

NEWS

FROM:

U.S. SENATOR FOR KANSAS

SENATE REPUBLICAN LEADER



FOR IMMEDIATE RELEASE WEDNESDAY, OCTOBER 6, 1993

CONTACT: CLARKSON HINE (202) 224-5358

NAFTA

TRADE PACT ENTERS DECISIVE PHASE: PUBLIC RECOGNIZING NAFTA'S BENEFITS; EUROPEAN AUTOMAKERS CHOOSE U.S., NOT MEXICO

We are entering a decisive phase for the North American Free Trade Agreement. In less than one month, the President is expected to submit to the Congress legislation to implement NAFTA. This trade agreement is going to pass because it is good for the United States. People are beginning to recognize this.

NAFTA opponents went several laps before we even finished lacing up our shoes. But that is changing. On Friday, an <u>L.A.</u>
<u>Times</u> poll showed 42% of Americans who closely follow the issue favor NAFTA, with 37% opposed. My prediction is those numbers will continue to improve.

People are beginning to see that the "jobs flight" argument against NAFTA is a red herring and a fraud.

Automakers Locate Plants in U.S., Not in Mexico

As the <u>Washington Post</u> noted this week, look at what happens when an auto manufacturer like BMW has to choose a location for a major new plant. BMW did not choose Mexico, it chose South Carolina. Mercedes-Benz also needed a new plant. Where will that new plant, and those jobs, be located? Not in Mexico. They will be in Alabama.

The reason is that U.S. workers are among the most productive, highly-skilled in the world, U.S. transportation is first-class, and access to technology and supplies is assured.

NAFTA does not undermine the reasons for choosing the United States, it reinforces them. NAFTA brings down barriers to our products, and it also eliminates incentives for some companies to locate in Mexico in the first place. Those companies, and those jobs, will come back to the U.S.

NAFTA Means Jobs

Let's not forget that 700,000 U.S jobs currently depend on trade with Mexico. That's without NAFTA.

Under NAFTA, that number will approach 1 million within two years. Since 1986, we have gone from a \$5.7 billion trade deficit with Mexico, to a \$5.6 billion trade surplus. Under NAFTA, we won't be exporting jobs to Mexico, we'll just be exporting.

#

Remarks delivered on Senate floor, approximately 10:40 AM EDT.