

# Austin American-Statesman

## CANADA TRADE DEAL GIVES TEXAS BIZ LEADERS SOMETHING TO CHEER ABOUT

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*By Bob Sechler*

Business executives across Texas celebrated the last-minute deal reached late Sunday that enables Canada to join a revised trade pact between the United States and Mexico and preserves a trilateral relationship that has governed commerce on the continent for nearly 25 years.

The accord with Canada — Texas' No. 2 trading partner behind only Mexico — was reached just as the Trump administration's self-imposed deadline for negotiations was set to expire.

An estimated \$22.8 billion in Texas exports to Canada, as well as 400,000 Texas jobs tied to trade with the country, were at risk if the talks had ended in stalemate. The new pact with Mexico, which accounts for about \$97 billion in Texas exports, was reached in late August.

Negotiations were "often contentious," **Gay Gaddis, Chairman of the the Texas Business Leadership Council,** said in a written statement. But the agreement between the three countries "is great news for Texas and the United States," she said.

The **Texas Business Leadership Council** — a network of Texas-based senior executives — also said it is "all but inevitable that business investments such as new job creation and facility expansion will increase" as a result of the new continent-spanning trade deal.

Political leaders voiced cautious optimism Monday over the new deal with Canada, although they made clear that the details of the revised trilateral accord still must be reviewed before they sign off on it.

President Donald Trump has called the North American Free Trade Agreement — which is the existing pact between the United States, Mexico and Canada — "the worst trade deal in history," and he has vowed to rewrite it. He has dubbed his revised trade deal "the U.S.-Mexico-Canada Agreement," although others referred to it as a modernized NAFTA.

"Millions of American jobs are supported by NAFTA, and in Texas, it's the cornerstone of our economy," U.S. Sen. John Cornyn, R-Texas, said Monday. "This (new) agreement is a positive step toward maintaining a strong, unified North American economy, and I look forward to reviewing the details."

U.S. Rep. Lloyd Doggett, D-Austin, said he is "hopeful that a truly improved NAFTA with both of our top two trading partners can be approved by a new Democratic Congress next year." But Doggett said he still must see the full text of the revisions and other details before he can make "a final evaluation and determination of what further adjustments may be needed."

Regardless, many Texas business groups said they were just happy Canada hasn't been left out.

The Texas Association of Business noted that about 1 million Texas jobs are tied to trade with Mexico and Canada, and the group said it expects the new agreement to increase that figure.

"We look forward to continuing our work with the United States trade representative and the Department of Commerce during the ratification" of the new trilateral deal, said Jeff Moseley, president of the Texas Association of Business.

The Texas Oil and Gas Association also heralded the success of the negotiations with Canada, saying "Texas is home to those who understand the value in strong relationships with our neighboring countries."

The pact "will move us toward North American energy security and continued improved relationships with our closest trading partners," the group said.