ECONOMY AND EXPORTS

Trade is important for Rhode Island, helping Rhode Islanders 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. Rhode Island’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 Rhode Island’s total global manufacturing exports

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

<table>
<thead>
<tr>
<th>Country</th>
<th>Export Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada and Mexico</td>
<td>1200</td>
</tr>
<tr>
<td>Rest of World</td>
<td>1300</td>
</tr>
</tbody>
</table>

Source: U.S. Department of Commerce

Rhode Island’s Top Exports to Canada and Mexico: chemicals; other nonferrous metals; electrical equipment and components; plastics; miscellaneous manufactured commodities; fabricated metal products; other machinery; motor vehicle parts; textiles and apparel; medical equipment and supplies.

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

70% BIGGER
Rhode Island’s chemicals exports to Canada and Mexico have increased by more than 70 percent over the last decade.

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

SMEs = WINNERS
Rhode Island’s small- and medium-sized businesses comprise 82 percent of the state’s exporters of chemicals to Canada and Mexico, and 84 percent of the state’s exporters of electrical equipment to Canada and Mexico.

ONE OUT OF FIVE
Rhode Island Manufacturing Firms Export to Canada and Mexico
- 292 firms
- 83 percent are small- and medium-sized businesses supporting local economies

MORE THAN 1,900
Rhode Island 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.
- Rhode Island manufacturing workers make on average $70,260 in total annual compensation compared to $47,145 for workers across all private nonfarm industries.
Rhode Island 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, Rhode Island’s manufactured goods exports to Canada and Mexico could face a minimum of $8.7 million to $78 million in extra taxes (compared to zero tariffs today).

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

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

In Brief: Rhode Island’s Manufacturing Trade and Employment Data

$5 Billion in Total Manufacturing Output (2017)

<table>
<thead>
<tr>
<th>Total Manufactured Goods Exports:</th>
<th>Manufacturing Firms:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.8 billion To World (2018)</td>
<td>1,363 Total Manufacturing Firms (2015)</td>
</tr>
<tr>
<td>$484 million To Canada/Mexico (2018)</td>
<td>292 Manufacturing Firms Exporting to Canada/Mexico</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment:</th>
<th>Average Annual Compensation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,921 Manufacturing Employment Tied to Exports to Canada/Mexico</td>
<td>$47,145 Nonfarm Business (2016)</td>
</tr>
</tbody>
</table>

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

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