

Supply

economic growth and development, price stability and good employment opportunities in the years ahead.

[*Translation*]

Mr. Jim Peterson (Willowdale): Mr. Speaker, at this point, our party would like to divide the following half hour into speeches of ten minutes each.

[*English*]

The issue before us because of this NDP resolution is in part the abrogation of the free trade agreement and the non-signing of the NAFTA. My friend from South Shore has lauded the positive benefits he says we have seen from free trade, but it is impossible to separate actual results under free trade from what occurred in the economy as a whole. Let us be intellectually honest.

If we look at the record over the past four years since free trade came in we find our unemployment is now at 10.8 per cent. In the United States it is at 7 per cent. Our manufacturing job losses in those four years now stand at 16 per cent. In the United States it has only been 6 per cent. Why have we been devastated so much more than the United States during that period of time?

We can look at an even more alarming statistic. Our ability to compete has been declining. We are now growing at about half the rate of that of our major competitors in the G-7. This is alarming in terms of our future ability to create the wealth we need in this country to sustain the high level of humane social programs which are a hallmark of the Canadian way of life.

Perhaps even more alarming when we look at the Tory record is that in 1984 Canada had a high-tech trade surplus of \$1 billion. Today that high-tech trade surplus has become a deficit of \$30 billion. Even though trade may have picked up a bit with the United States in recent years, we are losing in spades when it comes to the high-tech, value-added industries which will create the high paying jobs of the future we need if we are to compete with low \$1.50 an hour Mexican labour.

What are the lessons we can take from our four years under free trade? My conclusion is that trade is not the real issue. Trade agreements such as the free trade agreement and the NAFTA are not the overriding economic issue we face. Even if we got rid of free trade we would still find ourselves having to compete as a

trading nation. As one whose GDP is 30 per cent more than even Japan's we are dependent on foreign trade. We still need ways in which to compete.

• (1625)

Perhaps we can learn from our four years under free trade. I would like to focus on seven lessons that we should have learned.

First, Canada can no longer depend on its abundant natural resources and the effortless economic superiority those have given us to sustain our high standard of living. We need the value-added, high-wage jobs.

Second, if we are going to enter into another free trade agreement surely we have learned that we need detailed impact assessments so that we can predict where the job losses are going to occur, as they inevitably will. We need adjustment programs to make sure that those workers who are affected adversely have jobs and are not doomed to perpetual unemployment.

The NDP would have us abolish these trade agreements or not enter into them. However, in its resolution, has it called for the adjustment programs that we need? Of course, it has not. It has totally overlooked it. Has it, in asking us to totally abolish these trade agreements, given us an impact analysis of how many job losses would occur because our access to foreign markets could be diminished? It has not taken that responsible step of forewarning us as to the consequences of its policy.

The third lesson I hope we have learned is that even though we have a free trade agreement, this does not guarantee secure access to the foreign market. We have learned that tariffs were not the real barrier. Issues such as anti-dumping, countervail and government procurement have been far greater barriers to Canadian access to the U.S. market.

The fourth lesson is that the unparalleled level of trade harassment by the Americans against Canadian producers is not ended. We are not going to have the so-called benefits that the member for South Shore talked about. These are the benefits of investment. No firm is going to invest in Canada be it a Canadian or a foreign firm. They will just not put their new money here to service the North American market if this unmitigated trade harassment can continue. Our producers can have the threat of being shut out of the American market through spurious actions such as we have seen with