

Free Trade

great advantages of foreign investment. Let me advise the House of what those advantages were in the last three years. Of the \$22 billion that have come into this country, 95 per cent has been in takeovers and acquisitions. It has not been in new enterprises, but in takeovers and acquisitions. The documents based on Statistics Canada figures that were presented to the committee demonstrate that those do not create jobs. In fact, in looking at the performance of the multinationals in Canada, it has been job loss and not job gain. A billion dollars of profit creates something like an average of 4,000 jobs when in fact a Canadian company would create something like 800,000 jobs in the same period of time.

Yet what we have here is an open door system in which the threshold is now \$150 million and where there will be absolutely no possibility of Canadians setting any performance requirements for those takeovers and acquisitions. We will not have the right either now or in the future to say to anyone who wants to take over a Canadian company that they have to keep the research facilities here, keep the jobs here, keep the enterprise going here. If they want, they will simply have the right to strip it totally, move the science and technology to some other place, do the real work at head office, and turn it into an assembly plant or a warehouse.

Once again we are relocating the economic decision-making of Canada outside of our own borders. Once again we are taking any ability to manage an economic process beyond the authority and scope of Canadian Governments. The investment itself will not result in a great bonanza. What it could result in is a very different nature for the Canadian economy, a substantially different way of doing business in this country which is primarily geared to a north-south access not east-west.

The historic continuity of Canada, as difficult as it has been over the past 130, 140, or 150 years, or even going back 300 years when the French first arrived on our borders and tried to deal with the aboriginal peoples, has been to try to take this northern part of North America and forge a series of linkages east and west. It has been done in the private market and in the public market, and it has not been easy, but it has been done. As a result, we have been able to create our distinctive way of doing things; the St. Lawrence Seaway, the transportation system, the co-op movements, and our development programs. It has not been easy, but it has been important to Canada.

Now the Government is going to break that historical continuity. It is going to shift the access north and south. It is going to say that it much prefers a company selling into the California market than into the B.C. market, or into the Ontario market, or into the Atlantic market. We are going to switch horizons. That carries with it a psychology and a set of attitudes and an outlook that cannot be quantified or have numbers put on it. But it will surely and fundamentally alter this country beyond recognition, and break faith with past generations. As surely as I stand here, it will alter the way in which Canadians think about themselves, if they think about

themselves any more, because no longer will those linkages that we have so carefully forged and nurtured be around to continue. They will be altered, mangled, and reoriented.

When we talk about sovereignty, God knows it is not only sovereignty in the strict legal and political sense, it is also talking about it in the cultural, political, social, and psychological sense of how we begin to think about ourselves.

That is the reason why we oppose this agreement. That is the reason why we feel that the costs far outweigh any benefits, that the agreement goes far beyond simple prescriptions of trade and reaches into the very inner soul and continuity of this country. But we reproach it for something even more than that because it forfeits our future. I suppose most of us in the House, being mostly middle-aged or older, will survive the trade deal. We will not see the real impact in our generation or lifetime. But future generations will slowly see the erosion of what has happened in this country, and have their rights and their capacity to make decisions taken away from them. That is the saddest most tragic part of this agreement.

That is why it is important for Canadians to understand that there is an alternative. There is another way of doing it. In all our statements we have been very careful to ensure that it is simply not a matter of saying that this is a bad, rotten deal. We have also said that we believe there is another way, a better way of achieving some of the same goals of liberalizing trade, but not with the damage and destruction of this country.

Quite clearly, we have stated that we can reduce tariff barriers and non-tariff barriers more effectively, at less cost to international negotiation than we can through bilateral negotiation of a comprehensive deal. History proves us correct. We are not talking about theory and speculation, as the Government does, we are talking based upon historical fact.

Through international negotiation the tariffs which averaged approximately 40 or 50 per cent in 1948 have been brought down by successive Liberal Governments to an average of the 5 per cent that stands today. Through international negotiation we have reduced the trade barriers with the United States to the point where 80 per cent of the goods now travel tariff free. It has been successful because we have been able to use the bargaining power and leverage of other countries to help pay the cost of trade-offs, and to help put the type of pressure on the United States and the other big trading partners in order that they will also make concessions. We have been able to piggy back on many of those concessions and utilize them. But most important, because we established clearly our defence and support for a form of international economic rule of law, to say that big, medium, and small all get treated in the same way in a non-discriminatory fashion.

When the Minister for International Trade rises today and states that this is simply a way of improving upon the international system and GATT, I challenge her and defy her because she is wrong. She is running against the historical fact of this country and of the international system.