



Premiers Collaborate to Strengthen Canada – U.S. Relations

EDMONTON, July 18, 2017 – Premiers¹ remain focused on the benefits of trade, commerce and investment tied to Canada’s highly important relationship with the United States. This relationship is vital to the prosperity and economic security that Canadians and Americans enjoy today. As part of their discussion, Premiers met with Canada’s Ambassador to the United States, David MacNaughton.

Premiers have been actively engaged in discussions with U.S. decision-makers related to the importance of maintaining, and wherever possible, enhancing the free flow of trade across the Canada-U.S. border. In particular, Premiers completed a successful COF mission to Washington, D.C. in June.

Premiers committed to continued provincial and territorial engagement and advocacy efforts with U.S. national and state level decision-makers, as well as U.S. industry and business.

NAFTA

Canada and the U.S. are each other’s most important customers in trade, business and jobs. In 2016, bilateral trade in goods and services exceeded CAD \$841 billion, with 400,000 people and approximately CAD \$2.4 billion worth of goods and services crossing the Canada-U.S. border daily. The U.S. enjoys a goods and services trade surplus with Canada – the only surplus it has with a top five trading partner. Further, nearly nine million U.S. jobs and 1.9 million Canadian jobs depend on trade and investment with Canada. Mexico is also a valued trading partner of both Canada and the U.S., with trilateral trade reaching nearly CAD \$1.45 trillion in 2016. Annually, trade with Mexico creates approximately 4.9 million jobs in the U.S. and nearly 2 million Canadians travel to Mexico for both business and pleasure.

Negotiations to modernize NAFTA will provide Canada with the opportunity to ensure the new agreement is well suited to the realities of an integrated North American market. Similar to the successful CETA negotiations with the European Union, provinces and territories will be closely involved during all stages of the negotiation, including participating actively in the development of the Canadian negotiating strategy and having access to draft text of the agreement as it is prepared.

Premiers affirmed that free and open trade under the North American Free Trade Agreement has led to significant benefits for businesses, workers and communities in Canada, Mexico and the United States. As a result, there is a need to maintain market access for goods and services so that the gains achieved by the agreement will not be undone. Premiers note this is an opportunity to modernize and improve the agreement.

¹ John Horgan, Premier of British Columbia, did not attend the 2017 Summer Meeting of Canada’s Premiers.

Softwood Lumber

Premiers discussed the ongoing softwood lumber dispute with the U.S. and expressed significant concern with the unwarranted and unfair trade action launched by the U.S. Department of Commerce against Canadian softwood entering the U.S. Premiers unequivocally reject the U.S. Lumber Coalition's baseless and unfounded allegations that Canadian softwood lumber exports are subsidized.

The imposition of duties hurts communities in Canada where forestry is a major economic driver and disproportionately affects small- and medium-sized lumber businesses. These preliminary duties will also hit U.S. communities and middle class families hard through increased housing prices and job losses. The U.S. National Association of Home Builders estimates over 11,300 full-time American jobs will be lost in 2017 alone.

Premiers reaffirmed their commitment to work shoulder-to-shoulder with affected Canadian communities and workers impacted by the preliminary duties. Premiers will continue working with the federal government to secure a fair, new softwood lumber agreement with the U.S. and defend Canada's interests through litigation if necessary.

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