

*Canada-U.S. Free Trade Agreement*

**Mr. McDermid:** Not inconsistent with GATT, and you support the GATT.

**Mr. Kaplan:** We do support the GATT.

**Mr. McDermid:** You are arguing against yourself.

**Mr. Kaplan:** I am not arguing against myself. I think I should take the floor and continue to make my points. The final reason why these motions ought to be accepted is that the binational dispute settlement mechanism does not open the United States to free Canadian trade.

The impression that the Government wants to give to Canadians about this agreement is that a business in my riding will be able to go into an American city or anywhere in the United States, make sales, deliver and so on, in the same way that it can any place in our country. That observation is not valid because countervail and anti-dumping legislation do not apply when my constituent makes sales in Winnipeg and in Windsor.

**Mr. McDermid:** Is your constituent a fair trader?

**Mr. Kaplan:** My constituent will trade in the United States the best he can. The point the Parliamentary Secretary is trying to make and achieve great satisfaction from is that the binational dispute settlement mechanism somehow or other will carry my constituent through the objections that can be raised on an American countervail and anti-dumping basis. This is not the case.

I would ask him to be big enough to admit that all that mechanism does is assure that American law and Canadian law will be applied objectively and impartially. I am prepared to say that that never bothered me because I always respected American jurists in the same way that I respect Canadian jurists.

These are two countries characterized by fair arbitrations, by fair court procedures. The binational mechanism is interesting. It is a world model because it does provide for impartiality and objectivity, but I took those for granted. I think most Canadian traders did.

What we do not take for granted is countervail and anti-dumping which is a tool available for American interests to protect themselves from people in my riding who want to do business in the United States because they think the Government has won for them protected, unlimited and equal access to the American market as they have in Canada. These motions become even more important. I commend them to the House.

**Mr. Howard McCurdy (Windsor—Walkerville):** Mr. Speaker, I am pleased to have an opportunity to speak to Motions Nos. 5, 6, and 8 which would delete Clauses 3, 4, and 6. I will attend only Clause 3 which states the general purposes of Bill C-130.

The Hon. Parliamentary Secretary has referred previously to Clause 3 which sets out the purposes of the Bill. It is

interesting to note that among all the purposes cited there is nothing here about creating more jobs for Canadians. If our Party had been foolish enough to enter this kind of deal, among the purposes of this Bill and the agreement that it seeks to implement would have been the purpose to increase the availability of jobs and the opportunities for Canadians to assure a secure future, to ensure that the comparative advantages and the resources that we have would be used to enhance, as I cited yesterday, what most Canadians consider as a definition of Canada not only for the present but for the future. One of the worst aspects of the statement of purposes is the identification within the statement of failures of the trade agreement to achieve the purposes which are cited.

• (1240)

Let us examine those. The first purpose is as an objective to:

"(a) eliminate barriers to trade in goods and services between Canada and the United States."

I see nothing in the free trade agreement that would do anything about the barriers to softwood lumber, to shakes and shingles, to hogs, to specialty steels, to the impediments that are presented to the free trade of goods and services represented by the new trade legislation, which other speakers have indicated will apply to Canada and from which we have not achieved any exemption. Clause 3 goes on to state:

"(b) facilitate conditions of fair competition within the free trade area established by the Agreement."

Will this free trade agreement make level the field that is made unlevel by the 20 per cent higher costs in energy that Canadians have to pay? Will it eliminate the great transportation costs that we face when in this country? Will it eliminate the barriers to conditions of free competition which are imposed upon regions of the country, victims of past failures, to achieve economic development, the kind of economic development that is now substantially prevented by this legislation through concessions made by the Government to the Americans? The clause goes on to say:

"(c) liberalize significantly conditions for investment within that free trade area."

This is one area of purpose that has been achieved. It certainly does liberalize investment and the acquisition of Canada by the Americans that not only makes it possible for them to accumulate our industry and our services, it permits them to control the means of investment through the provisions with respect to financial institutions. I have to concede, Mr. Speaker, that purpose (c) will be substantially achieved to the detriment of Canada and its future.

Let me come to subparagraph (d) which reads:

"—establish effective procedures for the joint administration of the Agreement and the resolution of disputes."

Nobody really believes the dispute settlement mechanism will achieve that. As a matter of fact, we can look forward to