

**COMMONLY ASKED QUESTIONS**

***Is there a risk that Canada's high technical standards will be lowered ?***

No. On the contrary, the NAFTA ensures the right of each country to preserve its existing standards and technical regulations and to adopt new ones that are more stringent than international standards.

Harmonization of standards does not imply accepting either the lowest common denominator or the middle ground. The NAFTA standards chapter calls for co-operation in the enhancement of the protection of human, animal and plant life, and of the environment, and provides the impetus for Mexico to raise its standards.

***How can we be sure that these new rules on standards will not be used as barriers to trade?***

The NAFTA prohibits using standards as unnecessary obstacles to trade.

The NAFTA will encourage the establishment of similar standards in all three countries. In turn, this will make trade among the three countries easier. Industries will be encouraged to work together, on a sectoral basis, on developing new compatible standards that will be applicable throughout North America.

Industry associations have a vested interest in setting generally accepted standards for their respective sectors. Compatibility of standards will reduce the burden on multi-product Canadian companies trying to comply with the numerous North American standards currently in force.

***Have you done anything to prevent companies from avoiding tough Canadian environmental laws by moving to Mexico?***

Mexico has some of the toughest environmental legislation of any developing country (comparable to U.S. and Canadian legislation). It is now taking steps to enforce those laws.

The reality is that enforcing environmental laws takes money. Greater prosperity will enable the Mexican government to continue to clean up the environment -- and that means no longer tolerating companies that pollute.

The NAFTA includes a recognition by all three countries not to lower environmental standards to attract investment. The closer relationship fostered by the NAFTA will also bring closer examination of environmental practices by citizens of all three countries.