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ITAC Industry Insider Newsletter

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A modernized NAFTA agreement between Canada, the US and Mexico? Still a work in progress.

After about a year of negotiations, on August 27, President Trump struck a preliminary trade agreement with Mexico, and again threatened to leave Canada out of an updated three-country pact. However, afterwards negotiators from all three countries have said they will continue to work toward a trilateral deal.

The Trump administration notified Congress last week that it could enter into a new trade deal with Mexico, but legislative procedure [would allow Canada to enter into the agreement up until September 30](#) — when the text of the trade pact must be submitted to Congress. Some US Senators that are reliant on trade Canadian have already said they will push back on any exclusion of Canada.

ITAC has been in contact with Global Affairs Canada (GAC) to receive an updated briefing on the technology files. While they have reported back that they are fully focused on supporting Minister Freeland, who is leading the negotiations on behalf of Canada, at this time GAC officials are not welcoming direct communications with stakeholders — including ITAC — as they attempt to negotiate.

GAC has promised continued calls with ITAC and other stakeholders as soon as it is feasible. As well, we will also arrange an ITAC specific call with GAC technology sector experts to brief us on specific details of a new agreement or progress made.

From the start of the NAFTA negotiations, ITAC has emphasized support for and the need for a modernized NAFTA agreement between Canada, the United States and Mexico, and that North America continues to be at the forefront of technology trade in the global marketplace. This agreement should not just be focused on cows and cards. Protectionism will not help the tech sector; we need to find ways to ensure that these three countries to work together. NAFTA is vital to industry's success, and Canada's ability to reach new customers, markets and investors.

It is quite simply our hope that a deal can be made that will build upon the previous agreement in a way that incorporates the new realities of the digital world we live in. We are hopeful for a trilateral North American agreement that will benefit our industry and our citizens for generations.

We will continue to follow the negotiations closely and will keep you apprised of any further contact with Global Affairs Canada. Should you have any questions in the meantime, please contact Nevin French, Vice President, Policy, at nfrench@itac.ca.