NAFTA:
CPA SUPPORTS **MENDING IT OR ENDING IT**

KILLED INVESTMENT IN U.S.

NAFTA caused Mexico to become a more attractive investment location than the United States.

KILLED U.S. MANUFACTURING

Companies moved large parts of our automotive, machinery, equipment and electronics manufacturing from the U.S. to Mexico for re-export to American consumers.

KILLED U.S. JOBS

The result was job losses and wage suppression in industries directly and indirectly affected.

A NEW NAFTA SHOULD:

- ✓ Narrow the U.S./Mexico trade deficit. The U.S. had a trade surplus with Mexico before NAFTA. Our second largest bilateral deficit was with Mexico in 2017. This imbalance must be substantially narrowed.
- ✓ Tighten rules of origin to require higher U.S. and North American content for favorable tariff treatment. We should not allow third country imports to free ride on any NAFTA benefits.
- ✓ Include periodic review with an off-ramp. Require a review every five years and allow countries to withdraw. This forces countries to rebalance the agreement periodically to address new problems.
- ✓ End Investor-State Dispute Settlement (ISDS) which encourages offshoring by socializing multinational corporations’ risk when they choose to invest overseas rather than here.
- ✓ Reinstate country of origin labeling for beef and pork to stop the ongoing deception whereby meat from foreign animals is labeled as an exclusively U.S. product.
- ✓ Include enforceable and effective labor standards to lessen the investment attraction of low wage countries.
- ✓ Include effective controls on currency manipulation and misalignment that frustrate tariff concessions by taxing American exports and subsidizing imports.

WE SUPPORT AMBASSADOR LIGHTHIZER’S EFFORTS