

## Policy Directive 2018-01 Resolution Affirming NAFTA as a Trilateral Agreement

WHEREAS, the United States and Canada have one of the largest trading relationships in the world, and Canada is the United States' largest export market, valued at \$340 billion in goods and services; and

WHEREAS, the Council of State Governments West (CSG West) believes that free, open and reciprocal trade between our two countries will continue to strengthen the economies of both nations; and

WHEREAS, in 2017, trade between the United States and Canada totaled over \$1.6 billion in goods and services every day, supporting nearly 9 million jobs in the U.S., including nearly 1.1 million in the American West; and

WHEREAS, Canada is the leading export destination for 32 U.S. states, and the U.S. enjoyed a \$2.8 billion in goods and services with Canada in 2017; and

WHEREAS, U.S. trade with Canada and Mexico supports 14 million jobs, with 39 states counting Canada or Mexico as their top trading partner, with all but one state counting Canada or Mexico as a top three trading partner; and

WHEREAS, in the more than 20 years since the three countries entered into the North American Free Trade Agreement (NAFTA), North American trade has tripled from \$340 billion (in 1993) to \$1.1 trillion (in 2017); and

WHEREAS, North American integration under NAFTA has helped to make the region more competitive in the world economy by providing highly integrated and valuable supply chains, common rules and harmonized regulations that increase the speed and global competitiveness of our businesses, driving investment and imbedding value in each others' economic success, and providing jobs in North American communities that depend on efficient and effective supply chains; and

WHEREAS, agricultural trade has benefited under NAFTA, which removed trade barriers for U.S. farmers to sell products such as corn, beef and pork, which in turn increased the sale of U.S.-made farm equipment and supplies in North America; and

WHEREAS, Canada and the U.S. both support making targeted improvements to NAFTA that build on the enormously successful North American partnership and our shared competitiveness in the global marketplace; now therefore be it



RESOLVED, that CSG West commemorates the commitment of the U.S. and Canada to NAFTA; and be it further

RESOLVED, that CSG West supports a trilateral trade agreement that supports and enhances the integrated nature of our supply chains and results in the removal of tariffs on steel, aluminum and other goods ; and be it further

RESOLVED, that CSG West supports improvements that enhance the commitment and the success of NAFTA to ensure the agreement supports economic activities and job creation within our communities; and be it further

RESOLVED, that this resolution be submitted to appropriate state, federal and provincial officials.

Adopted this 15th day of September 2018 at the 71st CSG West Annual Meeting in Snowbird, Utah.