## Canada-Kentucky Trade <br> HOW IMPORTANT IS AGRICULTURE?

$\rightarrow$ Canada is a leading destination for Kentucky's exports. Kentucky and Canada exchanged over $\$ 10$ billion worth of goods in 2006. Transportation, metals, chemicals and household goods dominated this trade. However, agricultural exports to Canada have grown significantly over the past five years, and are increasingly contributing to our strong trading relationship. In 2006, over \$281 million in agricultural and agri-food products were traded between Kentucky and Canada.
$\rightarrow$ Kentucky sold over \$16 million in alcoholic beverages to Canada in 2006, $\$ 9.6$ million of which was bourbon. Tomato sauces and other miscellaneous processed foods accounted for another $\$ 17.8$ million, followed by $\$ 7.1$ million in live horses, asses and mules, $\$ 9.1$ million worth of breads and pastries, and animal feed preparations worth $\$ 2.8$ million.
$\rightarrow$ Kentucky imported a variety of goods from Canada in 2006. The top import from Canada that year was $\$ 67.1$ million in whiskey. This was followed by $\$ 24.4$ million in live swine, and $\$ 13.3$ million in cereals. Other notable commodities were extracts of coffee, oats, beef, sugar containing products, vegetables and live horses.

In the U.S., the agriculture and agri-food industry represents roughly $5 \%$ of GDP, and is responsible for roughly 24 million jobs when you consider everything from growing the food to selling it at the local supermarket. In Canada, the agriculture and agri-food industry generates $8 \%$ of the GDP. It also employs nearly 2.1 million people, or approximately one out of every eight Canadians. Agriculture remains a central component of Canada's economy.

## CONSIDER THIS

15 percent of the entire U.S. corn crop is directly exported each year, while nearly half is used as livestock feed. Livestock nourished on this feed are often destined for slaughter. According to a report tabled in January 2007 by the Iowa Farm Bureau Women's Delegates, at the American Farm Bureau Federation's annual convention, this means that meat exports represent an additional 17 percent of U.S. corn crop usage. A similar story is true for soybeans. Whole bean exports represent approximately 30 percent of soybean use, while almost 40 percent is used for livestock feed. In this case, 12 percent of U.S. soybean production is exported in the value-added form of meat. Thus, the U.S. sells more of its crop production to its major trading partners, including Canada, than meets the eye.


Exports to Canada $\$ 79.69$ million



## Imports from Canada $\mathbf{\$ 2 0 2 . 6 0}$ million

Ethyl Alcohol
Swine
Cereals
Baking Related



