

U.S., South Korea to Begin Discussions on Bilateral Free Trade Agreement

The United States and South Korea have announced they will begin negotiations toward a bilateral free trade agreement (FTA).

“California exports to South Korea have been increasing in recent years, making it our fifth largest exporting partner,” said Susanne Stirling, vice president of international affairs for the California Chamber of Commerce. “Completion of a U.S.-South Korea free trade agreement will bring significant benefits to the economies of both nations and California as well.”

In 2004, two-way trade between the United States and South Korea totaled more than \$72 billion. Korea is the seventh largest U.S. trading partner, and the 12th largest economy in the world. In 2004, California exported \$5.9 billion of goods to South Korea.

California is one of the 10 largest economies in the world with a gross state

product of approximately \$1.4 trillion. International-related commerce accounts for approximately one-quarter of the state’s economy.

Huge Trade Boon

U.S. companies hope that a bilateral agreement with South Korea will enable them to sell more cars, pharmaceutical products and financial services in South Korea. The FTA would eliminate the 8 percent tariff South Korea currently has on imported vehicles.

For Korea, the agreement has the potential to give its steel and textile industries an edge over China, Japan and other countries.

A study completed in September 2001 by the U.S. International Trade Commission found that the FTA would increase U.S. exports to Korea by 54 percent and Korean imports to the United States by 21 percent.

A successful FTA would be the largest free trade pact the United States has reached since it entered into the North American Free Trade Agreement (NAFTA) more than a decade ago. Talks between the United States and South Korea are expected to take up to a year.

Chamber Position

The Chamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad and elimination of disincentives that impede the international competitiveness of California business.

For more information on the U.S.-South Korea Free Trade Agreement or other international issues, visit www.calchamber.com/international.
Staff Contact: Susanne Stirling

Safety First Brings Management, Employees Together at Morton® Salt

From Page 5

California VPP unit at Cal/OSHA, says, “Morton Salt Long Beach employees play a very critical role and are exceptional in managing the recertification process” at their plant. The employees, he continues, “have the support of their top management in the state.”

The plant’s experience with the VPP has been so successful, it is being used as a model for other plants trying to implement the program, and Aceves is involved in mentoring employees at other plants as they learn about the program.

Keep Doing Business

At the end of the day, says Dobson, “We want to perpetuate who we are. We want to keep taking care of people. It’s nice to be able to do something good for our workers, their families and the community. We are dedicated to continue down this path.”

In that regard, he says, the Chamber is “a valuable entity for us. We take your

recommendations seriously and find them extremely useful to be able to e-mail or call the Chamber about human resources issues, SB 899 [workers’ comp reform], etc. At every opportunity, we use the Chamber for guidance.”

For Dobson, the best thing about being at Morton Salt is that “It allows us to provide a living for 25 people. Califor-

nia is not inexpensive, but we feel very good about taking care of our employees and their families. Morton Salt has been around for 155 years, and salt has been an integral part of family life since time began. We feel good about being able to support people and families in that respect.”

California Business Legislative Summit

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