



# **The North American Economy & NAFTA**

**International Economic Development Council**

**Thursday, June 7, 2018**

**Consul General of Canada**

**Douglas George**



# **NORTH AMERICAN ECONOMY**

# North American Economy

The biggest economic region in the world

- \$21.1 trillion combined GDP
- 480 million consumers

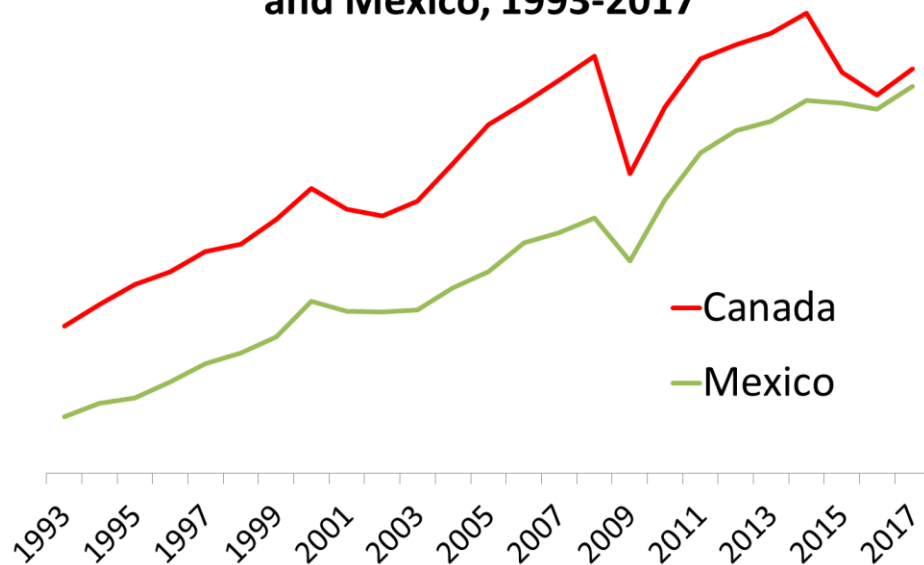


# Trilateral Trade Triples Under NAFTA

## Now exceeds \$1 Trillion annually

*(\$100 million traded per hour)*

**Total U.S. Two-Way Trade with Canada  
and Mexico, 1993-2017**



# North American Economy



**A Free Trade  
ECONOMIC POWERHOUSE**

**28% of global GDP  
with under 7% of the world's population**



# The Canada-Mexico Relationship



- **Mexico is Canada's 3rd most important trading partner (after the U.S. and China)**
  - **C\$43.3 billion** = two-way merchandise trade in 2017
  - **34.7%** = bilateral trade growth over the last five years
- **Canadian Direct Investment in Mexico increased by 66% between 2012 and 2016**



Nearly 14 MILLION U.S. JOBS are  
supported by trade with  
Canada and Mexico

Nearly 200,000 export related jobs  
are created annually by NAFTA

# We Make Things Together

- On average, Canadian goods sold to the U.S. contain **25% American** content
- Highly integrated supply chain networks enhance our **global competitiveness**





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# **CANADA'S APPROACH TO NAFTA NEGOTIATIONS**

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# Canada on NAFTA Negotiations

- At the table, finding creative solutions
- Making a good agreement even better
- Aligning NAFTA to new economic realities
- Creating a “Win-Win-Win” agreement

# Efficient Rules of Origin for Autos

- Reduce red tape
- Improve enforcement
- Increase NA steel and aluminum
- Incentivize investment in manufacturing and R&D





# Canada's Trade Agenda

- Effective Dispute Settlement
- Stronger Labour and Environment Provisions
- New Chapters on Trade & Gender  
and Trade & Indigenous Peoples
- Rules-based Trade

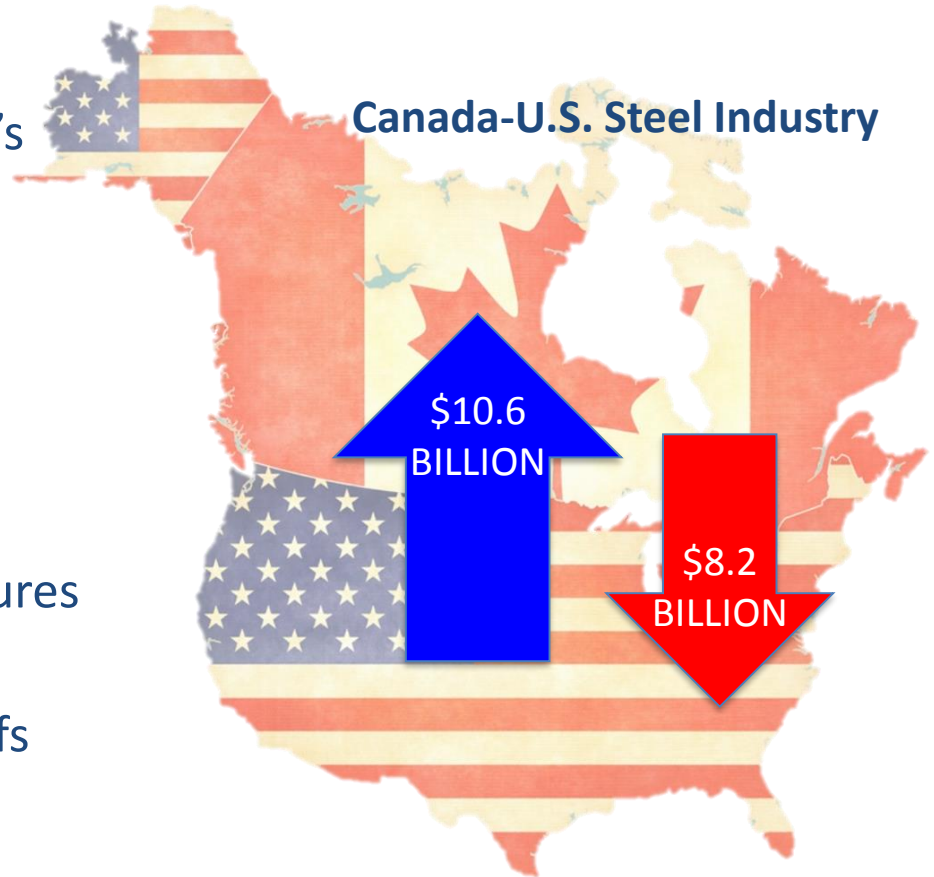
# Section 232 Tariffs on Steel & Aluminum

## Industry Facts

- Top destination for each other's steel exports
- Deeply integrated with significant cross-ownership

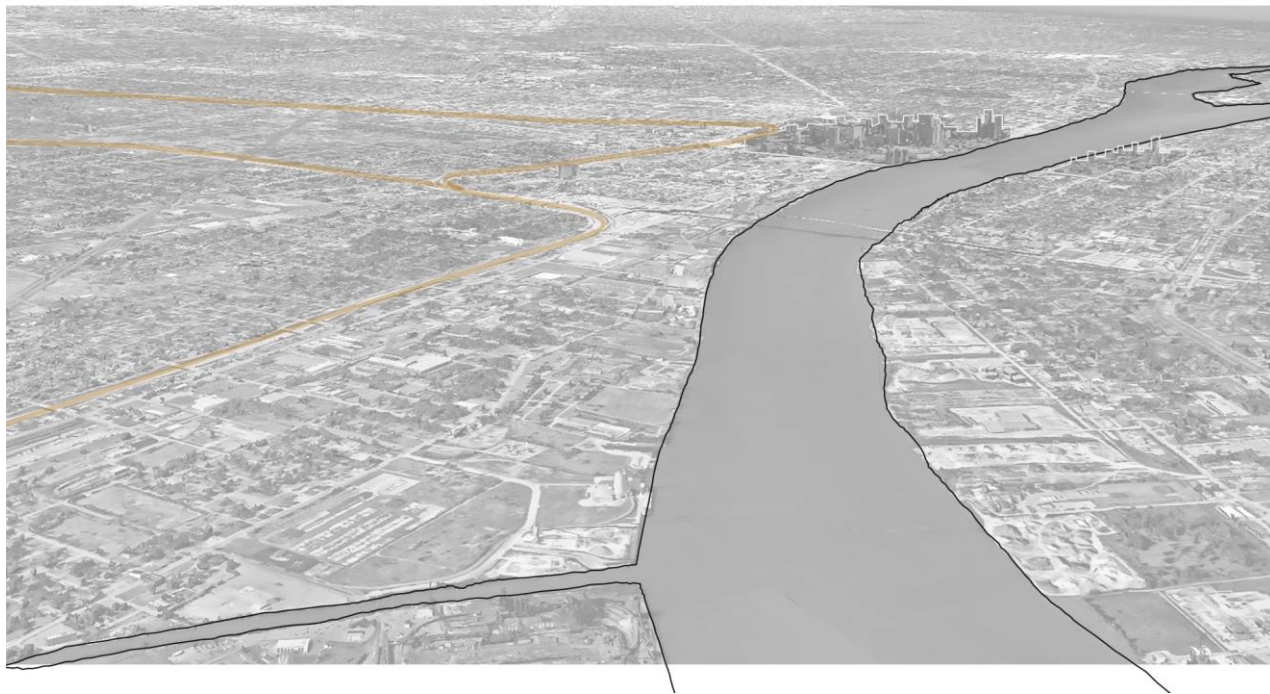
## Canada's Response

- Challenging these illegal measures under NAFTA and WTO
- Imposing dollar-for-dollar tariffs





# GORDIE HOWE INTERNATIONAL BRIDGE



# Questions?






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