



# **41<sup>st</sup> Annual Conference of New England Governors and Eastern Canadian Premiers**

## **An Armchair Discussion on Canada-United States Trade The Discussion Continues with Industry Leaders**

Moderator:

Maryscott Greenwood, Chief Executive Officer, Canadian American Business Council

Panelists:

Hon. Perrin Beatty, President and CEO of the Canadian Chamber of Commerce

James D Irving, J.D. Irving Limited

William Bates, Executive Vice-President and Chief of Staff, Council of Competitiveness

Barry V. Perry, President and Chief Executive Officer of Fortis

**Speaking Notes for Perrin Beatty**

**August 28, 2017**

**Check Against Delivery**

It is great to see so many people here who have done so much to promote the North American relationship.

I don't need to tell you how crucial that partnership is. We know it. We live it every day. Our free trade agreement is, quite simply, the world's most successful. Is it perfect? No. By all means, let's modernize it and fix what needs fixing, but let's also protect what is good.

I was a Cabinet Minister when we signed the Canada-U.S. Free Trade Agreement and then NAFTA. Let's encourage our governments to make a renewed North American trade agreement the new gold standard for trade.

I've spent the last few months traveling in the United States, talking to Chambers of Commerce, legislators and businesses in Virginia, South Carolina and Tennessee. Tomorrow I head to Texas where the Lone Star State's business ties to Canada and Mexico have become even more important after the damage inflicted by Hurricane Harvey.

The message I hear is not against trade. Quite the opposite. American businesses say they want more trade, not less. We want the same.

There is a good reason why our countries are often aligned: our economies and industries are extremely integrated. Canada is America's largest customer and supplier. We are your closest ally and your neighbour. About ninety percent of our population lives within a hundred miles of the U.S. border. What hurts the U.S. hurts Canada, and vice versa.

The deep integration of our economies means that our trading relationship with each other is different from that with any other countries. We don't just sell things to one another, we make things together. For example a car may pass across the border six or seven times in various stages of production. You can literally have a car seat on an assembly line on one side of the border to be matched with a chassis coming down another line on the other side of the border.

There obvious areas of agreement to build upon, including regulatory cooperation, digital trade and e-commerce, and secure and efficient borders. There's no reason we can't make important progress on each of these topics.

There are also other areas where we'll need courage to take down barriers. Most of us here travelled to this conference without needing a visa. We need more of that flexibility, not less. Let's make it easier for our businesspeople and performing artists to operate in each others' countries.

And let me suggest something even more controversial and ambitious. Instead of legislating restrictions on government procurement, why not put our taxpayers first and dismantle these barriers? When we limit competition, taxpayers lose. It's never the guy

with the best product at the best price who argues that others shouldn't be allowed to compete.

Beyond a NAFTA negotiation, the bigger question is how to grow trade, investment and jobs and make this region the most competitive in the world? And let's remember that imports can be every bit as important as exports. When a Canadian company buys a US computer program that makes it more productive or a part from Mexico that helps cut costs, these imports make it more competitive and successful.

Finally, trade is not a zero-sum game. It is nonsense to suggest that the only way that I can win is if you lose. Every successful business I know operates on the basis that, whenever it buys or sells, both parties should feel that they have benefited from the exchange.

The very same principle applies to trade agreements. Our goal must be to reach a deal that strengthens all three countries and that builds a North American powerhouse that can compete with the very best anywhere in the world.