

In fact, Clause 242 of our legislation requires that the two other signatory countries pass their implementing legislation before the Canadian act can be proclaimed into law.

We have before us the prospect of concluding side agreements, which would result in unprecedented co-operation in the fields of labour and environment.

These agreements would be beneficial for each country and would be good for North America generally. We do not want to lose this opportunity.

The negotiations on side agreements are a chance to make real gains for the environment and for our workers. But the agreements have to work. We have to get them right. That is why Canada firmly believes that these negotiations ought not to jeopardize, in any way, the benefits to be gained from creating an integrated market of 360 million consumers in North America.

The NAFTA brings down trade barriers among our three countries. Now we must be careful not to erect any new barriers to trade in these side agreements. Otherwise, we will be allowing a pall of protectionism to overshadow the benefits of this accord.

The Government of the United States has proposed the imposition of new tariffs in the event of violations of labour and environmental laws in any of the NAFTA signatory countries. Canada is fundamentally opposed to this use of trade sanctions. We believe that other, effective compliance tools are available, and we do not want to erect new trade barriers after having torn them down in the NAFTA.

The threat that protectionists in all three countries could hijack the process and harass their competitors with trumped-up charges would inject uncertainty into the NAFTA trade area, eroding the very confidence and predictability that the NAFTA was designed to create.

All three countries agreed that the NAFTA would be implemented on January 1st, next year. And Prime Minister Mulroney, President Salinas and President Clinton are all on record as not wishing to reopen the NAFTA itself. On the matter of the side agreements, while there are many areas of agreement among the NAFTA partners, there remain these differences. We are confident, nonetheless, that outstanding differences respecting these side agreements can be resolved in the coming weeks.

With respect to the NAFTA itself, you in the United States are experiencing for the first time the kind of debate that engaged Canadians four years ago, when we implemented the FTA.