

Canadian producers of energy from negotiating export prices that were higher than domestic prices.

The benefits of free trade for Manitoba Hydro were immense, according to the province's Industry, Trade and Technology Minister Jim Ernst. "What Manitoba Hydro gains is secure access to US markets for the sale of power," Mr. Ernst said. He added that Manitoba had invested about \$2 billion for the construction of a limestone plant. About half of the electricity generated by the new plant was expected to be exported to the United States (*Winnipeg Free Press*, August 20).

### **Environment**

A national coalition made up of about ninety groups held a series of news conferences across the country on September 22 to argue against the Agreement and release an analysis of the agreement. "If implemented, the trade deal will fundamentally undermine the principles of environmental protection and sustainable development in a way that no other event in our history has done," according to Steven Shrybman, a lawyer with the Canadian Environmental Law Association (CELA). He added that the Agreement would limit Canada's ability to control its natural resources, including energy, water, agriculture, forestry and mineral resources (*Globe and Mail*, September 23). Calling it the "Exotic claims department," the *Globe and Mail* editorial on September 30 observed that "at its core, the CELA report rejects free trade because trade leads to stronger, market-based economic growth, which is seen as inherently lethal to the environment. This is another of the flagrant, masochistic non sequiturs that devalue so much criticism of the Free Trade Agreement and about which we are doomed to hear much more during the election campaign."

### **Regional Development Programs**

On his departure as Canada's Deputy Trade Negotiator, Gordon Ritchie said in an interview that the United States unsuccessfully attempted to impose an annual \$10,000 limit per company on Canada's regional development programs during the final stages of the free trade negotiations. Instead the two parties agreed to begin a second round of negotiations, lasting up to seven years, to come up with a new set of trade laws and permissible subsidies. Until then, the two countries were to retain their own domestic laws and use a dispute settlement panel to ensure they were correctly applied (*Toronto Star*, September 2). The Minister of Western Economic Diversification, Bill McKnight, told the Commons that Canada and the provinces were free to assist and promote regional development under free trade as they were before. He added that "The Free Trade Agreement brings us under no other obligations regarding subsidies than we already have under GATT" (*Hansard*, September 1).

Canada's ten premiers at the conclusion of their 3-day annual meeting on August 19 in Saskatoon asked Prime Minister Brian Mulroney to spell out prior to the Free Trade Agreement taking effect the kind of assistance available for Canadian industry to adjust to increased competition (*Winnipeg Free Press*, August 19).

The Alberta Federation of Labor (AFL) launched a plant gate campaign to educate their 110,000 members of the "evils of free trade." AFL President Dave Werlin called the Free Trade Agreement a "sell out of Canada" and predicted that the country would lose its sovereignty and Canadians would become a source of cheap labor for American companies (*Edmonton Journal*, August 10).

The *Globe and Mail* reported on August 19 that Liberal leader John Turner had warned residents in Carbonear, Newfoundland that the Atlantic fish-processing industry could be threatened by the US interpretation of the Free Trade Agreement. "But the major impetus which free trade will give to New Brunswick's fishing industry will not be so much in the form of reduced tariffs, but rather the protection it offers Canadian fish processors against the last-minute implementation of countervailing charges or other duties," according to Bob Bourgeois, Executive Director of the Department of Industry, Science and Technology of New Brunswick (*The Times-Transcript*, September 9).

The beer industry's exemption from the Free Trade Agreement was seen as a major coup because industry insiders feared that Canadian breweries could have been easily swamped by larger American competitors. Molson Companies Ltd., whose board of directors met in Calgary on August 22, thought it had gained only a reprieve with worldwide economic trends pushing in the other direction (*Calgary Herald*, August 23). Canada's former Ambassador to the United Nations, Stephen Lewis, condemned the Free Trade Agreement, saying "Canada's distinctive culture would be eroded within 20 to 30 years" reported the *Winnipeg Free Press* on September 27. It added that Mr. Lewis told an NDP nominating meeting in Winnipeg-Transcona that his four years in New York had taught him that the United States did not live up to its international agreements.

### **House of Commons**

On Tuesday, August 30, leaders of the three federal political parties spoke in the House of Commons on the Free Trade Agreement. Summaries of their remarks follow.

**Brian Mulroney:** The Free Trade Agreement is necessary to secure access to our most vital market and is consistent with policies which are already strengthening our economy and improving the well-being of Canadians.... Free trade will help the regions of this country. It will do so by creating a broader and deeper pool of national wealth, not just by redistributing existing resources.... Free trade will help us to sustain our social security programs. Nothing endangers them more than economic decline. Nothing guarantees them better than an expanding economy. The values we have as Canadians and the distinctive quality of life we bring to North America will be enriched by free trade. By strengthening our economy, free trade will help us support cultural programs that enhance the capability of our artists, writers and performers to express themselves to Canadians and to the world. Free trade will also improve our capacity to strengthen our national pro-