
Social Programs

Social programs affect women both as workers and as consumers. Canada and the United States each has separate and unique social programs which have evolved according to different priorities. The Agreement does not affect Canada's network of social programs put in place by governments over the years. Nor will it affect the ability of either government to establish new programs and standards in support of social policies in the future.

During the trade discussions, Canada made it clear that government social programs would not be covered by the Agreement. Social programs not affected by the Agreement include, among others, medicare, child care, maternity benefits, job training, pay equity, the Canada Pension Plan, pensions for the disabled, and unemployment insurance.

The provisions of the Agreement do not change subsidy practices by either government. There is a commitment in the Agreement to work towards establishing a new set of rules to address problems of subsidization of exports within seven years of the Agreement coming into force.

However, subsidies which are universally available are not considered to be specific subsidies for exports. There have been no circumstances in the past where Canadian social programs have been subjected to countervail duties on the grounds of subsidization of exports and there is no reason to believe that they would be in the future.

During the past 40 years, Canada has been an active and leading participant in expanding trade through multilateral trade negotiations under GATT. Over the same period, Canada has continued to develop and expand its network of social services and programs. Canada's experience has shown that its ability to formulate and implement social programs which respond to the needs of Canadians has not been harmed by its participation in international trade agreements. In fact, the additional economic growth created by expanded trade has provided a firmer financial foundation for these social programs.