

George Y. Gonzalez, Ed Lebow in Dallas Morning News: Five Ways Texas Benefits From the New USMCA Trade Deal Taking Effect Today

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Haynes Boone Partner [George Y. Gonzalez](#) and Counsel [Ed Lebow](#) talked with *The Dallas Morning News* about some industries in Texas will benefit from the U.S.-Mexico-Canada Agreement (USMCA) trade deal.

Here is an excerpt:

Texas is one of Mexico's biggest trading partners, sending computers and electronics; oil, gas and coal; chemicals; metals, and plastics and rubber across the border. The Lone Star State exported \$109 billion in goods to Mexico and \$27 billion to Canada.

An estimated 950,000 jobs in Texas depend on U.S. exports to Mexico and Canada. These five industries are the most likely to be helped by USMCA, based on interviews with trade lawyers who closely followed the negotiations -- George Y. González and Edward Lebow of the Haynes Boone law firm.

Energy

Texas' energy industry exports, which now total about \$33.6 billion annually, are expected to grow because companies will be allowed to sell natural gas to Mexico.

"USMCA builds the foundations for the world's best oil and natural gas partnership," González said. "How can we as partners compete on a global scale? If we can have access to cheap energy for a long time — that's the key for the success of the Texas-Mexico cooperation."

Manufacturing

One of the trade agreement's biggest changes involves the automotive industry, with new rules mandating that at least 75% of a vehicle be made in one of the three countries.

In addition, the U.S. pushed a new rule: At least 40% of a vehicle made in one of the three countries must be assembled by workers making at least \$16 an hour. This requirement seeks to even out competition with Mexico, where lower labor costs lured many manufacturing companies to locate plants outside the U.S.

"This means more jobs for the U.S. Or it can lead to a bureaucratic mess where companies decide they won't even bother to keep that record to prove those percentages and will make their cars in China or Mexico and pay the corresponding fees (2.5%) for importing finished vehicles to the U.S.," Lebow said.

To read the full article, click [here](#). (Subscription required) The article also appeared in the Spanish publication [Al Dia Dallas](#).