

**JOINT OP-ED - written by Montana State Senator Mike Cuffe and Saskatchewan MLA
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CONGRESS SHOULD MODERNIZE NAFTA AND RATIFY USMCA

Our manufacturers and farmers need the updated NAFTA. With the tremendous uncertainty caused by the trade war with China, we need to ensure that markets in Canada and Mexico are secure for businesses and farmers. Congress should move on this, and not hold it hostage for another year.

To their credit, House Speaker Nancy Pelosi, US Trade Representative Robert Lighthizer, and House Ways and Means Chairman Richard Neal have been meeting almost daily for the past several weeks to work out final details on labor enforcement with Mexico in the new agreement. We need to get this across the finish line before the end of the year.

The time is right to move forward on a modernized NAFTA trade deal. Approving the US-Mexico-Canada Agreement (USMCA) as soon as possible is critical for our farmers throughout the region and the thousands of small businesses and workers who depend on trade on both sides of our borders. The longer Congress waits to ratify the modernized agreement, the more that our farmers, businesses, and region will be impacted with uncertainty.

We are in an unprecedented time of uncertainty for trade. Tariffs have wiped out markets that our farmers and manufacturers have worked decades to secure, and businesses need the certainty that USMCA provides in key North American markets to make new investments. We have an opportunity now to ratify USMCA and strengthen the competitiveness of North America together as neighbors and allies. Ratifying the USMCA will help to alleviate some of the uncertainty holding back investment.

The effects of these trade wars are already being felt in the world of our agricultural producers and manufacturers, and it will not be long before the true impacts will begin to extend to each of us as consumers in rising costs of our North American products. Without a ratified trade deal, businesses will be unsure of the investments and long-term decisions that they can make and manufacturers cannot be confident in their supply chains that have taken years to develop.

The two of us just spent time with Robert Hamilton, the Washington Governor's trade advisor, at our recent Economic Leadership Forum in Seattle and he made clear the tangible impacts that tariffs are having on the state of Washington. U.S. tariff increases have cost Washington households roughly \$2.4 billion per year. Chinese investment in the United States has declined in just two years by 88% from \$46 billion to only \$5 billion. These are real numbers affecting real people.

The interconnectedness of our region is evident in the trade that crosses our borders every day. The U.S. and Canada benefit from the largest trading relationship in the world, with over \$714.1 billion USD of trade crossing the border annually, nearly \$2 billion USD every single day. Of

that two-way trade, \$22.6 billion USD (\$29 billion CAD) is in the Pacific Northwest alone. 55% of Saskatchewan exports go to the US, with 84% of Saskatchewan imports coming from the US. Every product we make depends on the integrated supply chains that cross our border many times before our products go to markets all over the world.

It is important to modernize the old NAFTA, and the USMCA will be a model for future trade deals. New chapters on digital trade, intellectual property, environmental and labor standards, and protections for small businesses make this a 21st Century agreement.

We call upon Congress and the Canadian Parliament to put aside partisan issues and pass this agreement because it is the right thing to do. It is the right thing for the US and the right thing for Canada. It is time for us to come together in North America to build our global competitiveness and strengthen our ties as friends and allies.

Senator Mike Cuffe represents Montana Senate District 1, which sits on the US-Canada border. He serves as President of the Pacific NorthWest Economic Region (PNWER), a bi-national and bi-partisan statutory organization made up of the 5 Pacific Northwest states and 5 provinces of territories of Western Canada.

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