

NAFTA AT-A-GLANCE



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PRESIDENT
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CPMA  ACDFL

What We Know

- USA - Congress must give 90 day notice to negotiate with Canada and Mexico
 - USTR gave notice to Congress on May 18th, 2017.
- USA - Publish intent 30 days before negotiations.

Trading Partners

- Canada and the United States are the world's largest trading partners
- Bilateral trade in goods and services exceeded USD\$635 billion (CAD\$841.1 billion) in 2016.
- Canada is the top trading partner for most states. Nearly 9 million U.S. jobs depend on trade and investment with Canada.
- Canadian companies operating in the U.S. directly employ 500,000 Americans.
- 400,000 people cross the Canada–U.S. border daily

The Produce Numbers

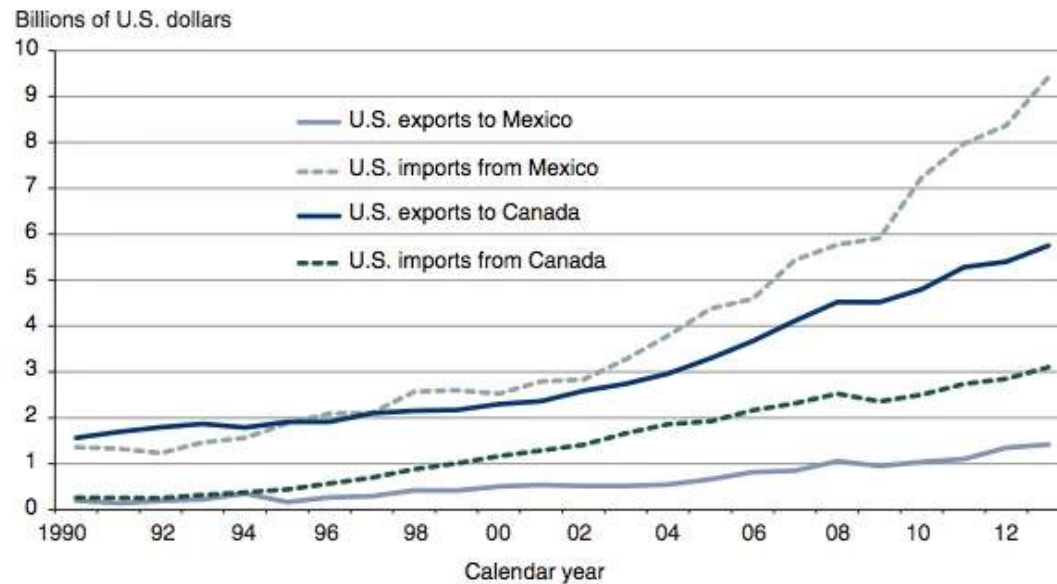
- Economy wide, Canada and Mexico are the second- and third-largest trading partners, respectively, for the U.S., behind only China.
- The U.S. had a \$3 billion trade surplus with Canada in 2015 (in agricultural products). U.S. imports from Canada totaled \$22 billion, Canada imports \$25 billion.
- U.S. is the largest fresh fruit and vegetable market for Canada.
- US fresh fruit and vegetable imports from Canada is \$2.3 billion (cdn) in 2016.
- Canadian fresh fruits and vegetable imports from the US is \$4.2 billion (cdn) in 2016.
- The volume of agricultural trade has increased six-fold between the U.S., Canada and Mexico.

Sources:

ustr.gov/countries-regions/americas/Canada

Fruit and Vegetable Growth Under NAFTA

U.S. fruit and vegetable trade with Canada and Mexico has grown substantially during the NAFTA period



Notes: NAFTA = North American Free Trade Agreement.
Trade data in this figure include juice.
Source: USDA, Economic Research Service using data from USDA/FAS (2014a).

UNITED STATES-CANADA AGRICULTURE AND AGRI-FOOD TRADE 2015: *Let's keep a good thing growing!*



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TOTAL U.S.-CANADA AGRICULTURE AND AGRI-FOOD TRADE = \$47B

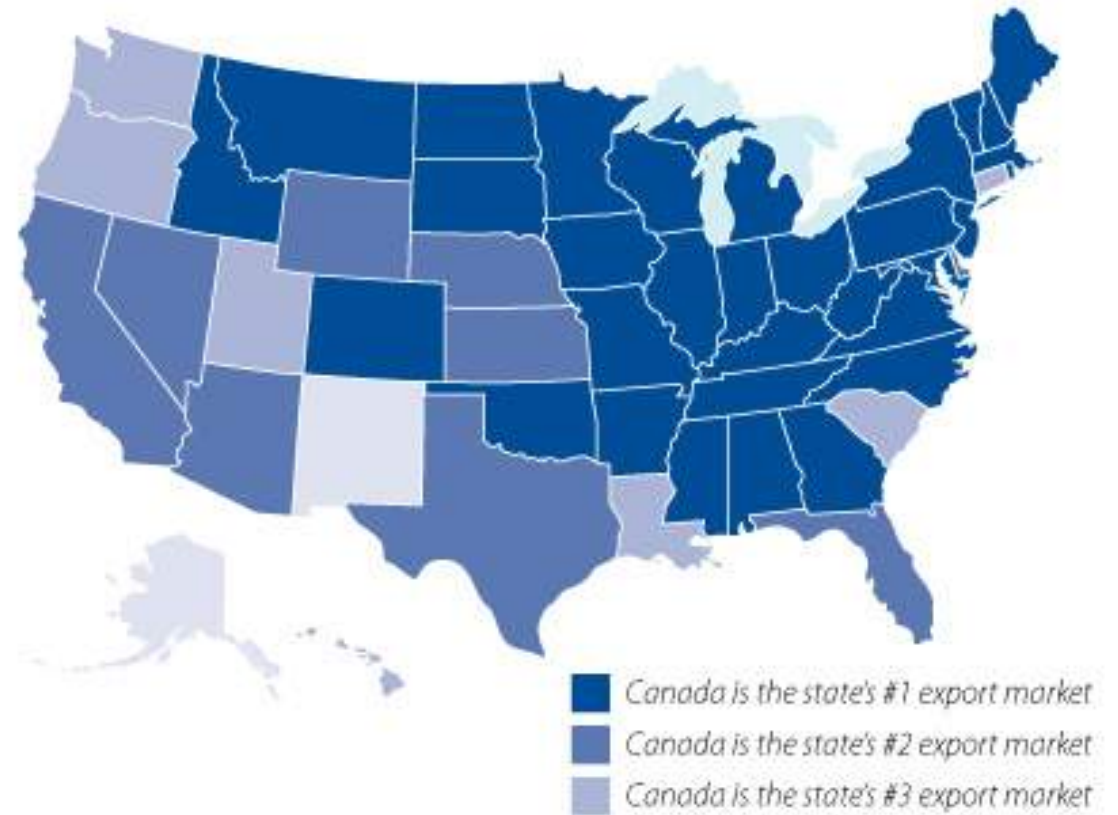


Top 5 U.S. Exports to Canada		Top 5 U.S. Imports from Canada	
1. Fruits and Nuts	\$3.5B	1. Meat	\$2.4B
2. Vegetables	\$2.7B	2. Animal Feed	\$1.7B
3. Prepared Vegetables, Fruit and Nuts	\$1.9B	3. Baked Goods, Pasta, Mixes, Doughs	\$1.6B
4. Meat	\$1.6B	4. Vegetables	\$1.5B
5. Beverages	\$1.0B	5. Cereal Grains	\$1.4B

↔ = Two-way United States-Canada trade in agriculture and agri-food products
M = Million B = Billion
Data source: U.S. Census Bureau
All figures in U.S. dollars and based on 2015 data (as of May 2016), including re-exports.
E-mail: MAS-SAM@agr.gc.ca

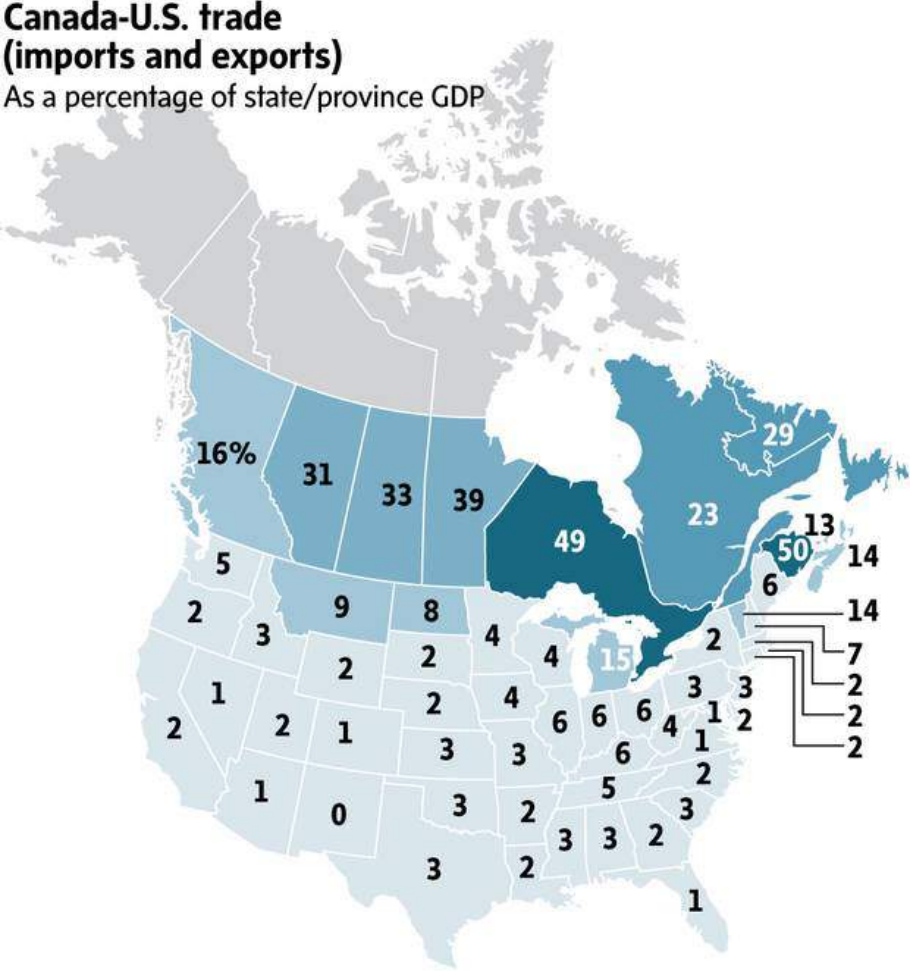
For more information: www.agr.gc.ca/agpartners
Follow the conversation on Twitter using #agpartners

The Trade Importance of State Input



Source: http://can-am.gc.ca/business-affaires/fact_sheets-fiches_documentaires/index.aspx?lang=eng

Economic Impact to Canada



Source: Globe and Mail

Challenges and Impacts

- What could we lose? What are the trade offs? Apples for softwood lumber?
Cherries for automotive parts?
- Tariffs and the proposed Border Adjustment Tax (BAT)?
- Alternative markets for procurement?
- Impact of changes to trade on consumer pricing?
 - Higher prices passed on to consumers?
 - Maintain consumer price through vendor reductions...grower gets less!

Current CPMA Initiatives

- Working with the North American Trade Committee (NATC) which met in May at the Toronto Convention and Trade Show.
- Developing an Advocacy Plan to engage:
 - Elected officials on issues of concern to CPMA members
 - Key negotiators and government staff within both Canada and the USA.
- Engaging with government officials through the Agricultural Trade Negotiations Consultation Group (ATNCG).
- Engaging with key produce stakeholder associations within NAFTA countries.
- Working with new Chair, Rick Alcocer, on a US outreach strategy.
- Provide Produce industry with up to date information