## Myth #4

- Regional development is threatened under the Agreement, say John Turner and Ed Broadbent.

## Facts

- As I have already outlined, the Agreement acts as a shield against misuse of U.S. trade law and against any harmful new changes to those laws. That gives new protections to regional development programs.
- Canada will continue to provide assistance for regional development under programs of general application, as we do, for example, through the Atlantic Canada Opportunities Agency. Again, if the U.S. were to suggest at some point over the next five to seven years some distorted approach to this issue, we would simply say no.

## Myth #5

 Mr. Broadbent has said that we will be forced to adopt (lower) U.S. environmental standards and we will be unable to provide assistance for anti-pollution equipment.

## Facts

- While under the Free Trade Agreement we will seek to eliminate differences in standards that operate as disguised barriers to trade, Article 603 recognizes that differences will continue to exist where necessary "to protect health, safety, essential security, the environment or consumer interests".
- As well, Article 1201 incorporates GATT Article XX which allows Canada to take measures to protect the environment, including "human, animal or plant life or health".
- These two provisions of the Agreement make clear that Canada has retained its sovereign right to take those measures needed to protect our environment, as we did earlier this year with the passage of the tough, new Environmental Protection Act.
- As for assistance for anti-pollution equipment, we consider this a valid domestic policy that does not offend the rules of trade. And the binding dispute settlement mechanism and the right to challenge new trade laws will help to protect our right to do so from any attack by protectionist forces in the U.S.