

TRADE



TODAY

TRADE ISSUES AFFECTING AMERICA'S ECONOMY

U.S. Congressman Kevin Brady
Ranking Member, Ways & Means Trade Subcommittee

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Services: An American Competitive Advantage

Accounting for the Largest Share of Employment in Every Congressional District

- The United States is the world's leading exporter of services – accounting for 14 % of global commercial services exports. The next largest single-country competitor is the United Kingdom, which accounts for 8%.
- The United States recorded a \$144 billion trade surplus in services last year.
- Services comprise two-thirds of U.S. GDP and 86% of U.S. employment.
 - Employment in the services industry has remained steady throughout this time of economic uncertainty – employing roughly 112 million people.

Pending Trade Agreements and the Services

Sector: Pending trade agreements with Colombia, Panama, and South Korea represent great opportunities to increase market access for American products – particularly in the services sector – meaning real-world economic stimulus, built one transaction at time.

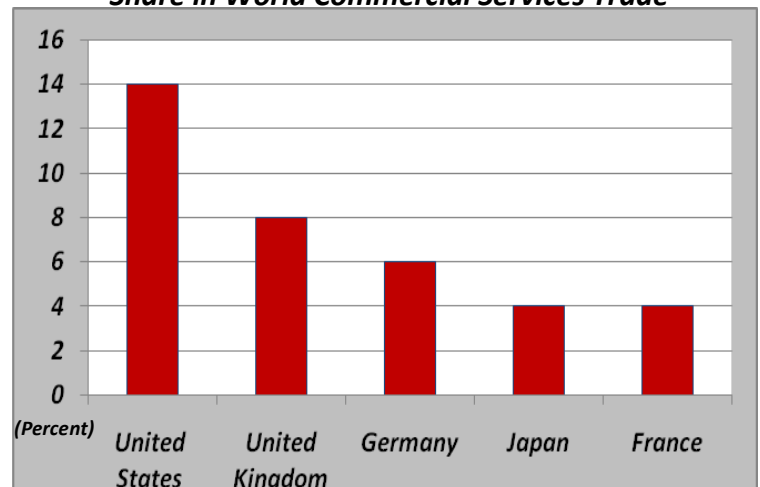
- In Panama alone, the services sector accounts for 76 percent of Panama's GDP, making improved market access for U.S. services particularly critical.
- The U.S.-Korea trade agreement would drop South Korea's tariff equivalents score in the banking sector from 76 to 29, according to the International Trade Commission (ITC), creating tremendous preferential access for U.S. service providers.
- Implementation of the Colombia trade agreement would decrease Colombia's current barriers to banking services by more than 50 percent, according to ITC analysis.

What is "Services"?

The services sector includes a range of industries performing functions that can be considered a "service." Examples include financial services, insurance, telecommunications, medical services, environmental services, professional services and express delivery.

* Services jobs paid an average of \$55,507 per year in 2007, according to the Coalition of Service Industries.

SERVICES TRADE TOP FIVE
Share in World Commercial Services Trade



Source: World Trade Organization, International Trade Statistics (2008)