Alaska Manufacturing Facts

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Manufacturers in Alaska account for nearly 4 percent of the total output in the state, employing almost 4 percent of the workforce. Total output from manufacturing has been rising for the past several years (*see figure*), and it was $1.7 billion in 2009. The largest manufacturing sector in the state is petroleum and coal products, followed closely by food product manufacturing.

Manufacturing Output and Exports

Alaska Total Manufacturing Output ($billions, 2009)	$1.7
Manufacturing's Share of Total Gross State Product (2009)	3.7%
Manufacturing Establishments in Alaska (2009)	528
Manufacturing's Share of Alaska's Exports (2010)	11%
Total Employment Related to Manufactured Exports (2008)	5,000

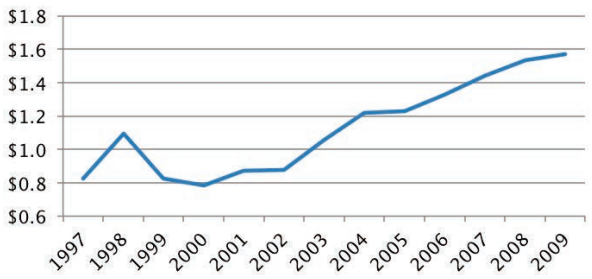
Source: U.S. Bureau of Economic Analysis

Employment and Compensation

Manufacturing Employment (2010)	12,700
Manufacturing Employment (% of Overall Nonfarm) (2010)	3.9%
Average Annual Compensation in Manufacturing (2009)	$43,497
Average Annual Compensation in Nonfarm Sectors (2009)	$50,033
Manufacturing Pay Premium (as a % of Nonfarm) (2009)	-$6,536 (-13.1%)

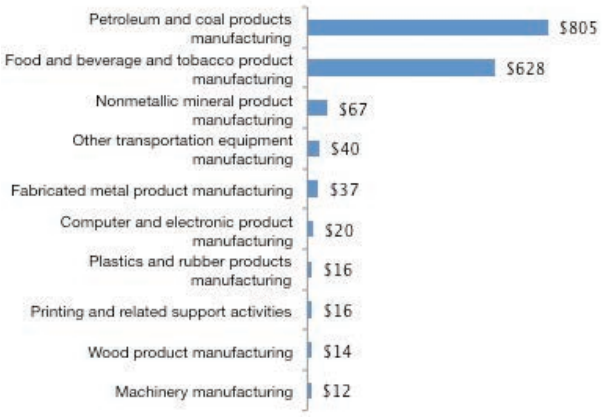
Sources: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

Alaska Manufacturing Output (Billions of Dollars, from 1997-2009)



Source: U.S. Bureau of Economic Analysis

Top 10 Alaska Manufacturing Sectors (in Millions of Dollars, in 2009)



Source: U.S. Bureau of Economic Analysis

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Alaska Exports — Room for Growth

With mining and government together accounting for half of the state's economy, other sectors, including manufacturing, play a smaller role in Alaska's economy compared to other states. Manufacturing accounted for just 4 percent of Alaska's economy in 2010, with most of the state's industrial activity concentrated in seafood product preparation and packaging.

Overall, the United States exports only half as much of its manufacturing production as the world average. America's exports and the related jobs could double if Congress passes strong pro-export legislation.

- **Manufactured exports support 8 percent of Alaska's manufacturing jobs.**
- **Since 2003, Alaska manufacturing exports fell by 26 percent, while nationally, U.S. manufacturing exports rose by 70 percent.**
- **76 percent of Alaska exporters are small businesses (2009).**
- **Alaska exported $99 million of manufactured goods to Free Trade Agreement (FTA) partner countries in 2010 — 21 percent of Alaska's total.**

Alaska Trade Statistics

Manufactured Goods Exports, 2010 (millions)	$462
Total Jobs in all Sectors Supported by Manufactured Goods Exports	5,000
Export Share of Manufacturing Jobs	8%
2003-2010 Growth of Manufactured Goods Exports	-26%

Alaska Manufactured Exports Underperformed Strong Growth Nationally

- With Alaska's exports dominated by marine products and minerals, manufacturing accounts for just 11 percent of Alaska's exports (2010).
- Since 2003, Alaska manufacturing exports fell 26 percent while the national average was a 70 percent increase.
- Manufactured exports support 8 percent of Alaska's manufacturing jobs (U.S. average is 22 percent).

Alaska Manufacturers Are Engaged in Exporting around the World

- Top five U.S. export markets: 80 percent of Alaska exports (2010).
- Switzerland (45%), Canada (17%), South Korea (8%), UK (5%) and Japan (5%).

Chart 1. Alaska's Manufactured Goods Exports

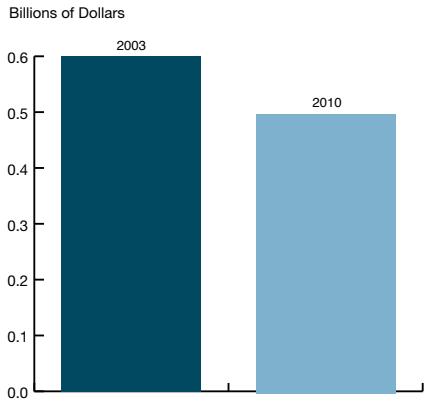
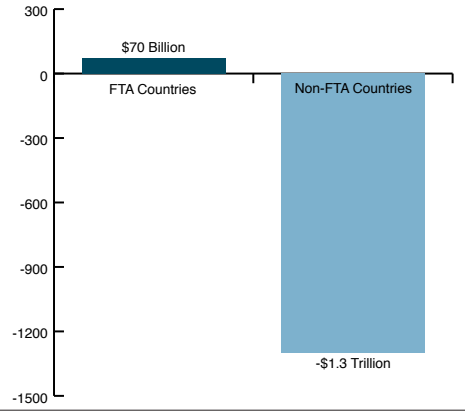


Chart 2. U.S. Manufacturing Trade Balance (2008-2009) FTA Countries Versus Non-FTA Countries



Exporting Is Critical to Alaska's Small Businesses

- Small businesses comprise 77 percent of Alaska's 333 exporters.
- Small businesses average $2,662,000 in exports per firm.
- Small businesses account for 51 percent of total state exports.

Additional Trade Facts

- Over the past three years, manufacturers in the U.S. sold $70 billion more in manufactured goods to our free trade agreement (FTA) partners than we bought from them. The United States had a manufacturing trade deficit of $1.3 trillion in countries where no FTAs existed *(see chart 2)*.
- FTA countries: Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Mexico, Morocco, Nicaragua, Oman, Peru, Singapore.
- Visit www.nam.org/statedata or www.nam.org/trade. E-mail us at trade@nam.org.

Source: U.S. Department of Commerce. Unless otherwise noted, data reflects 2008.

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