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Contact: Ufuoma Otu, (202) 454-5108, uotu@citizen.org

Matthew Groch, (202) 454-5111, mgroch@citizen.org

NAFTA Notice: A Final Deal Must Be Judged on Whether It Will Stop NAFTA's Serious Ongoing Damage

Statement of Lori Wallach, Director, Public Citizen's Global Trade Watch

Note: The Trump administration gave notice to the U.S. Congress on Friday, Aug. 31 of its intent to sign a renegotiated North America Free Trade Agreement (NAFTA). Aug. 31 is the last day to give notice for a deal to be signed by outgoing Mexican President Enrique Peña Nieto. The U.S. reached agreement with Mexico on new terms, but talks with Canada are ongoing. The text of any deal would be made public only after 30 days' notice. While much attention has been given to whether various deadlines can be met and the political and legal implications of various scenarios, the fundamental question is whether the content of a new agreement can halt NAFTA's ongoing damage:

“We understand that progress has been made on some essential NAFTA changes we have long sought, like razing NAFTA's investor tribunals where multinational corporations have grabbed \$392 million in compensation from North American taxpayers after attacking environmental and health policies. But swift and certain enforcement of what we understand are improved labor standards is lacking and must still be added or U.S. corporations will keep outsourcing jobs to Mexico to pay workers a pittance, dump toxins and import products back to the U.S. for sale here.

Given the encouraging news about some of the key NAFTA changes we have long sought, we are closely monitoring the ongoing process with respect to improvements in labor enforcement that are necessary to counter NAFTA job outsourcing. We also closely monitoring the ongoing negotiations with Canada where several important consumer protection issues are at stake, including extended monopoly rights for pharmaceutical corporation that would increase medicine prices. Ultimately, we must see the final text to know whether our demands have been met.

Any final deal must be judged on whether it will stop NAFTA's serious ongoing damage, given the pact now helps corporations outsource more jobs to Mexico every week (Almost one million American jobs have been government-certified as lost to NAFTA) and launch new NAFTA investor attacks on health and environmental laws after already \$392 million has been grabbed from taxpayers.

As we have made clear since Day One of renegotiations, the only agreement that can achieve broad support must end NAFTA's job outsourcing incentives and Investor State Dispute Settlements tribunals – where corporations can attack our laws – and add strong environmental and labor terms with swift and certain enforcement to raise wages.

It may seem improbable that this administration could be making changes progressives have long sought, but public anger over outsourcing has made it impossible for business-as-usual trade

agreements to get through Congress. The big questions are whether Trump will deliver a final deal strong enough to meet his election promises to return manufacturing jobs and cut the large NAFTA trade deficit and if so, whether Republicans in Congress would buck the corporate lobby and support a deal that would end NAFTA's job outsourcing incentives and ISDS tribunals where corporations can attack our laws and add strong environmental and labor terms with swift and certain enforcement to raise wages.”

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