NAFTA: Be an Advocate

If you plan to contact your Senator or congressional representative about NAFTA, use the following information and statistics to help add data to your letter. You can <u>read more</u> about the below information in M. Holland's previous three articles discussing NAFTA.



Basics

- Trade agreement between U.S., Canada, and Mexico
- Passed on Jan. 1, 1994
- · One of the largest trading blocs in the world
- Eliminated tariffs, facilitated investment, integrated supply chains, and freed the movement of labor
- Kept North America competitive in the global marketplace



Results

- Quadrupled trade among U.S., Canada, and Mexico since 1994
- 14 million U.S. jobs dependent on trade with Mexico, Canada
- Estimated 200,000 U.S. jobs created annually because of NAFTA
- U.S. now Mexico's largest investor (>50%)



NAFTA Renegotiation

- · Started in August of 2017
- Main sources of dispute: auto requirements, sunset clause, dispute resolution mechanisms
- Has caused strategic uncertainty, loss of investment, and leverage tariffs



Without NAFTA

- · World Trade Organization tariffs of 3-6 percent
- Loss of dispute resolution mechanisms
- · Loss of legal framework for investment
- · Loss of freed movement of workers

STATE OF THE INDUSTRY



U.S. Plastics

- 1 million U.S. plastics jobs
- ~\$200 billion in planned investment.
- Estimated doubling of exports within four years



Plastics Trade with Mexico

- \$10+ billion trade surplus
- Largest merchandise surplus with any country
- Supplying technology-intensive components, materials and equipment to labor-intensive Mexican factories for assembly



Plastics Trade with Canada

- ~\$750 million trade surplus
- 93% of Canadian plastics exports go to U.S

