USMCA Passage is Critical for Hawaii Manufacturers and Workers

ECONOMY AND EXPORTS
Trade is important for Hawaii, helping Hawaiians 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. Hawaii’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 $7.5 Million of Hawaii’s Manufacturing Exports

Hawaii Manufactured Goods Exports, in Millions of U.S. Dollars, 2018

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<th>Canada</th>
<th>Mexico</th>
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<td>2018</td>
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Source: U.S. Department of Commerce

Hawaii’s Top Exports to Canada and Mexico: food and beverages; navigational, measurement, lab and control instruments; aerospace products and parts; medical equipment and supplies; communications equipment; miscellaneous manufactured commodities; semiconductors and electronic components; engine, turbine and power transmission equipment; optical instruments, lens, photography and copy equipment; fabricated metal products.

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

50% BIGGER
Hawaii’s navigational, measurement, lab and control instruments exports to Canada and Mexico have increased by more than 50 percent over the last decade.

2x BIGGER
Hawaii’s communications equipment exports to Canada and Mexico have more than doubled over the last decade.

SMEs = WINNERS
Hawaii’s small- and medium-sized businesses comprise 50 percent of the state’s exporters of computer and electronic products.

Hawaii’s small- and medium-sized businesses constitute 65 percent of the state’s exporters of manufacturing goods to Canada and Mexico.

Hawaii’s manufacturing workers make on average $46,148 in annual compensation compared to $42,290 for workers across all private nonfarm industries.
- Export-dependent jobs are usually full time, pay higher-than-average wages and offer real career opportunities to middle-class workers.

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Hawaii 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, Hawaii’s manufactured goods exports to Canada and Mexico could face a minimum of $232,791 to $543,255 in extra taxes (compared to zero tariffs today).

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

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

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