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**INTERNATIONAL TRADE IS GOOD POLICY**  
**Support the Global Economy**

***BACKGROUND***

Trade is essential to America's economic growth, high standard of living, and job creation. In the summer of 2015 Congress took a positive step and passed Trade Promotion Authority (TPA), allowing the President to submit a trade agreement for a straight up or down vote. Open trade and investment policies play a crucial role in allowing international nameplate dealers, many of whom operate second and third generation family businesses, to compete on a level playing field in cities and towns across the U.S. These policies provide consumers with competitive pricing and service on some of the most popular vehicles on American roads today. TPA, good for the next six years, gives the Administration the authority to negotiate trade agreements in good faith and ensures that Americans are not left behind as other countries form strategic trade partnerships.

According to the Business Roundtable, an estimated 41 million jobs were supported by trade in 2014. U.S. trade-related employment grew more than three times faster than total U.S. employment from 2004 to 2014. Jobs in more export-intensive industries pay about 16 percent more than jobs in less export-intensive industries. Finally, U.S. exporting plants increase employment 2 to 4 percent faster annually than plants that do not export. These facts prove that trade is an engine of economic growth and is a proven strategy for building global prosperity.

***POSITION***

The American International Automobile Dealers Association is dedicated to promoting and preserving free and open markets worldwide. AIADA cooperates with the White House, and 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 international trade. Trade keeps our economy open, dynamic, and competitive, and helps ensure that America continues to be the best place in the world to do business.

***MORE ABOUT THE ISSUE***

- America drives the world economy, but outside our borders are markets that represent 80 percent of the world's purchasing power, 92 percent of its economic growth, and 95 percent of its consumers. (*U.S. Chamber*)
- 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.
- Total trade with 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)
- According to the WTO, 379 bilateral or plurilateral FTAs are in force around the globe today, but the United States has FTAs with just 20 countries. There are more than 100 FTAs currently under negotiation among our trading partners.

***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 570,000 Americans at 9,500 dealership franchises across the country with a payroll of \$32 billion.
- International dealer franchises employ 51 percent of U.S. light vehicle employees in the U.S. and provide 52 percent of total U.S. light vehicle dealership payroll.
- International dealer franchises sold over 9.5 million vehicles to U.S. consumers last year, accounting for almost 55 percent of all vehicles bought – including domestic brands.
- International automakers have invested more than \$73 billion into 463 facilities and offices, with 36 manufacturing plants and 64 research and development centers located across the country with 126,000 direct employees with a payroll of \$9.9 billion.
- To learn more about the economic impact of international auto industry visit <http://www.aiada.org/our-impact>