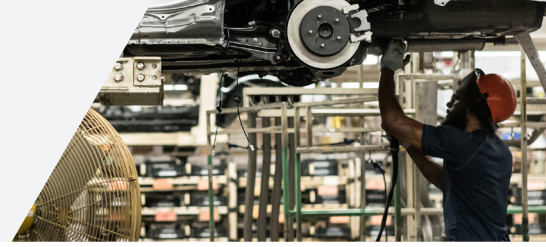


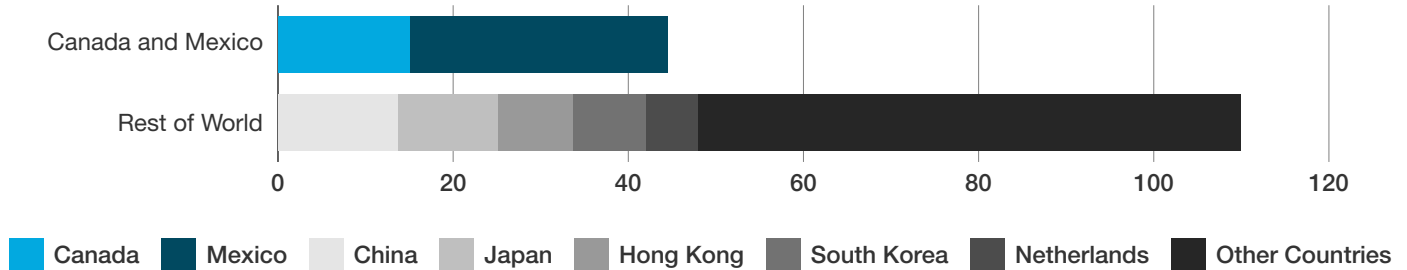
USMCA Passage is Critical for California Manufacturers and Workers



ECONOMY AND EXPORTS

Trade is important for California, helping Californians 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. California'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-quarter of California's total global manufacturing exports California Manufactured Goods Exports, in Billions of U.S. Dollars, 2018



Source: U.S. Department of Commerce

California's Top Exports to Canada and Mexico: computer equipment; semiconductors and electronic components; food and beverages; communications equipment; electrical equipment and components; motor vehicle parts; chemicals; fabricated metal products; petroleum and coal products; textiles and apparel.

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

2x BIGGER

California's communications equipment exports to Canada and Mexico have more than doubled over the last decade.

2x BIGGER

California's electrical equipment exports to Canada and Mexico have more than doubled over the last decade.

SMEs = WINNERS

California's small- and medium-sized businesses comprise 88 percent of the state's exporters of computer and electronic products to Canada and Mexico, and 87 percent of the state's exporters of electrical equipment to Canada and Mexico.

THREE OUT OF FOUR

California Manufacturing Firms Export to Canada and Mexico

- 25,727 firms
- 93 percent are small- and medium-sized businesses supporting local economies

MORE THAN 95,600

California 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.
- California manufacturing workers make on average \$100,060 in total annual compensation compared to \$54,329 for workers across all private nonfarm industries.

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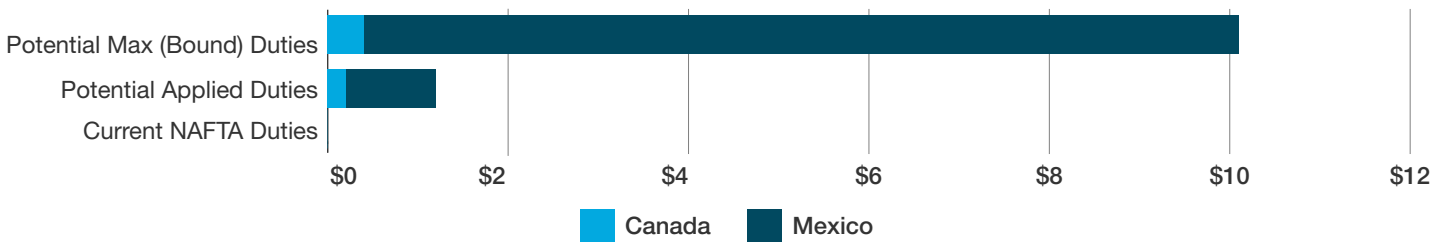
NATIONAL ASSOCIATION OF
Manufacturers

California 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, California's manufactured goods exports to Canada and Mexico could face a minimum of \$1.2 billion to \$10.1 billion in extra taxes (compared to zero tariffs today).

As a result, many of California'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 California and throughout the United States.

Tariffs on California Manufacturers Exporting to Canada and Mexico (in Billions of U.S. Dollars, 2018):



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

In Brief: California's Manufacturing Trade and Employment Data \$300 Billion in Total Manufacturing Output (2017)

Total Manufactured Goods Exports: \$154 billion To World (2018) \$44 billion To Canada/Mexico (2018)		Manufacturing Firms: 36,117 Total Manufacturing Firms (2015) 25,727 Manufacturing Firms Exporting to Canada/Mexico	
Employment: 1,318,400 Total Manufacturing Employment (2018) 95,682 Manufacturing Employment Tied to Exports to Canada/Mexico		Average Annual Compensation: \$100,060 Manufacturing (2016) \$54,329 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 California manufacturers grow in the United States, compete globally and support millions of well-paying manufacturing jobs across the country.

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