

# Environment and Free Trade

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The Chronology of the Canada-United States Free Trade Agreement and the North American Free Trade Agreement are provided in the two tables that follow.

For details about the environmental implications of NAFTA see:

Gale, Robert J.P. (1995) 'NAFTA and its Implications for Resource and Environmental Management', pp. 99-127 in *Resource and Environmental Management in Canada*, edited by Bruce Mitchell, Oxford University Press, Toronto.

**Table 5.1: Evolution of the Canada–US free trade negotiations**

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September 1981:	Government of Canada initiates a trade policy review
5 November 1982:	Prime Minister Pierre Trudeau appoints Donald S. Macdonald to chair the Royal Commission on the Economic Union and Development Prospects for Canada
31 August 1983:	Canada's minister of international trade proposes sectoral free trade with the US
Fall 1983:	The Canadian Manufacturer's Association and the Business Council on National Issues begin advocating freer trade with the US
January 1984:	Ronald Reagan (Republican) begins second term as US president
January 1984:	Minister of the environment creates the Inquiry on Federal Water Policy (the Pearce Commission)
4 September 1984:	Canadian federal election—Brian Mulroney (Progressive Conservative Party) becomes prime minister of Canada
22 October 1984:	Mandate of the World Commission on Environment and Development announced
November 1984:	Macdonald favours freer trade with US
March 1985:	Prime Minister Mulroney and US President Reagan hold 'Shamrock Summit' meeting in Quebec City to discuss trade issues
March 1985:	Council of Canadians (later Pro-Canada Network [1987]) hold meetings to oppose closer economic ties with US
5 September 1985:	Macdonald Royal Commission recommends freer trade with the US. Government of Canada later invites US to enter into talks
September 1985:	<i>Currents of Change</i> released by the Inquiry on Federal Water Policy (the Pearce Commission)
14 April 1986:	US Department of Commerce rules that Canadian softwood lumber exports are subsidized
21 May 1986:	Free trade negotiations begin
26–8 May 1986:	World Commission on Environment and Development holds public hearings in Ottawa
September 1986:	GATT Uruguay round of trade talks begin
November 1986:	Canada introduces a 15 per cent export tax on softwood lumber to negate a 15 per cent duty imposed by the US in October
27 April 1987:	World Commission on Environment and Development (Brundtland Commission) releases <i>Our Common Future</i>
23 September 1987:	Canada breaks off talks with US as negotiations reach an impasse on the crucial issues of subsidies and trade dispute settlement processes
24 September 1987:	National Task Force on Environment and Economy releases its report, which avoids discussing environment and trade issues
3 October 1987:	US deadline for fast-track free trade negotiations expires
4 October 1987:	Following hastily convened and frantic last-minute negotiations, the Canadian prime minister and US president announce a free trade agreement (FTA)
5 November 1987:	The Canadian environment minister announces that 'large-scale exports of Canadian water would not be government policy'
2 January 1988:	FTA signed with implementation effective January 1989
25 August 1988:	The Canada Water Preservation Act is introduced, but later dies when a general election is called
21 November 1988:	Prime Minister Mulroney wins general election
1 January 1989:	Canada-US Free Trade Agreement becomes effective

**Table 5.2: Evolution of NAFTA**

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January 1988:	George Bush (Republican) becomes president of the US
11 June 1990:	US President George Bush and Mexican President Carlos Salinas de Gortari (Institutional Revolutionary Party) agree to pursue negotiations for a US–Mexico free trade agreement beginning in 1991
5 February 1991:	The US–Mexico initiative is expanded to include Canada in the negotiation of a North American Free Trade Agreement (NAFTA)
1 May 1991:	US President Bush promises Congress that environmental and labour safeguards will be part of the NAFTA initiative
May 1991:	Environmental groups are divided on the desirability of NAFTA: The US National Wildlife Federation offers support; the Sierra Club and Friends of the Earth are opposed
12 June 1991:	NAFTA trilateral negotiations begin
1 August 1991:	US interest groups (Public Citizen, Sierra Club, and Friends of the Earth) launch a lawsuit against the negotiations for violating the National Environmental Policy Act—the suit is lost
August 1991:	A GATT panel rules against preventing the importation of tuna caught with nets that also kill dolphins, causing extensive criticism of GATT rules
3–14 June 1992:	United Nations Conference on Environment and Development held in Rio de Janeiro, Brazil
12 August 1992:	An agreement in principle is reached on NAFTA
17 September 1992:	NAFTA parties agree to consider environmental issues within the framework of a supplementary agreement
October 1992:	US environmental review of the probable effects of North American free trade released for public comment
October 1992:	Canadian government publishes its environmental review
17 December 1992:	The US, Canada, and Mexico sign NAFTA; ratification begins
January 1993:	Bill Clinton (Democratic Party) becomes US president and promises to negotiate NAFTA supplemental agreements on labour and the environment
17 March 1993:	Negotiations on supplemental agreements for environment and labour begin
23 June 1993:	The Canadian Parliament passes legislation to implement NAFTA
13 August 1993:	Negotiations for a North American Agreement on Labour Co-operation and a North American Agreement on Environmental Co-operation conclude
25 October 1993:	Canadian federal election—Jean Chretien (Liberal Party) becomes prime minister of Canada and promises to negotiate improvements to NAFTA
17 November 1993:	US House of Representatives passes NAFTA, implementing legislation; US Senate passes NAFTA legislation on 20 November
1 December 1993:	Prime Minister Chretien announces some improvements to NAFTA that profess to address Canadian concerns about subsidies, domestic energy security, and national sovereignty over water
15 December 1993:	GATT Uruguay round finalized; national ratification begins
1 January 1994:	NAFTA comes into force along with the Labour and the Environmental Co-operation Agreements
July 1994:	The Commission on Environmental Co-operation begins its work in Montreal