

Implications of the US Midterm Election on the USMCA

November 09, 2018

The conclusion of negotiations to revise the NAFTA have made the North American trade situation somewhat less volatile. Congressional approval of trade agreements, however, is always a close thing. Democratic control of the House adds to uncertainty as to whether the USMCA will be approved by Congress in the new year and whether it will become a bargaining chip in other legislative battles. A further wildcard is the extent to which the Trump administration may resort to brinksmanship to get the USMCA deal approved, for example by threatening to simply withdraw the United States from the NAFTA.

More generally, we can expect to see greater Congressional oversight over the role of the Executive Branch on trade matters, particularly from the House Ways and Means Committee. It is unclear, however, whether this will translate into a clawing back of presidential power over unilateral trade measures such as the sec. 232 tariffs that the administration has imposed on Canadian steel and aluminum and threatened to impose on cars, particularly as Republicans have strengthened their hold on the Senate.

By:

[Milos Barutciski](#), [Jesse Goldman](#), [Matthew Kronby](#)

Services:

[International Trade & Investment](#), [United States](#)

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2022 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.