

M e s s a g e

f r o m t h e M i n i s t e r



This year marks the fifth anniversary of the North American Free Trade Agreement (NAFTA) between Canada, Mexico and the United States. By any measure, it has been an unqualified success for Canada and for our NAFTA partners. This Agreement has helped us build a true NAFTA family where our peoples can collectively enjoy the benefits of a unique political, economic and cultural partnership.

The numbers speak for themselves. Canada's exports to the United States and Mexico have grown by 80% and 65% respectively since the NAFTA was implemented on January 1, 1994. Indeed, trade and investment flows

between all three NAFTA partners have increased substantially as a result of the Agreement. The Canadian economy continues to expand, and more than one million new jobs have been created in Canada since the NAFTA came into force.

Last year, my U.S. and Mexican colleagues and I launched a comprehensive review of the NAFTA to examine achievements to date and to set priorities for the road ahead. This review highlighted a number of important achievements. Tariff elimination is proceeding ahead of schedule, non-tariff barriers to trade are being removed, and the NAFTA parties' standards regimes are being made more compatible in areas like telecommunications and transportation. All of these improvements have made it easier than ever for Canadians to succeed and do business across North America.

Yet there is still more work to be done. Important discussions are underway to clarify the expropriation and compensation provisions of the NAFTA's investment chapter to provide greater certainty as to the parties' intent in this area. We are also looking to achieve greater transparency in the NAFTA institutions as a whole, including the investor-state dispute settlement procedures. The more Canadians understand about the Agreement, the more their already high level of support for the NAFTA will be strengthened.

While the vast majority of trade between the NAFTA members flows unimpeded, the NAFTA's rules have created a strong framework where we can resolve disputes when they do arise. This has provided stability and predictability to entrepreneurs in all three countries. Clearly, this has helped multiply the number of business opportunities for Canadian firms and made North America one of the most dynamic and prosperous trade areas in the world.

The NAFTA provides preferential and secure access to the rich North American markets, which is particularly reassuring at a time of global economic uncertainty and turmoil in many other international markets. As we look ahead to the next five years, I am confident that the NAFTA will continue to serve as a powerful locomotive for increased trade, investment and jobs for all Canadians.

A handwritten signature in dark ink that reads "Sergio Marchi". The signature is written in a cursive, flowing style.

Sergio Marchi
Minister for International Trade