

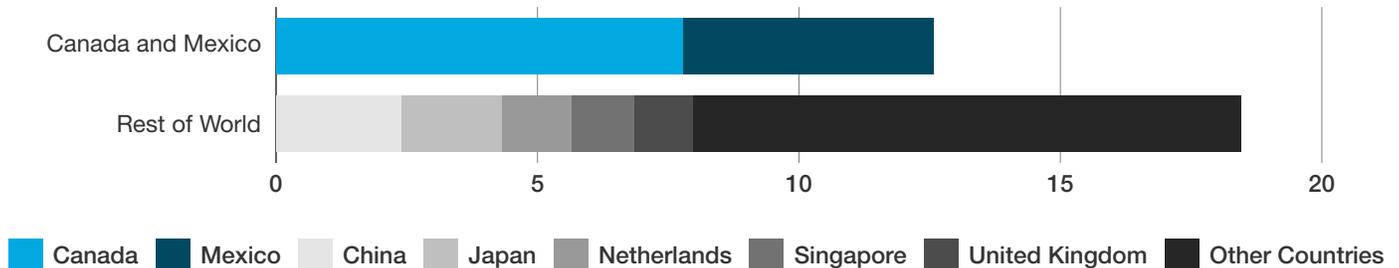
USMCA Passage is Critical for Tennessee Manufacturers and Workers



ECONOMY AND EXPORTS

Trade is important for Tennessee, helping Tennesseans 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. Tennessee'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 two-fifths of Tennessee's total global manufacturing exports Tennessee Manufactured Goods Exports, in Billions of U.S. Dollars, 2018



Source: U.S. Department of Commerce

Tennessee's Top Exports to Canada and Mexico: motor vehicles; motor vehicle parts; chemicals; engine, turbine and power transmission equipment; paper products; fabricated metal products; agriculture, construction and mining machinery; computer equipment; electrical equipment and components; navigational, measurement, lab and control instruments.

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

2x BIGGER

Tennessee's auto exports to Canada and Mexico have more than doubled over the last decade.

2x BIGGER

Tennessee's engine, turbine and power transmission equipment exports to Canada and Mexico have more than doubled over the last decade.

SMEs = WINNERS

Tennessee's small- and medium-sized businesses comprise 66 percent of the state's exporters of transportation equipment to Canada and Mexico, and 73 percent of the state's exporters of machinery to Canada and Mexico.

ONE OUT OF FOUR

Tennessee Manufacturing Firms Export to Canada and Mexico

- 1,205 firms
- 68 percent are small- and medium-sized businesses supporting local economies

MORE THAN 32,500

Tennessee 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.
- Tennessee manufacturing workers make on average \$69,260 in total annual compensation compared to \$42,804 for workers across all private nonfarm industries.

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Tennessee 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, Tennessee’s manufactured goods exports to Canada and Mexico could face a minimum of \$363 million to \$1.9 billion in extra taxes (compared to zero tariffs today).

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

Tariffs on Tennessee Manufacturers Exporting to Canada and Mexico (in Millions of U.S. Dollars):



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

In Brief: Tennessee’s Manufacturing Trade and Employment Data \$56 Billion in Total Manufacturing Output (2017)

Total Manufactured Goods Exports: \$31 billion To World (2018) \$13 billion To Canada/Mexico (2018)		Manufacturing Firms: 5,096 Total Manufacturing Firms (2015) 1,205 Manufacturing Firms Exporting to Canada/Mexico	
Employment: 352,125 Total Manufacturing Employment (2018) 32,521 Manufacturing Employment Tied to Exports to Canada/Mexico		Average Annual Compensation: \$69,260 Manufacturing (2016) \$42,804 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 Tennessee manufacturers grow in the United States, compete globally and support millions of well-paying manufacturing jobs across the country.

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