

Standing Committee on External Affairs and International Trade

In November 1992, a subcommittee of the House of Commons Standing Committee on External Affairs and International Trade began public hearings into the NAFTA. This subcommittee conducted public hearings across Canada. A large number of witnesses, including labour unions and business associations, appeared before the subcommittee. The subcommittee is expected to issue its report shortly.

Canadian Environmental Review

In October 1992, the Government made public the Canadian Environmental Review of the NAFTA prepared by an interdepartmental committee. The review was conducted in accordance with government policy requiring environmental assessments of policy initiatives. The NAFTA is the first major government policy initiative -- and the first trade agreement -- ever to undergo such an environmental review.

According to the review, it is unlikely the NAFTA will have a significant impact on the environment in Canada. The review also concluded there is likely to be minimal, or no, relocation of Canadian industry owing to projected differences in pollution abatement costs.

An Economic Assessment

The Department of Finance published a report on the NAFTA, entitled: "An Economic Assessment from a Canadian Perspective," in November 1992. This assessment concluded that:

- Canada's reason for joining the NAFTA is simple and straightforward: to maintain and enhance Canadians' living standards;
- The NAFTA represents a natural extension of the FTA. Canada safeguarded and improved gains made in the FTA;
- Most importantly, since Canada's main competition with Mexico is and will be in the U.S. market, the NAFTA assures that we will be competing on equal footing, subject to the same rules;
- Canada can compete with Mexico better inside the NAFTA than outside;