

Synopsis: NAFTA beneficial to Canada

Thesis: NAFTA has positively affected Canada by bringing strong economic growth, job creation, better prices and better selection in consumer goods.

Counter Arguments:

1. If NAFTA was not in effect, there would be tariffs on all products imported and exported

Argument 1: NAFTA has provided Canadian consumers with cheaper prices and more variety of products

- NAFTA's major goal was to eliminate tariffs and barriers that would help reduce the taxes that are put on imported and exported goods
- Canadian companies take advantage of the tariff elimination because they are able to produce more for less as well
- In 1998, the three way trade among Canada, Mexico and the United States rose to about seven hundred and fifty two billion dollars
- Canada and the U.S. accounted for about four hundred and eighty four billion dollars of those seven hundred and fifty two billion dollars
- Since NAFTA has been implemented, Canada's trade with the United States has risen by an outstanding eighty percent, meanwhile Canada and Mexico has doubled
- In 1998, the growth alone in Canada's exports to our NAFTA markets was approximately equal to the total value of our exports to Japan, and also to the fifteen nations of the European Union (EU) combined
- The main reason for cheaper and better quality of goods is the ability of duty free trade of goods tagged as household effects (household effect goods include items such as furniture, carpets, paintings, tableware, etc.) within the NAFTA regions
- The Savings from such duty free imports add up resulting in Canada having an excessive amount of money to spend on importing more goods of variety, allowing consumers to have a better selection of foods and products at a cheaper cost
- With NAFTA, products produced in Mexico and the U.S.A. could be sold in Canada for very low prices, often much lower than Canadian products
- These products are usually cheaper because workers in Mexico and some states of the U.S. are paid much less than Canadian workers (In Mexico, the average worker's salary is two dollars a day)

Argument 2: NAFTA has help create jobs for many of Canadians

- 1 in 5 jobs are linked to international trade in Canada
- NAFTA agreement has helped produce over 1.8 million new jobs for Canadians (this is the first 5 years of NAFTA's existence)
- With trade increasing in Canada, this creates the demand for more people to do the work that is brought onto the country of Canada because more people getting jobs, means more money they have to spend on goods that are imported from other countries
- Canadian companies that deal with the trade sector, will have to hire people that are able to work because more products, means more work, means more jobs
- NAFTA has also created more jobs in different sectors from automotive, to energy, to agriculture

- With trading happening between not only NAFTA countries, but every country, more jobs are created to keep up with the time line that countries are giving Canada
- Jobs are also created in areas of transportation to get the products to the stores they are meant to be at as well as the people that are needed to sell the products
- As well as grocery store clerks and others for the grocery stores to get people to have things prepared and ready for Canadian consumers to buy
- Bill Clinton had stated, "***NAFTA means jobs. American jobs and good paying American jobs. If I didn't believe that, I wouldn't support this agreement,***"
- The standard of living is also rising due to all the people finding the jobs that are available in Canada
- With NAFTA, Canadian companies are becoming more profitable and competitive leading to job creation (when a business makes money, they have money to hire other people)
- This could lead to becoming more efficient and more effective in the trading industry
- With increased economic activity in a country, more areas of employment are opened because everything revolves around trade mostly

Argument 3: NAFTA has delivered substantial economic growth for Canada

- NAFTA includes 2 other very powerful countries economically Mexico and the United States
- NAFTA allows countries to do business with each other without having to worry about the taxes and other barriers that may arise which means they have more money for trade with other countries outside of NAFTA
- Canada's GDP (Gross Domestic Product) has grown at a faster rate than either Mexico's or the United States since 1994
- Canada's economy shows an annual growth rate of 3.6%, compared to the United States (3.3%) and Mexico (2.7%)
- With Canada's population rising, this means there are more people to help Canada become stronger (33,739,000 people)
- In Vancouver, The Fraser Institute, In June 2008, it pointed out the benefits to Canada's economy: "***Over the past decade, Canada sold \$2.6 trillion of manufactured goods to the United States, with a \$600 billion surplus. That created a lot of pay cheques in Canada.***"
- A surplus is being more than or in addition of what is needed or required
- From 1994-2006, the Canadian economy expanded an average of 4.1% a year which is .3% better than the U.S. and .6% better than Mexico
- Gary Clyde Hufbauer and Jeffrey J. Schott, two experts at the Peterson Institute for International Economics and the authors of *NAFTA Revisited: Achievements and Challenges*, say that on a basic level, NAFTA's impact on North American companies is strong. "***NAFTA was designed to promote economic growth by spurring competition in domestic markets and promoting investment from both domestic and foreign sources,***" they write. "***It has worked. North American firms are now more efficient and productive. They have restructured to take advantage of economies of scale in production and intra-industry specialization.***"
-

Footnotes below

NAFTA. "The NAFTA at Five: Overview - The NAFTA at Five Years : A Partnership at Work." *Foreign Affairs and International Trade Canada (DFAIT) | Affaires Étrangères Et Commerce International Canada (MAECI)*. Foreign Affairs and International Trade Canada, 26 May 2011. Web. 30 May 2011. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/nafta-alena/nafta5_section03.aspx?lang=en>.

Richmond. "Issue 17: Is NAFTA Good or Bad for Canada, the U.S., and Mexico? | Economic Issues and Public Policies." *Economic Issues and Public Policies | Just Another WordPress.com Weblog*. Richmond School of Continuing Studies, 14 July 2009. Web. 30 May 2011. <<http://economicissuesandpublicpolicies.wordpress.com/2009/07/14/issue-17-is-nafta-good-or-bad-for-canada-the-u-s-and-mexico/>>.

Amadeo, Kimberly. "Advantages of NAFTA - Benefits of NAFTA - Positive Effects of NAFTA." *US Economy and Business - US Economic Indicators - US Economic News*. NAFTA. Web. 30 May 2011. <http://useconomy.about.com/od/tradepolicy/p/NAFTA_Advantage.htm>.

"NAFTA's Benefits Indisputable for Both Canada and U.S." *Canada.com – Breaking News, Canada, World, Weather, Travel, Video & More*. NAFTA, 15 Mar. 2008. Web. 30 May 2011. <<http://www.canada.com/vancouver/news/editorial/story.html?id=03a50730-0fa5-4062-8b25-66e3a32f0115>>.

NAFTA. "NAFTA - Fast Facts: North American Free Trade Agreement." *Foreign Affairs and International Trade Canada (DFAIT) | Affaires Étrangères Et Commerce International Canada (MAECI)*. Foreign Affairs and International Trade Canada, 26 May 2011. Web. 30 May 2011. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/nafta-alena/fast_facts-faits_saillants.aspx?lang=eng>.

Global Connection. "The Global Connection." *British Columbia Teachers' Federation*. The Global Connection. Web. 30 May 2011. <<http://bctf.ca/uploadedFiles/Public/SocialJustice/Issues/Poverty/Resource/GlobalConnection.html>>.

"Trade." *The Council of Canadians - Le Conseil Des Canadiens*. The Council of Canadians, 18 Oct. 2006. Web. 30 May 2011. <http://www.canadians.org/trade/action/MP_trade.html>.

Munroe, Susan. "Minimum Wage in Canada by Province - Minimum Wage Rates in Canada." *Canada Online - About Canadian Government - Services News Issues and History*. About.com, 1 May 2011. Web. 30 May 2011. <<http://canadaonline.about.com/od/labourstandards/a/minimum-wage-in-canada.htm>>.

Weber, Stephen J. "In Mexico, U.S. and Canada, Public Support for NAFTA Surprisingly Strong, Given Each Country Sees Grass as Greener on the Other Side." *World Public Opinion*. World Public Opinion, 23 Jan. 2006. Web. 30 May 2011. <<http://www.worldpublicopinion.org/pipa/articles/brlatinamericara/161.php?nid=>>>.

"Canadian Benefits of NAFTA." *Professional Translation Services | Interpreters | Intercultural Communication & Training*. Kwintessential. Web. 30 May 2011. <<http://www.kwintessential.co.uk/articles/article/Canada/Canadian-Benefits-of-NAFTA/2775>>.

"Canada Economy." *Expedited Visas, Visa Applications, Rush Passport, Passports, Travel*. Travel Document Systems, 1996. Web. 30 May 2011.

"Trade - NAFTA." *The Council of Canadians - Le Conseil Des Canadiens*. The Council of Canadians, 10 Mar. 2011. Web. 30 May 2011. <<http://www.canadians.org/trade/issues/NAFTA/index.html>>.

Bank, World. "World Bank, World Development Indicators - Google Public Data." *Google*. 26 Apr. 2011. Web. 30 May 2011. <<http://www.google.com/publicdata?ds=wb-wdi>>.