

AIADA SUPPORTS PRESIDENTIAL TPA

BACKGROUND

Trade Promotion Authority (TPA), also known as fast track negotiating authority, is essential for successful trade agreements. TPA can only be granted by Congress and requires a vote in both chambers. TPA gives the President the authority to negotiate trade agreements and submit them to Congress for an up or down vote, without amendments or filibuster. Every President since Franklin Roosevelt has either requested or received trade negotiating authority. The last President to obtain TPA was George W. Bush, whose authority expired July 2007. Trade agreements, and FTAs in particular, have been instrumental in giving U.S. companies and workers improved access to rapidly-growing markets abroad. President Obama, in his State of the Union Address in January, requested TPA by saying he is "asking both parties to give me trade promotion authority to protect American workers, with strong new trade deals from Asia to Europe that aren't just free, but fair."

POSITION

AIADA is dedicated to promoting and preserving free and open markets worldwide. AIADA has cooperated with both Republican and Democratic leaders to pursue the goal of liberalized trade, whether it is in opposing legislation that negatively impacts auto trade directly or in supporting the general principle of free international trade. AIADA support efforts to pass TPA for President Obama.

MORE ABOUT THE ISSUE

- TPA ensures Congressional input on trade negotiations by defining the principal negotiating objectives that new agreements must pursue. It also protects Congress' oversight authority by mandating specific and extensive consultations with the Executive Branch before, during and after trade negotiations.
- Increased trade is a proven strategy for building global prosperity and economic growth.
- Total trade with the 14 FTA partners (representing 20 countries) boosted U.S. GDP by \$1.0 trillion. Total U.S. exports of goods and services to the world were \$462.7 billion higher than they otherwise would have been because we trade with these countries. Further, trade with the FTA partners supported 17.7 million U.S. jobs across the range of U.S. industries. (*Opening Markets, Creating Jobs: Estimated U.S. Employment Effects of Trade with FTA Partners, Study by U.S. Chamber*)
- America drives the world economy, but outside our borders are markets that represent 80% of the world's purchasing power, 92% of its economic growth, and 95% of its consumers.
- International Monetary Fund forecasts indicate that nearly 87 percent of world growth over the next 5 years will take place outside of the United States.

THE ECONOMIC IMPACT OF INTERNATIONAL AUTOMAKERS AND AUTODEALERS

- International nameplate automobile dealers are selling more vehicles across the U.S. than ever before, employing more than 500,000 Americans at nearly 10,000 dealership franchises across the country with a total combined average payroll of \$4.8 billion.
- International automakers exported nearly 800,000 American-made vehicles to more than 60 countries around the globe from the U.S. last year.
- International automakers have invested more than \$64 billion into 380 facilities and offices, with 32 manufacturing plants and 56 research and development centers located across the country with more than \$9 billion in direct U.S. payroll.