

SouthEastern Arizona Governments Organization

Serving our member governments and their constituents since 1972

SEAGO Member Entities

Cochise County Benson Bisbee Douglas Huachuca City Sierra Vista *Tombstone* Willcox **Graham County** Pima Safford San Carlos Apache Tribe Thatcher Greenlee County Clifton Duncan Santa Cruz County Nogales Patagonia

SEAGO Main Office

- Administration
- Community and Economic
 Development
- Transportation

1403 W. Hwy 92 Bisbee, AZ 85603 520-432-5301 520-432-5858 Fax

Area Agency on Aging Office

300 Collins Road Bisbee, AZ 85603 520-432-2528 520-432-9168 Fax

www.seago.org

RESOLUTION NO. 2018-01

A RESOLUTION OF THE SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION SUPPORTING THE CONTINUATION OF THE NORTH AMERICAN FREE TRADE AGREEMENT

WHEREAS, on January 1, 1994, the U.S. formally entered into the North American Free Trade Agreement (NAFTA) which, among other things, removed many tariffs and other barriers to trade between the U.S., Mexico and Canada, and facilitated increased trade in agriculture, textiles, and automotive manufacturing.

WHEREAS, according to the U.S. Chamber of Commerce, trade with Canada and Mexico has nearly quadrupled to \$1.3 trillion since the enactment of NAFTA, and now supports nearly 14 million American jobs; and

WHEREAS, since NAFTA took effect, trade volumes between Mexico and Arizona have increased by more than 300%, with 41% of Arizona's exports now going to Mexico; and

WHEREAS, NAFTA's positive impact on the Arizona economy has been well documented by extensive analysis and data. For example, in 2016:

- Arizona experienced a \$900 million trade surplus with Mexico, with exports to Mexico of \$8.3 billion and imports from Mexico of \$7.4 billion, according to International Trade Association data.
- Arizona exports to Canada reached \$2.1 billion according to International Trade Association data.
- U.S. exports to Mexico through Arizona ports of entry reached \$11.9 billion.
- The fresh produce import and distribution industry in Santa Cruz County, Arizona supported more than 4,000 jobs.
- A large majority of Arizona's metal ores (96%), engines and turbines (91%), and vegetables and melons (77%) were exported to Mexico and Canada; and

WHEREAS, since announcing the United States' intention to renegotiate NAFTA, six out of seven negotiating sessions held by and between the NAFTA trade partners have produced few points of agreement, and the Administration has indicated that if the U.S. is unable to reach agreement on specific negotiating objectives, it may terminate the Agreement; and

WHEREAS, an analysis by the U.S. Chamber of Commerce concluded that if NAFTA was terminated, Arizona risks the elimination of 236,000 direct and indirect border related jobs.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1) That the SEAGO Executive Board recognizes that, as a 24 year old trade agreement, it is understandable and advisable that NAFTA be thoroughly reviewed by each of the affected countries, and modernized to reflect the economic changes that the U.S., Mexico, and Canada have experienced over the past 24 years; and
- 2) That the SEAGO Executive Board urges the affected countries to update and modernize the trade agreement, and agree to mutually acceptable terms consistent with the respective countries' current economic conditions, relationships, and needs; and
- 3) That the SEAGO Executive Board urges the affected countries to renegotiate NAFTA in good faith, and reach terms favorable to continuing the Agreement as it is critical to maintain the vibrant and successful economic relationship between the U.S., Mexico, and Canada.

Passed and adopted by the SEAGO Executive Board on this 23rd day of February, 2018.

Gerald "Sam" Lindsey, Chair

Executive Board

Randy Heiss, Executive Director

South Eastern Arizona Governments Organization