

Products Trade Agreement with the U.S. represented a conditional free trade arrangement. It was multilateral on Canada's part, but bilateral in U.S. terms.

A long-term auto trade policy, firmly founded on principles of the auto pact, was necessary if voluntary export restraints on motor vehicles were to be phased out.

The Association said the Canadian auto industry must and can be part of a global industry. To be viable, monetary, trade and economic policies of governments must be appropriate and as competitive in their own right as the motor vehicle producers must be in theirs.

Timetable faulted

Automotive Parts Manufacturers Association of Canada (Patrick J. Lavelle, President) argued that Canada should not proceed with discussions about a comprehensive free trade pact with the U.S. under the timetable prepared by the present government. The necessary preparatory work had not been done.

"It seems unthinkable to me and others that the government would proceed with negotiations without determining the facts, without knowing what benefits (if any) would accrue and what impact they would have on the cultural and economic sovereignty of the country..."

The Association questioned what work had been done within government or the private sector on the impact of any new trade arrangement. How many workers and industries would be affected? What about the effects on marketing boards, grants to industry and regional adjustment assistance? Why did the sectoral trade initiative with the U.S. fail?