

Tell your MP that CANADA NEEDS A BETTER TRADE POLICY



Governments and big business have spent the last 15 years telling us that free trade is good for us. But Canadians know better. Despite promises that free trade deals would make Canadian companies more competitive, Canada has consistently lagged behind the United States in both productivity and competitiveness since the implementation of the Free Trade Agreement (FTA) in 1989 and the North American Free Trade Agreement (NAFTA) in 1995. The new jobs created in the free trade era have been largely part-time and poorly paid. Social inequality in our country has grown as a direct result of workers' inability to earn a decent wage to support their families.

In the aftermath of the softwood lumber decision, even former supporters of free trade are arguing that NAFTA isn't working for Canada. Some have called for forceful retaliation against the U.S., while others have suggested that we should get out of NAFTA – before it's too late. The Council of Canadians believes that Canada needs a new trade policy – one that favours democracy, public services and the environment, over the “rights” of corporations to make a profit.

FOUR REASONS WHY NAFTA IS A BAD DEAL FOR CANADA:

NAFTA undermines democracy.

Foreign corporations use Chapter 11 to challenge environmental laws, municipal land-use controls, water protection measures, the activities of Canada Post, and even the decisions of judges and juries. While no Canadian citizen or corporation could bring forward these challenges, NAFTA grants corporations of member countries the right to challenge any federal rule or law that they perceive as a barrier to their ability to make a profit. The result is millions of tax dollars being spent to either fight or settle with these corporations.

NAFTA threatens health care and other public services.

The exemption for health care under NAFTA, which has largely kept U.S. for-profit health corporations out of Canada, applies only to a fully publicly funded system.

Once privatized, the system must give “national treatment” rights to American private hospital chains. The NAFTA exemption only applies to medicare as it stood in 1989, and doesn't provide protection for a possible expansion of medicare into new areas like homecare and pharmacare.

NAFTA strips Canada of control over our energy resources.

Canada now produces about 40 per cent more oil than it consumes, but has to rely heavily on imported oil from offshore. Thanks to NAFTA, Canada now exports 70 percent of the oil and 61 per cent of the natural gas we produce each year to the United States. NAFTA prevents us from selling our energy resources to Canadians at rates lower than we sell them in the U.S. And because of NAFTA's proportional sharing clause, we can't ever cut back on the amount of energy we produce and sell to the United States, even in times when our country runs short.

NAFTA could put our water up for sale.

Canadian water is defined as a “service” and an “investment” under NAFTA. The agreement's so-called water exemption is inadequate. After British Columbia banned bulk exports of lake and river water, the California-based Sun Belt Corporation launched a Chapter 11 challenge, seeking \$10 billion in damages. The case is still outstanding, and has profound implications for the future of Canada's water.

Current trade policies serve as a platform for deeper integration with the U.S. Our business and political elites are pushing for deeper ties with the U.S., and would see Canada privatize health care, join common security projects, give up sovereignty over our natural resources and harmonize our food and health policies with lower U.S. standards.

NAFTA is a bad deal for Canada, working families, our environment and our sovereignty. We want a trade policy that protects our democracy, social services, natural resources and way of life.

Visit www.canadians.org or call 1-800-387-7177 for more information on how you can support fair trade in Canada and around the world.