



Trading with our Neighbors – a Canadian Perspective

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Government
of Canada

Gouvernement
du Canada

Canada

THIS IS *Canada*



We Built This Continent Together!



...₃ And We Defend It
Together!



We Built an Integrated Economy





Canada-US: The largest, most successful bilateral trade relationship in the world

The U.S./Canada bilateral annual trade and investment relationship is \$544.1 billion (\$1.5 billion a day; \$1.3 million every minute)

The U.S. has a substantial surplus in manufacturing goods

No.1 customer overall

Canada buys more from the US than China, Japan and the UK combined

No. 1 customer for 35 states, #2 or #3 for 15 others

Nearly 9 million US jobs depend on trade and investment with Canada

For every \$1 the U.S. buys from Canada, \$0.25 worth of that product originated in America

A relationship that is fair and balanced

Canada & Colorado

Closer Than You Realize

Canada is Colorado's #1 customer

Canada-Colorado Trade = \$6.0 Billion annually

141,200: Colorado jobs that depend on trading with Canada

Key Colorado Exports to Canada:

Agriculture (35%)

Equipment & Machinery (29%)

Energy (9%)

Minerals & Metals (8%)

Transportation, Chemicals (5% each)

- Canadian tourists spent \$126 Million visiting CO in 2016

Impact of NAFTA



- ❖ January 1, 1994 the North American Free Trade Agreement (NAFTA) was signed by Canada, the US & Mexico
- ❖ NAFTA created what is today a USD \$19 trillion regional market with 470 million consumers
- ❖ In 1993, trilateral trade within the North American region was USD \$289 billion. In 2015, trilateral trade reached USD \$1 trillion – nearly a fourfold increase.
- ❖ We sell more to each other, and we make things together (Factory North America)
 - ❖ About half of US trade with Canada and Mexico between related companies



Modernizing NAFTA

- ❖ Canada agrees that NAFTA can be modernized
 - ❖ The agreement has been amended 11 times to date
 - ❖ Opportunities could include adding chapter on digital trade
- ❖ Canada's clear objective: preserve and build on the gains achieved, to out-compete the rest of the world!
 - ❖ Creating barriers to intra-NAFTA trade and investment will hurt our economies, and advantage our competitors
 - ❖ Protectionist measures (tariffs, quotas, Buy America, border tax) hurt Canada but also US businesses and consumers: higher costs = less competitive, fewer projects
- ❖ Negotiate trilaterally as much as possible
- ❖ Negotiations have not started yet – Canada is getting ready
 - ❖ Initial dialogue with Administration positive and constructive
- ❖ Canada will strongly defend its interests



Parting Thoughts

“Our nations are linked not only by continent, but also by culture, by commerce, and by common interest. We have long shared core values and a commitment to free enterprise, free markets, and open trade. (...)

Let me say right up front that withdrawing from NAFTA would be devastating for the workers, businesses, and economies of our countries. (...)

Under NAFTA, Canada and Mexico are the top two U.S. export markets in the world. The jobs of 14 million Americans depend on the agreement.”

U.S. Chamber President and CEO Tom Donohue
February 7, 2017



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