

Economic Integration: Flooded with Cheap Imports

QUESTION

Won't the FTAA flood Canada with cheap imports? The U.S. is one thing, but how can we compete with third-world countries on wages/production costs?

SUGGESTED REPLY

- FTAA negotiations are scheduled to take place over some seven years and there is therefore no immediate threat of increased imports from FTAA countries.
- Based on our experience with Mexico (through the NAFTA) and Chile (through our bilateral free trade agreement), we see no reason to expect a "flood" of cheap imports. What we do expect is that trade will increase in both directions, to and from FTAA countries, resulting in more jobs and growth for Canada.