

THE NEW ENGLAND COUNCIL

June 10, 2019

To the Members of the New England Congressional Delegation:

I am writing today to respectfully encourage you to support the ratification of the United States-Mexico-Canada Agreement (USMCA) that will modernize our regulatory frameworks, tighten compliance standards among our three nations, and bring prosperity to all parties for years to come.

The New England Council is a long-time supporter of free trade, which allows businesses across our region to buy and sell goods and establish direct investments in markets around the world without impediment. The people of the United States have been fortunate that our nation has enjoyed decades of relative prosperity brought about in part by close trade relationships with our neighbors and other like-minded nations. The Council believes that it is perfectly natural to seek to upgrade some of those relationships, notably the North American Free Trade Agreement (NAFTA), which was negotiated over a generation ago. Critical sectors in our economy were nonexistent when NAFTA was first negotiated, and most agree that the parties must upgrade this historic agreement and bring our trade relations into the 21st Century.

The importance of these trade partnerships is central to New England's economy. The U.S. Department of Commerce has identified Canada as the premier goods export market for businesses in four New England states representing nearly \$8.8 billion in goods' export value in 2018 for all six states. Exports from our six New England states to Mexico according to the Commerce Department totaled nearly \$4.2 billion in 2018, and in five states Mexico is a "top ten" goods export market. Canada estimates that in 2018, service exports from our six states totaled more than \$3.3 billion to areas north of the border, and that more than 430,000 jobs in New England rely on trade and investment with Canada. This will only be bolstered by the USMCA, as the U.S. International Trade Commission recently estimated the agreement will increase U.S. national employment by upwards of 176,000 jobs and raise U.S. real GDP by \$68.2 billion. Arguably, thousands of those jobs would materialize in New England, and billions in GDP growth would resonate in our region as well.

The New England Council understands that concerns have been raised about the USMCA, particularly regarding labor, environment, and pharmaceutical regulations, and the efficacy of enforcement mechanisms. Members of Congress have asked legitimate questions about these issues and deserve to receive answers and clarification of the provisions of the USMCA. The New England Council remains confident that such concerns can be satisfactorily addressed, and our members would welcome an opportunity to discuss the benefits of this agreement as the ratification process progresses.

The New England Council

98 North Washington Street, Suite 201 • Boston, Massachusetts 02114 • (617) 723-4009

1411 K Street, NW, Suite 700 • Washington, DC 20005 • (202) 547-0048

www.newenglandcouncil.com

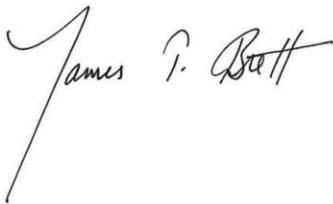
June 10, 2019

Page 2

Additionally, because the New England Council is supportive of the USMCA, we are heartened that there has been a resolution on the issue of aluminum and steel tariffs levied against Canada and Mexico. As you are likely aware, the continuation of these tariffs would have been a key stumbling block towards the approval of USMCA in Canada and Mexico, as well as garnering support from key leaders in the House and Senate. With the removal of these tariffs, both nations appear closer to finalizing the USMCA process and an obstacle appears to have been lifted for some in Congress.

Like most Americans, we at the New England Council are interested in ensuring that our economy continues to flourish, job growth proceeds on an upward path, and we further our ties with our partners and neighbors. The New England Council believes that the USMCA will maintain a balanced trade relationship with Mexico and Canada, and support economic growth and American jobs for years to come. We respectfully urge your positive consideration of this agreement as the ratification process moves forward in Congress.

Sincerely,

A handwritten signature in cursive script that reads "James T. Brett". The signature is written in black ink and is positioned to the left of the typed name.

James T. Brett
President and CEO

The New England Council

98 North Washington Street, Suite 201 • Boston, Massachusetts 02114 • (617) 723-4009

1411 K Street, NW, Suite 700 • Washington, DC 20005 • (202) 547-0048

www.newenglandcouncil.com

The New England Council

98 North Washington Street, Suite 201 • Boston, Massachusetts 02114 • (617) 723-4009

1411 K Street, NW, Suite 700 • Washington, DC 20005 • (202) 547-0048

www.newenglandcouncil.com