitor to the south, what do we do with the cost of our products when we go into a common market-place?

**Mr. McDermid:** They pay twice for electricity, twice the price.

**Mr. Volpe:** The entrepreneurs in my riding want to know that if there is going to be a level playing field it shall be level and it shall be balanced, and that we take into consideration the special needs of all Canadians.

What I want to do is explore some of the other dynamics that the people in my riding suggest that we ought to look to. Some of those dynamics have been ignored by a Government that has put all its eggs into one particular economic policy, one do-or-die economic strategy for this country. That is the tragedy of this trade deal.

**Mr. McDermid:** Nonsense.

**Mr. Volpe:** The Minister is accustomed to saying those kinds of words because he does not have anything positive to say. That is fine. The people in my riding have asked for and insist that what should happen is that an economic strategy take into consideration the potential of small businesses, that we increase opportunities to maintain the flexibility, the adaptability and the aggressiveness toward specialization that will be required as we enter the 21st century.

**Mr. McDermid:** That is what this is all about.

**Mr. Volpe:** The Hon. Member had better read it again. That is not what is in there.

Why do we not take a look at turnkey industries, promote sunrise industries, develop specialization, develop secondary and tertiary industries and promote them through the resources that we have available, not only in the natural and in the human sector, but also through whatever government assistance we can provide? As we move toward a more global economy, let us not forget that the 250-odd million people who live to the south of us do not represent the sole market potential in this world. If we are to be truly global citizens, we should explore every market potential around us.

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In closing, let me add that the chief negotiators from Mexico say they would never enter into such a deal in a hundred years. The chief negotiator from Israel said that Canada gave up 100 times more than it got. Our Prime Minister said that he was against free trade but supports it now because only donkeys do not change their minds. I hope he really meant that so when he looks at the braying bunch behind him he may have a change of heart.