

# USMCA Passage is Critical for Alabama Manufacturers and Workers

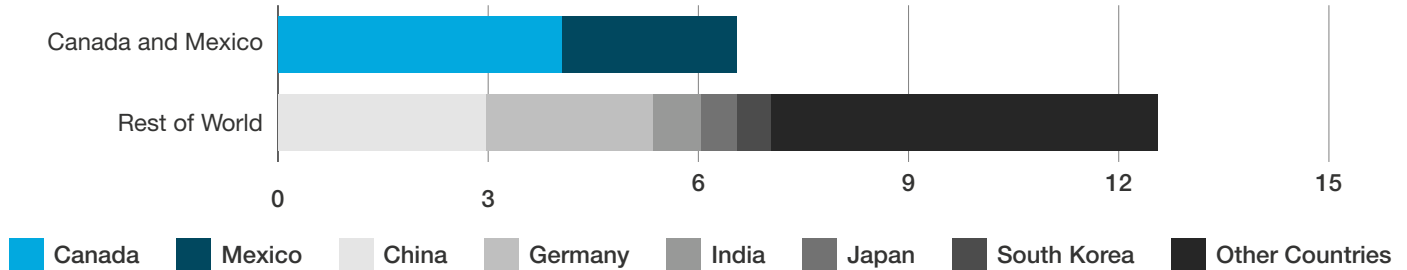


## ECONOMY AND EXPORTS

Trade is important for Alabama, helping Alabamians sell more of what they make to more customers around the world. More sales equal more well-paying jobs and a stronger economy across the state. Alabama's ability to sell more American-made products to Canada and Mexico is tied directly to tariff-free and rules-based trade in North America.

### Canada and Mexico purchase more than one-third of Alabama's total global manufacturing exports

#### Alabama Manufactured Goods Exports, in Billions of U.S. Dollars, 2018



Source: U.S. Department of Commerce

**Alabama's Top Exports to Canada and Mexico:** motor vehicles; iron and steel; motor vehicle parts; paper products; chemicals; engine, turbine and power transmission equipment; aluminum; aerospace products and parts; fabricated metal products and plastics.

**Alabama's Manufacturers Rely on North America:** Canada and Mexico represent less than 4 percent of the global economy, but they are big purchasers of Alabama's goods, purchasing substantial portions of Alabama's foreign sales of major manufactured goods, supporting well-paying jobs in communities across Alabama.

### 80% BIGGER

Alabama's motor vehicles exports to Canada and Mexico have increased by nearly 80 percent over the last decade.

### 4x BIGGER

Alabama's iron and steel exports to Canada and Mexico have increased more than 4-fold over the last decade.

### SMEs = WINNERS

Alabama's small- and medium-sized businesses comprise 63 percent of the state's exporters of transportation equipment to Canada and Mexico, and 68 percent of the state's exporters of metals to Canada and Mexico.

## ONE OUT OF FIVE

Alabama Manufacturing Firms Export to Canada and Mexico

- 683 firms
- 67 percent are small- and medium-sized businesses supporting local economies

## MORE THAN 23,300

Alabama Manufacturing Jobs Depend on Manufacturing Exports to Canada and Mexico

- Export-dependent jobs are usually full time, pay higher-than-average wages and offer real career opportunities to middle-class workers.
- Alabama manufacturing workers make on average \$65,216 in total annual compensation compared to \$39,700 for workers across all private nonfarm industries.

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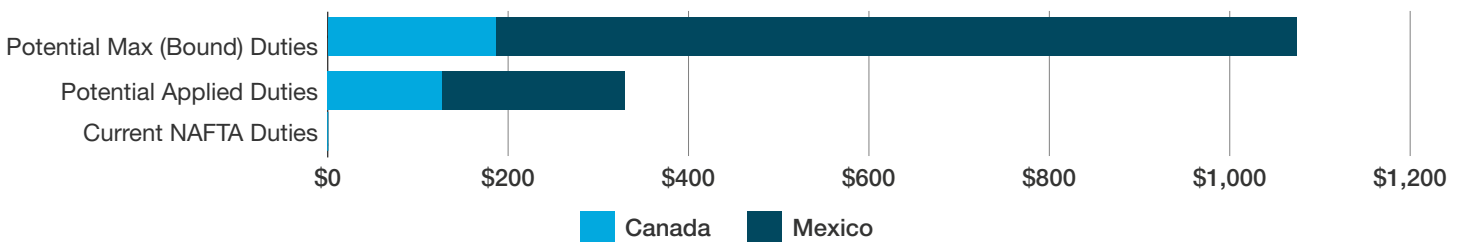
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# Alabama Without the U.S.–Mexico–Canada Trade Agreement: Less Manufacturing and Fewer Jobs

Without tariff-free trade across North America secured by a strong trade agreement, Alabama’s manufactured goods exports to Canada and Mexico could face a minimum of \$329 million to \$1 billion in extra taxes (compared to zero tariffs today).

As a result, many of Alabama’s manufacturers and the workers and communities they support would lose sales as competitors from Europe and Asia continue to enjoy zero tariffs. The result would be less manufacturing production and fewer well-paying American jobs in Alabama and throughout the United States.

## Tariffs on Alabama Manufacturers Exporting to Canada and Mexico (in Millions of U.S. Dollars, 2018):



Source: NAM analysis of data reported by the U.S. Department of Commerce

## In Brief: Alabama’s Manufacturing Trade and Employment Data \$36 Billion in Total Manufacturing Output (2017)

<b>Total Manufactured Goods Exports:</b> <b>\$19 billion</b> To World (2018) <b>\$6.5 billion</b> To Canada/Mexico (2018)		<b>Manufacturing Firms:</b> <b>3,749</b> Total Manufacturing Firms (2015) <b>683</b> Manufacturing Firms Exporting to Canada/Mexico	
<b>Employment:</b> <b>269,833</b> Total Manufacturing Employment (2018) <b>23,377</b> Manufacturing Employment Tied to Exports to Canada/Mexico		<b>Average Annual Compensation:</b> <b>\$65,216</b> Manufacturing (2016) <b>\$39,700</b> Nonfarm Business (2016)	

Source: NAM analysis of data reported by the U.S. Department of Commerce

Congressional passage of the United States–Mexico–Canada Agreement will help Alabama manufacturers grow in the United States, compete globally and support millions of well-paying manufacturing jobs across the country.

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