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Free Trade Agreements:
Potential Revenue and Jobs for America's Meat and Poultry Industry

The passage of the Free Trade Agreements (FTAs) currently pending — with South Korea, Colombia and Panama — represents substantial and immediate growth opportunities in both revenue and jobs for America's meat and poultry sector. In 2009, the value of exported meat, poultry and related products totaled $11.7 billion, up from $9.4 billion in 2007.[1] According to the Economic Research Service (ERS), U.S. meat exports are predicted to rise over the next decade, from 5.9 million metric tons in 2009 to nearly 7.1 million metric tons in 2019. However, for this potential to be realized we must act now to secure access to key growth markets and demonstrate our commitment to reducing trade barriers and promoting open and fair trade.

The U.S. meat and poultry industry contributes about $832 billion in total to the U.S. economy, nearly 6 percent of the GDP. The industry directly employs 1.8 million people, paying $45.5 billion in wages and benefits. An estimated 524,000 people have jobs in production and packing, importing operations, sales, packaging and direct distribution of meat and poultry products. Wholesaling directly employs an estimated 63,000 individuals in every state in the country, and 1,227,600 retail jobs depend on the sale of meat and poultry products to the public.

The United States is the third largest beef exporter in the world, behind Brazil and Australia, exporting more than 897,000 metric tons, worth more than $3.1 billion in 2009.[2] Mexico, Canada and Japan are the top three export markets for U.S. beef and pork, accounting for $2 billion in beef sales and nearly $2.8 billion in pork sales in 2009.[3] Chicken meat exports reached 3,100,596 metric tons, valued at $3.3 billion.[4] Turkey exports reached 242,119 metric tons, valued at $394.6 million.[5] Russia, China and Mexico were the top three export markets for both.

Passage and implementation of the FTAs with South Korea, Colombia and Panama would represent an additional $2.3 billion in exports and the creation of 29,524 new jobs. These jobs would not only be created in the meat and poultry packing and processing sector, but upstream on farms and ranches and downstream in transportation and packaging. The time to act is now.

[1] Number includes FAS Harmonized Categories: Beef/Veal Fresh/Chilled/Frozen, Beef/Veal Prepared/Preserved, Variety Meats Beef
[2] Number includes FAS Harmonized Categories: Beef/Veal Fresh/Chilled/Frozen, Beef/Veal Prepared/Preserved, Variety Meats Beef
[3] Number includes FAS Harmonized Categories: Pork Fresh/Chilled/Frozen, Pork Hams/Shoulders Cured, Pork Bacon Cured, Pork Prepared/Preserved Not Canned, Pork Prepared/Preserved Canned, Variety Meats Pork, Hog Sausage Casings
[4] Number includes FAS Harmonized Category: Broiler Meat
[5] Number includes FAS Harmonized Category: Turkey Meat

Export and Job Creation Opportunities for the U.S. Beef, Pork, and Poultry Industries with Adoption of the Free Trade Agreements with Korea, Colombia and Panama

Export and Job Creation Opportunities for the U.S. Beef, Pork, and Poultry Industries				
with Adoption of the Free Trade Agreements with Korea, Colombia, and Panama				
Market	U.S. Exports	Potential U.S. Exports	Change	Jobs
	2009 ($millions)	($millions)	($millions)	Created
FTA Beef Access (once FTAs are fully implemented and all duties eliminated)				
Korea **	216.0	1,600	1,384.0	17,577
Colombia	0.4	30.0	29.6	375
Panama	2.5	8.0	5.5	70
Total FTA Beef	218.9	1,638.0	1,419.1	18,022
*** Korea FTA potential is also impacted by expected recovery of pre-BSE export value*				
FTA Pork Access				
Korea	182.9	870.0	687.1	9,161
Colombia	7.1	76.0	68.9	919
Panama	2.5	18.5	16.0	213
Total FTA Pork	192.5	964.5	772.0	10,293
FTA Poultry Access				
Korea	40.0	98.0	58.0	687
Colombia	12.0	40.0	28.0	332
Panama	9.0	25.0	16.0	190
Total FTA Poultry	61.0	163.0	102.0	1,209
Total FTA Beef, Pork, Poultry	472.4	2,765.5	**2,293.1**	**29,524**
Contributors: U.S. Meat Export Federation, National Pork Producers Council,				
USA Poultry and Egg Export Council, American Meat Institute				
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While the U.S. is waiting to enact these FTAs, our competitors are moving forward.
These agreements represent huge economic and jobs opportunities that must be seized.