Kentucky Would be Harmed by Withdrawing from NAFTA

By raising the costs of Kentucky exports and imports, a U.S. withdrawal from NAFTA would make Kentucky businesses and farmers less competitive, resulting in losses of jobs and production in the state and exports from the state to Canada and Mexico.

Jobs Are Lost
-23,050
Estimated number of Kentucky jobs lost if NAFTA is terminated

Exports Drop
-19%
Estimated decline in Kentucky exports to Canada and Mexico if NAFTA is terminated

Output Declines
-$1.3 billion
Estimated decline in Kentucky production if NAFTA is terminated

Vulnerable Kentucky Export Sectors
Estimated declines in select exports to Canada and Mexico if NAFTA is terminated ($ Millions)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Value Change ($ Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Vehicles</td>
<td>-$715</td>
</tr>
<tr>
<td>Auto Parts</td>
<td>-$392</td>
</tr>
<tr>
<td>Motor Vehicle Bodies &amp; Trailers</td>
<td>-$85</td>
</tr>
<tr>
<td>Travel Services</td>
<td>-$60</td>
</tr>
<tr>
<td>Oilseeds &amp; Grains</td>
<td>-$45</td>
</tr>
<tr>
<td>Aerospace Products &amp; Parts</td>
<td>-$36</td>
</tr>
</tbody>
</table>

$2.0 billion decline in Kentucky exports to NAFTA partners:
- $1.5 billion in Kentucky exports to Canada
- $536 million in Kentucky exports to Mexico

Vulnerable Kentucky Export Products
Estimated declines in select exports to Canada and Mexico if NAFTA is terminated

- $403 million
  Passenger vehicles
  - Export Market: Canada
  - Export Value: $1.5 billion
  - Higher Tariff Rate: 6%

- $69 million
  Steering wheels and columns
  - Export Market: Canada
  - Export Value: $263 million
  - Higher Tariff Rate: Up to 6%

- $21 million
  Corn
  - Export Market: Mexico
  - Export Value: $42 million
  - Higher Tariff Rate: Up to 20%

For general information and inquiries, contact Paul DeLaney: pdelaney@brt.org.