

STEPHEN E. SANDHERR, Chief Executive Officer



February 18, 2019

The President  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear Mr. President,

On behalf of the Associated General Contractors of America (AGC) and its more than 27,000-member companies whom build the nation's infrastructure, thank you for your efforts in negotiating a new trade agreement among the United States of America, Mexico, and Canada (USMCA). We look forward to working with Congress to approve the USMCA, as this agreement will help ensure that trade impacting the construction industry supply chain remains free, fair, and certain.

The construction industries of the U.S.A., Mexico, and Canada have a long history of collaboration, which has resulted in the mutually beneficial development of our nations' infrastructure. A modern trade agreement that is free and fair will continue this historic partnership. As you know, the construction industry is dependent on a consistent and predictable supply of construction materials, some of which come from Canada and Mexico. These materials are used in a wide variety of construction projects and will be critical for your infrastructure plan. The USMCA will help provide long-term certainty and help ensure a brighter future for our industry and national competitiveness.

Given the terms of the USMCA, AGC strongly urges you to remove the Section 232 tariffs on steel and aluminum as they apply to Canada and Mexico. These tariffs are inconsistent with the overall goals of the USMCA and will serve to undermine it. The tariffs jeopardize congressional approval of the agreement, as many members of Congress oppose them. In addition, these tariffs have contributed to cost increases of construction materials and products, ultimately increasing overall construction project costs. As a result, some public and private entities have delayed or canceled projects and, more often, contractors have absorbed those costs—negatively impacting their ability to hire more workers, buy new equipment, and grow their businesses.

Again, we commend your efforts to negotiate the USMCA. We also urge you to consider and honor your promise to rebuild this nation's crumbling infrastructure. AGC and our member companies are eager to get to work to ensure the delivery of high-quality facilities and infrastructure worthy of our great nation.

Sincerely,

Stephen E. Sandherr  
Chief Executive Officer