ECONOMY AND EXPORTS

Trade is important for Arkansas, helping Arkansans 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. Arkansas’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 nearly than one-third of Arkansas’s total global manufacturing exports

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

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Source: U.S. Department of Commerce

Arkansas’s Top Exports to Canada and Mexico: food and beverages; paper products; iron and steel; fabricated metal products; chemicals; electrical equipment and components; plastics; agriculture, construction and mining machinery; other machinery; HVAC and refrigeration equipment.

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

30% BIGGER
Arkansas’s food and beverages exports to Canada and Mexico have increased by 30 percent over the last decade.

3x BIGGER
Arkansas’s agriculture, construction and mining equipment exports to Canada and Mexico have increased more than 3-fold over the last decade.

SMEs = WINNERS
Arkansas’s small- and medium-sized businesses comprise 61 percent of the state’s exporters of food products to Canada and Mexico, and 70 percent of the state’s exporters of machinery to Canada and Mexico.

ONE OUT OF FIVE
Arkansas Manufacturing Firms Export to Canada and Mexico
- 440 firms
- 62 percent are small- and medium-sized businesses supporting local economies

MORE THAN 7,000
Arkansas 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.
- Arkansas manufacturing workers make on average $56,728 in total annual compensation compared to $39,201 for workers across all private nonfarm industries.

USMCA Passage is Critical for Arkansas Manufacturers and Workers
Arkansas 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, Arkansas’s manufactured goods exports to Canada and Mexico could face a minimum of $33 million to $225 million in extra taxes (compared to zero tariffs today).

As a result, many of Arkansas’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 Arkansas and throughout the United States.

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

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