



## *Trade and Agriculture* **What's at Stake for Alaska?**

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Exports of farm products help boost Alaska's farm prices and income. Such exports help support jobs both on and off the farm in food processing, storage, and transportation. In 2008, Alaska's farm cash receipts were \$31 million, and agricultural exports were nearly \$4.6 million.

### **Alaska Benefits From Trade Agreements**

Alaska is already benefiting from a number of agricultural trade agreements. While there is still much to be done, examples of market opportunities for Alaska include:

- Under the U.S.-Chile and U.S.-Singapore Free Trade Agreements, Alaska will benefit when Chile's and Singapore's tariffs on wood products will be eliminated immediately, upon implementation of the agreements.
- In the Uruguay Round, major U.S. trading partners reduced their tariffs by 28 percent on average for wood products. In the case of Japan, the tariff cuts (along with other liberalization measures taken under the U.S.-Japan Wood Products Agreement and the U.S.-Japan Enhanced Initiative on Deregulation and Competition Policy) helped create significant new market opportunities for a wide-range of value-added wood products.
- NAFTA provided for the progressive elimination of Mexico's tariffs on wood products, with most tariffs eliminated immediately or over five years. The last tariffs were eliminated on January 1, 2003. Following Mexico's severe economic downturn in 1995, U.S. wood sales have risen steadily. Mexico is our third largest export market for wood products with exports totaling \$512 million in 2005.
- The elimination of tariffs under the 1989 U.S.-Canada Free Trade Agreement led to a large increase in U.S. wood products sales to Canada. Canada has become the United States' largest export market for wood products, surpassing even Japan. U.S. wood products exports to Canada more than doubled from 1989 to 2005, from \$644 million to \$2 billion.

## **Fishery Products**

- Under the U.S.-Chile and U.S.-Singapore Free Trade Agreements, Alaska's fishing communities will benefit when Chile's and Singapore's tariffs on fishery products will be eliminated immediately, upon implementation of the agreements.
- U.S. fishery products exports to Canada have more than tripled since tariffs were eliminated under the 1989 U.S.-Canada Free Trade Agreement, from \$200 million in 1989 to a near-record \$705 million in 2005. Canada is the United States' second largest export market for fishery products, after Japan.
- NAFTA has helped U.S. exporters to maintain their position as Mexico's leading supplier of fishery products. U.S. fishery products exports to Mexico have risen from \$36 million in 1993 to \$70 million in 2005. Mexico is the United States' largest export market for fishery products in Latin America.