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CANADA'S OBJECTIVES MET IN THE NORTH AMERICAN AGREEMENT ON ENVIRONMENTAL CO-OPERATION AND THE NORTH AMERICAN AGREEMENT ON LABOUR CO-OPERATION

The Honourable Tom Hockin, Minister for International Trade, said today that Canada met its objectives and negotiated strong and effective measures to protect the environment and workers across North America through side agreements with the United States and Mexico.

Mr. Hockin announced details of the North American Agreement on Environmental Co-operation and the North American Agreement on Labour Co-operation. The agreements were reached after several rounds of negotiations with U.S. Trade Representative Mickey Kantor and Mexican Secretary of Trade and Industrial Development Jaime Serra Puche.

"The agreements will provide the positive assurance that the three NAFTA partners will enforce their environmental and labour laws so that no country gains an unfair competitive advantage," Mr. Hockin said. "These side agreements represent a pledge to the people of North America that Canada, the United States and Mexico will pursue environmentally sustainable growth and promote the well-being of their workers."

Mr. Hockin said the new agreements contain effective enforcement mechanisms without creating new barriers to trade. "Canada was successful in proposing important safeguards for enforcement without instituting the kind of barriers the NAFTA was designed to eliminate."

The agreements aim to settle disputes through co-operation. But where countries fail to enforce their labour and environmental laws and do not correct the problem, they may be subject to fines paid into special environmental and labour funds. In Canada, fines will be enforced by domestic courts. The United States and Mexico, on the other hand, will face suspension of NAFTA benefits based on the size of the penalty. This could be in the form of a