

TRADE, JOBS, AND KENTUCKY

Trade is good for the Economy of Kentucky:

- Kentucky sold more than \$10.7 billion worth of exports to 163 foreign markets last year from Afghanistan to Zimbabwe.
- The top 5 export markets for Kentucky's products in 2003 were Canada, Japan, United Kingdom, France and Mexico.

Kentucky has Benefitted from Free Trade Agreements (FTAs):

North American Free Trade Agreement

- Total exports from Kentucky to NAFTA countries (Canada and Mexico) were \$3.94 billion in 2003.
- Exports from Kentucky to NAFTA countries were 146.8 percent higher in 2003 than in 1993, before NAFTA.

U.S.—Chile and U.S.—Singapore Free Trade Agreements

- Congress approved FTAs with Chile and Singapore last summer.
- Kentucky exports to the two countries last year were nearly \$250 million. The FTAs create new opportunities for Kentucky exports of goods and services to both markets.

U.S.—Australia Free Trade Agreement

- Congress will soon consider the recently concluded U.S.—Australia FTA.
- Australia is the 7th largest market for Kentucky goods exports, with total exports valued at over \$393 million in 2003.
- Kentucky exports high-value products to Australia such as purebred breeding animals, aircraft and parts, motor vehicle parts and computer parts.
- Also in 2003, Kentucky exported nearly \$37 million of bourbon whiskey to Australia. The FTA ensures that bourbon whiskey is recognized under Australian law as exclusively a product of the United States.

Trade and International Investment Create Jobs in Kentucky:

- U.S. subsidiaries of foreign companies employ 101,500 workers in Kentucky, including 64,000 manufacturing jobs. Kentucky ranks 10th in the country in the share of its workforce supported by U.S. subsidiaries.
- In comparison to other states, Kentucky has proven to be an attractive location for international employers, ranking 23rd in the United States in the number of employees supported by U.S. subsidiaries.
- Kentucky also gains from offshore outsourcing by increasing efficiencies and expanding economic activity. For example, offshore IT software and services outsourcing is estimated to create 1,308 net new jobs in Kentucky.

