

Canada-U.S. Free Trade Agreement

To understand what it is that the Government has before us today by way of this legislation, it is important to cast our minds back, to remember how it is that we got into this free trade or economic union agreement with the United States in the first place.

Canadians should recall, a few years ago, when we had a Prime Minister who was making predictions like, "You can bet your bottom dollar that when the protectionist winds blow off the shores of the United States, those winds will not be directed at Canada because of our special relationship with the United States". Canadians remember those brave words, a Prime Minister who said, "the flames were being fanned in Congress, but the smoke was being directed at Japan, not Canada".

An Hon. Member: He did not say that.

Mr. Tobin: A good friend and neighbour. And then the Prime Minister (Mr. Mulroney), much to his surprise—

An Hon. Member: Where did he say that?

Mr. Tobin: I suspect, much to his chagrin, he discovered when he woke up one morning that the smoke was so thick he could not see beyond the windows and grounds of 24 Sussex Drive. What happened? There was an action taken against British Columbia softwood lumber. Initially, there was an action taken against cedar shakes and shingles. There were a number of actions taken against Canadian fish. There was action taken against Canadian steel. Non-tariff barriers were erected against Canadian agricultural products, primarily pork.

What was the response in the country, a country that "you can bet your bottom dollar" would not be subjected to American protectionist action? There was dramatic response, anger, a nationalist fervor. There was a response from the Government.

The Prime Minister said not to worry, "we will go south of the border and if you still have a dollar left, you can bet that bottom dollar that we are going to get a trade arrangement in which Canada will be exempt from this kind of U.S. protectionist winds and all the smoke and fire associated with it and that we will have a guaranteed access to the American market".

He told the *New York Times* that U.S. trade law could not "apply to Canada period", when he finished his negotiation.

It is important that we reflect and remember how it is that we got into the trade deal. The Prime Minister's bottom line, that he established by suggesting that we bet our bottom dollar, was that Canada would have guaranteed access to the American market. So, let us ask ourselves the fair question. Did Canada, in the negotiations that we undertook, achieve Canada's—as established by the Prime Minister—bottom line? It is not the NDP bottom line, the Liberal bottom line, Madam Speaker's bottom line, Canadian's bottom line, but the

Prime Minister's bottom line. Did we achieve it? No, we did not. There is nothing within this legislation, nor is there anything within the agreement out of which this legislation flows, that gives Canada guaranteed access to the American market. It did not happen. So we did not get our bottom line.

To be fair, if one is to weigh a deal one has to ask two questions: what did you get and what did you give in return? Any company, if we were to assume that Canada were a company—and the Government would like us to assume that—that considered a joint venture with a partner 10 times bigger and 10 times more powerful which of course looks attractive on the surface, would want to examine what it was that you as a smaller player doing a joint venture with a larger player would get in return for this economic union.

I know one thing any business man, no matter how much his eyes may light up at the prospect of doing a joint venture with a company 10 times larger and 10 times bigger, would be less excited if at the end of the negotiation he read the bottom line, the fine print, and found that he that his new partner had 52 per cent of the shares in his company, and he suddenly became not an owner but a tenant to a much larger partner.

What did we give in this deal? We gave on investment substantially. We gave the United States of America the right to come and buy, outright, the valuable resources of this nation, resources that the Americans cannot get access to in any other way. We gave on investment.

An Hon. Member: That is not true.

Mr. Tobin: We gave on energy. We put an end to the day when Canada could be considered to have a Canadian energy policy made in Canada, for Canadians, by Canadians, and we made ourselves part and parcel of the continental energy grid.

The day is gone when a Canadian can expect one scintilla more from a Canadian resource found within the boundaries of this country within our coastal waters than a resident of the City of Los Angeles. Canadians in this deal have exactly the same rights to Canadian energy as any citizen of the United States. Canada has become part of the continental energy grid.

What else did we give? There is a whole area called subsidies which we could not define in time for the agreement to be signed, so we put that concept of subsidies aside. We said that over seven years we would harmonize our relationship. I am five foot eight inches. I know that if I get into a harmonization exercise with somebody six foot eight inches, who gets harmonized—I do.

I conclude by saying to the Hon. Member for St. John's West (Mr. Crosbie) who began his career at his father's elbow in 1947-48 fighting the battle of our Confederation, yes, the battle of Confederation in which Newfoundlanders given a choice, one that Canadians have not been given in this deal, made a choice for Canada. I will tell you who led the charge on the other side. The Hon. Member for St. John's West, his father, and his family led the charge for economic union