

Government Orders

denying workers the right to join independent unions, or allowing child labour.

Support for a social clause which would link trade benefits to basic human and social rights is the only way for us to begin a true commitment to using trade as a way of improving human rights situations in many countries. Without such a clause, the WTO legislates a turkey shoot where the multinationals and their allies in some developing countries can exploit the most vulnerable.

Support for a social clause is the obvious response to globalization by anyone who is not hypnotized by the neo-Liberal rhetoric that the development of world markets unfettered by democratic control is the inevitable and unstoppable result of new technology.

The new technologies in telecommunications and in information technology certainly make it possible for capital to move instantly around the globe or for technologies to be transferred between states very easily. It does not mean that it is necessary for us to let the elites in the multinationals use that technology without any obligations to the communities where they operate.

Globalization as it is now occurring with multinationals glorying in their freedom from democratic responsibility is not an impersonal force of technological innovation. It results from the deliberate choice of governments to liberalize trade and investment policies, to hand over to the multinationals a *carte blanche* to design a world order that suits their wants and interests. We should not let the free market rhetoric blind us to the fact that we can choose to win back some measure of our ability to impose some community standards on the trade and investment practices of the multinationals.

• (1125)

The idea of a social clause to the World Trade Organization has been opposed by some governments of developing countries as a baldly protectionist measure to deprive developing countries of their competitive advantage in low labour costs and general lack of regulation.

If it is protectionist to protect children from exploitation as virtual slaves, to protect workers who do not enjoy the basic human rights of forming unions or having a safe place to work or to protect the environment from rapacious multinationals then we have no embarrassment in saying that we are protectionists. We have to resist the way that the rhetoric of free trade has perverted the word protection so that any public intervention to protect any public good whatsoever is deemed to be a threat to prosperity.

A social clause to the WTO however would not even fall under the conventional definition of protectionism as regulations that unfairly restrict the legitimate economic opportunities of another country. The proposals that have been made by supporters of a social clause, like the ILO, France and the United States, simply

call for a set of minimum standards of the rights of workers to form unions. The effect of such a clause would not only be to respect the rights of workers around the world but also to bring economic benefit to the entire world economy.

It is astounding that advocates of market liberalization trumpet the growth that supposedly results from open world markets during a time when liberalization has led in the developed countries to chronic high unemployment and falling income for workers.

The introduction of a social clause would be an important step forward in raising global demand, thereby stimulating investment and consumption. The advocates of the liberalization of world markets assumes that as developing countries become more prosperous internal social pressures are generated from a maturing and self-confident workplace to insist on higher wages and better working conditions as happened in the industrialized countries.

This assumption fails to recognize that the vast pool of unemployed workers in rural sectors in the economies of east and south Asia for example creates a huge drag on the ability of wages to rise at a reasonable level. Moreover it ignores the fact that workers in many developing countries do not enjoy the basic democratic right to form unions that would allow them to improve their condition. An essential ingredient to raising global demand is therefore to intervene in the world labour markets and to let natural economic forces raise wages. We can thus begin a process of transforming globalization from a race to the bottom into an upward spiral in the living standards of all people around the world.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Madam Speaker, it is a pleasure to rise to discuss the amendment to Bill C-57 proposed by the hon. member for Laval Est. I respect the hon. member's dedication to federalism and the learning and thoughtfulness that she brings to this task.

Allow me to make a general comment in starting that it is necessary in approaching the matters of amendments to substantive bills to exercise a prudent economy in drafting and at all times to consider criteria of relevance so that the main purpose and thrust of the bill be not deflected.

The opening paragraph of amendment 3.1(a) is one that is of course very dear to the heart of the present government. The Prime Minister of Canada has led a very successful delegation to China with the full co-operation and presence of nine of the ten provincial premiers.

• (1130)

The intention of the government is to proceed in full vigour with ideas of co-operative federalism as developed by Prime Minister Lester Pearson and carried on by his successors. We want to work with the provinces because we recognize that the