

USMCA: A GOOD DEAL FOR AMERICAN JOBS AND COMMERCE

The U.S. travel industry generates **\$2.5 trillion** in economic output, supports **15.7 million American jobs** and generates a **\$69 billion trade surplus** for the United States. **When travel thrives, so does America.**

The U.S.-Mexico-Canada Agreement (USMCA) modernizes the North American Free Trade Agreement (NAFTA) to meet the needs of a 21st century economy, ensuring the U.S. remains an attractive place to do business. USMCA would allow for the continued growth in U.S. exports—including travel, America's second largest export.

BENEFITS OF USMCA TO THE ECONOMY

Entering into the USMCA would deliver significant economic benefits to America. According to the International Trade Commission (ITC), **USMCA would raise U.S. real GDP by \$68.2 billion and U.S. employment by 176,000 jobs.**

USMCA AND TRAVEL

USMCA would help strengthen ties between America and two of its biggest trading partners, Canada and Mexico, who are also the top two markets for inbound travel to the U.S. This agreement would also provide the certainty needed to grow international business travel to the U.S., which accounted for 28% of total U.S. travel exports in 2018.

When the economy thrives, so does travel. Increasing GDP and employment would create more disposable income, allowing Americans more freedom to travel. Based on the figures from ITC, U.S. Travel estimates that the **USMCA would raise \$1.7 billion in travel-generated economic output and create 15,000 jobs.**

Additionally, U.S. Travel's analysis on the impact of free trade agreements (FTA) finds that, on average, FTAs increase the annual growth rate of international arrivals by about three percentage points over the initial three-year period after an FTA goes into effect.

WITHDRAWING FROM NAFTA: A CAUTIONARY TALE

Withdrawing from NAFTA without entering into another agreement would have a negative effect on inbound travel, with an estimated three million fewer visitors from Canada and Mexico by 2022. This would result in a loss of \$5 billion in travel-generated output and 30,000 American jobs.

Additionally, trade wars cause recessions, which are toxic to a healthy travel industry. Travel is one of the first things to suffer in a recession, as businesses and families alike cut back on travel expenses.

CANADA ARRIVALS

20.6 MILLION

MEXICO ARRIVALS

18.3 MILLION

Over the next three years, combined visitations from Canada and Mexico are projected to increase by 3%.

SOURCE: U.S. Travel Association

THE U.S. TRAVEL INDUSTRY ENCOURAGES CONGRESS TO:

Ratify USMCA to grow our economy, improve our travel exports and create American jobs.