

USMCA-

Why-

Overall it is the ability to move North America into an integrated system of economic and political governance

There are also some interesting regulations placed on Canada with regards to possible trade deals with China

- [Article 32.10](#) signals the consequences of negotiating a potential free-trade agreement with any nonmarket economies — that is a code word for “China.” The [Trudeau government](#) in particular has made overtures toward China as part of an attempt to diversify its imports and exports, partly in response to the uncertainty of the U.S.-Canada trade relationship triggered by Trump’s [tariffs on steel and aluminum](#), as well as threats to rip up NAFTA and impose duties on autos.
- Under the USMCA, Canada would need to inform Trump three months before beginning to negotiate with China. And in the event that Canada and China reach a deal, Trump could terminate the USMCA with six months’ notice.

The new USMCA is not yet in place. National legislatures in all three countries must ratify the deal, and it is certain to face a vigorous debate in Congress.

Chad P. Bown

Washington Post

Good attributes-

Tightened the requirements for how automobiles must be manufactured in order to qualify for zero tariffs –

Must have a certain percentage of the parts produced manufactures in North America

Must have a certain percentage of the car manufactured by employees that earn a minimum wage( I believe it is \$16 per hour)

Here’s what this means. The wage rule disincentivizes investment and production in Mexico, where pay scales are lower and production is less likely to qualify. This, by itself, is likely to [reduce](#) U.S. auto imports from Mexico.

Mexico has stated that about 30% of the current autos that it imports to the US would not meet those standards- this will of course lead to higher costs for the American Consumer to own an American Car.

But unfortunately we cant have it all....we cant have low cost cars and have more American Workers building them under certain conditions and wage requirements