



## **Canada's Premiers Advance Trade Partnerships**

**SAINT ANDREWS, NB, July 19, 2018** – Strong trading relationships are vital to Canada's economic growth and continued prosperity. To secure a better future for Canada's workers and communities, and to combat economic uncertainty from abroad, Premiers are enhancing existing trade relationships while building new partnerships in emerging global markets.

Canada and the United States are friends, neighbours, partners and allies – a relationship based on shared values, geography and common interests. This partnership has supported economic security for both countries. Premiers will further increase their coordination and collaboration in ongoing advocacy efforts to maintain and strengthen this relationship.

Building Canada's economy also requires reaching out to emerging markets and exploring new opportunities. Premiers will be actively engaged in supporting the development of new markets for Canadian goods and broadening Canada's trade relationships.

### **Canada-U.S. Relations**

The economic partnership between Canada and the U.S. is both long-standing and mutually beneficial. The North American Free Trade zone is the biggest economic region in the world, encompassing a \$29 trillion regional market of over 480 million consumers. In 2017, bilateral trade between Canada and the U.S. exceeded \$889 billion, representing over \$2.3 billion worth of goods and services crossing the border every day. Nearly nine million American jobs depend on trade and investment with Canada. Over half of all Canadian imports come from the U.S. (\$294 billion in 2017). Premiers stressed the integrated nature of the Canadian and U.S. economies and how the quality goods and services produced through this close-knit partnership help ensure continued prosperity for both countries.

Premiers emphasized the importance of continued, vigorous advocacy by Provinces and Territories, as well as the engagement undertaken to date by the federal government with U.S. counterparts, to reinforce the mutual benefits of the Canada-U.S. trading relationship. Through continued collaboration and coordination of their efforts, Premiers will reinforce the importance of trade relationships for Canadian and American workers and their families.

Premiers discussed a focused strategy to reach out to a broad spectrum of Americans on the benefits of trade between our two countries. As a part of this strategy, Premiers will build upon their strong relationships with U.S. State governors with a mission to Washington, D.C. during the winter meeting of the National Governors Association in February 2019.

Premiers are committed to continuing to work closely with the federal government to ensure that the interests of all Canadians are reflected in the renegotiation of the North American Free Trade Agreement (NAFTA). Free and open trade under NAFTA has led to significant benefits for all parties. It is important to take the time necessary to ensure a modernized trade agreement works for all.

Premiers oppose U.S. protectionist policies and unfair trade actions against Canadian industries which are hurting workers, families and consumers on both sides of the border. The recent tariffs on Canadian steel and aluminum imports into the U.S. are harmful to Canadian and American producers and workers. This

action by the U.S. Administration disrupts closely-linked supply chains that have made North American steel and aluminum more competitive around the world. Premiers reiterated their united support for the actions taken by the federal government as it responds to unfair and unreasonable U.S. tariffs. Premiers agree that any U.S. tariffs against Canada based on the premise of U.S. national security are unfounded.

Premiers expressed concern about the ongoing U.S. investigation on autos and auto part imports and emphasized the fact that they do not pose a national security threat to the United States. Tariffs could have major consequences on both sides of the border, given the high level of integration and interdependence of auto manufacturing in Canada and the United States.

Premiers are closely watching the U.S. investigation into uranium imports. Premiers will work with the federal government to ensure the investigation and any resulting trade actions do not impact Canadian uranium exports.

Premiers continue to be concerned about the recent unfounded tariffs placed on Canadian exports of uncoated groundwood paper (newsprint), and the ongoing dispute regarding softwood lumber. Premiers support the federal government's actions to fully challenge unwarranted U.S. duties. Premiers also expressed concerns about threats to Canadian agricultural products.

### **Enhancing International Trade**

Premiers recognize the need to expand trade and access new international markets is fundamental to Canada's continued prosperity. Premiers strongly support efforts to enhance international trade and commerce through international trade agreements, noting the opportunities created by the recent signing of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the strengthened trade relationship with Europe created by the signing of the Canada – European Union Comprehensive Economic and Trade Agreement (CETA). Premiers will undertake coordinated efforts to maximize the benefits of these new trade relations for Canadians.

Premiers stressed the importance, now more than ever, of diversifying trade relationships. They urged the federal government to move forward with new trade agreements in key markets, particularly in the Asia-Pacific region, to ensure access for Canadian goods in growing international markets.

As the federal government moves forward with current and future trade negotiations, Premiers reaffirmed their expectation to be actively and meaningfully engaged to ensure that provincial / territorial interests are fully considered and represented. Premiers note this expectation includes the active involvement and participation of Provinces and Territories in the implementation of trade agreements and their direct representation on trade agreement committee structures, including those related to CETA.

Given these and other challenges Canada is facing, Premiers urged the Prime Minister to call a First Ministers' Meeting on the economy before the end of the calendar year.

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