

Ottawa Journal by David Tilson MP ? NAFTA has been a benefit to both Canada and U.S.

The North American Free Trade Agreement (NAFTA) came into effect Jan. 1, 1994.

It built on the Canada-US Free Trade Agreement of a few years earlier. It has been the single most beneficial economic and trade agreement Canada has ever negotiated. Despite predictions of doom and gloom by the Liberals of the day, Canada and Canadians have benefitted enormously from NAFTA's provisions.

Most Canadians understand that our economy relies heavily on trade and that more than 70 per cent of our exports go south of the border. Roughly \$2.5 billion worth of goods is transacted between our two countries every single day ? the largest and most robust trading relationship anywhere in the world. Our supply chains are so tightly integrated that an automobile and its parts cross the border six or seven times before the final product rolls off the assembly line.

This past week, President Donald Trump revived his attacks on NAFTA, citing our dairy producers as well as our softwood lumber industry and calling out both for perceived unfair trading practices. Both of these sectors have been long-time irritants in an otherwise generally healthy cross-border relationship. The U.S. subsidizes both its lumber and dairy sectors, despite the President's rhetoric, and both sectors have strong lobbying efforts behind them in Congress. To suggest that Canada alone is the problem would be disingenuous.

The President has signaled on numerous occasions his intention to re-negotiate NAFTA. That's fine ? agreements can always be improved. There have been more than a dozen amendments to the agreement since its coming into force 23 years ago. However, the President's tough talk is belied by his inaction to date. He has yet to trigger the 90-day notice required to signal his intention to re-negotiate the agreement. He has yet to get his Trade Representative confirmed by the Senate. The signals coming from various corners in Washington are mixed at best, so it is somewhat puzzling as to just where the Trump administration intends to go on this issue.

The Trudeau government has wisely turned to former Prime Minister Brian Mulroney for advice and counsel on this file. Mulroney is uniquely placed to be of assistance, given that he is not only the architect of Canada's original NAFTA positions, but he also counts President Trump among his list of personal contacts. The Prime Minister would do well to heed Mulroney's advice on this file.

Canada is a trading nation. Our economy relies heavily on our trading relationship with the United States. However, the United States also relies heavily on its trading relationship with Canada ? 35 U.S. states have Canada as their top export market. If NAFTA is to be re-negotiated, in whole or in part, it will quickly become clear to the Trump administration just how important NAFTA really is to the U.S. economy. It is incumbent on the Trudeau government to remind President Trump and Congress of this fact at every opportunity.

