

Statement

Minister for
International
Trade



Déclaration

Ministre du
Commerce
extérieur

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**NOTES FOR AN ADDRESS BY
THE HONOURABLE TOM HOCKIN,
MINISTER FOR INTERNATIONAL TRADE,
ON THE SUCCESSFUL CONCLUSION OF THE NEGOTIATIONS
FOR THE NORTH AMERICAN AGREEMENTS
ON LABOUR AND ENVIRONMENTAL CO-OPERATION**

**OTTAWA, Ontario
August 13, 1993**

I am pleased to announce today that Canada, the United States and Mexico concluded last night two important agreements that will strengthen the co-operation among our three countries.

These agreements will enhance the protection of the North American environment and contribute to the maintenance and improvement of working conditions in the North American workplace.

They will also complement the stronger trading relationship already negotiated in the North American Free Trade Agreement (NAFTA).

The NAFTA, as signed last December, already recognizes the three partners' commitment to high labour standards and already contains important environment provisions that go beyond any previous trade agreement.

But the agreements we have reached today will strengthen and extend that commitment.

The preservation and the improvement of our North American land, water and air, and the protection and conservation of our plant and animal life, are absolutely essential to our future well-being.

All three partners recognized that no country can afford to build its industrial base on a foundation of polluting factories, in a short-sighted attempt to get a quick competitive advantage over others.

Such behaviour is in nobody's interest. Hurting the environment and wasting resources hurts the economy and shackles future growth.

Canada, Mexico and the United States know that. The North American Agreement on Environmental Co-operation that we have negotiated is a pledge of our strong commitment to environmentally sustainable growth.

This agreement provides the positive assurance that the three NAFTA partners will enforce their environmental laws. Through this accord, we confirm a compact with our own citizens to maintain an environment that is clean, healthy and abundant.

The NAFTA partners also realized the importance of improving quality working conditions and good labour-management relations as our economies expand under the trade agreement.

Economic growth for its own sake, growth that loses sight of the human dimension of the workplace, fails to recognize that people -- their knowledge, skills and experience -- are our greatest wealth.

The North American Agreement on Labour Co-operation embodies a solemn promise to uphold and rigorously apply laws on unsafe workplaces, exploitative hours, sex discrimination or any other device that would take unfair advantage of North American working men and women, or their children.

I know that Canadians want all North American workers to enjoy the highest labour standards, the best working conditions and the fullest freedom of association.

The Agreement is a firm commitment that Canada, Mexico and the United States will work together so that their workers receive the full benefit of their labour laws.

We agreed early on that, to be effective, these agreements had to contain measures to ensure enforcement of our environmental and labour laws.

They contain such measures. But let me make clear, here and now: Under these agreements, Canada will never be subject to trade sanctions.

When governments do not enforce their laws, they would pay fines into a fund to improve environmental and labour conditions.

Canadian courts would be responsible for imposing any penalties levied against Canada.

Mexico and the United States chose a different form of penalty. Their failure to enforce their laws subjects them to a suspension of NAFTA benefits, including a duty or tariff. In other words, a trade sanction.

We negotiated the NAFTA to knock down trade barriers. Under this agreement there will be no new trade barriers -- barriers that, we believed, would have handed a weapon to protectionist interests to undermine the benefits of free trade.

In the end, the most powerful mechanism for enforcing these agreements is our commitment to listen to each other's views, examine issues of concern and correct problems as they arise. The co-operative process outlined here will be the strongest guarantee of the proper application of our labour and environmental laws.

In Canada, the federal government shares responsibility for the environment with the provinces, and about 90 percent of the labour force is within their jurisdiction. This made the involvement and co-operation of the provinces vital throughout the negotiations.

Through consultations, we developed a co-operative framework that will permit the provinces to commit themselves to these agreements. It is our hope and expectation that they will choose to participate.

It is clear that all the provinces have an interest in seeing the labour and environment agreements work. Their participation will add an important dimension to the North American partnership.

The NAFTA and these side agreements represent a constructive model of countries working together for a cleaner, healthier and more prosperous world.

All Canadians have a stake in protecting the North American environment and contributing to good working conditions for all North Americans, now and in the future.

The new path of co-operation on which we embark today was made possible by the NAFTA itself. The trade agreement was the catalyst for these agreements.

I am proud of Canada's accomplishments at the bargaining table.

As with the NAFTA itself, I am proud to recommend these groundbreaking environment and labour agreements to the people of Canada.