

- Wages often represent only a relatively small percentage of the total cost of production. Other important factors include technology, transportation, infrastructure, education, cost of capital, innovation, good management, etc.
- The world's most successful trading countries are high-wage countries like Japan, Germany, the U.S. and Canada.
- A NAFTA will increase economic activity. As Mexico's economy grows, wage rates will rise. *A more prosperous Mexico will be a better market for Canadian goods and services.*

Isn't Mexico a pollution haven?

- The environment has become a national priority for Mexico. In the last decade, the government has increased its spending on the environment eight-fold.
- All new investments must meet stringent environmental laws.
- Canada and Mexico are working together on *effective enforcement of environmental standards.*
- A stronger Mexican economy will provide the financial resources for environmental improvements.

When will a deal be concluded?

- Negotiators will take the time they need to reach a good agreement.
- Under any agreement, barriers will be lowered gradually. *Canadians will have time to develop strategies for the new North American market.*

TO RECEIVE INFORMATION:

Please call: (613) 993-6435 or 1-800-267-8376
 Fax: (613) 996-9709

or write: External Affairs and International
 Trade Canada (BPTE)
 125 Sussex Drive
 Ottawa, Ontario K1A 0G2

April 9, 1992