Overview

With more than 96 percent of the world’s population and 75 percent of its purchasing power outside the United States, economic recovery, jobs, and future growth for Georgia and America will depend on trade and investment. That includes reaching those customers with American goods and services through exports and expanding buying power and options for American companies and families with imports.

New Business Roundtable research, U.S. government data, and other data sources demonstrate the benefits of international trade and investment to jobs and the economy in Georgia. As the United States and the world continue efforts to defeat the COVID-19 pandemic and create jobs and economic opportunity – restoring trade and supporting trade-dependent jobs can help Georgia recover as well.

Trade Creates & Supports Jobs in Georgia

- **International trade, including exports and imports, supported 1,328,100 Georgia jobs – more than one in five in 2019.** These trade-related jobs grew four times faster than total employment from 1992 to 2019 and are at large and small companies, on farms, in factories, and at the headquarters of Georgia’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in Georgia. *(See Georgia Jobs Depend On Two-Way Trade)*

- **Georgia exported $39.6 billion in goods and $25.6 billion in services in 2019,** including aerospace products and parts, pulp and paperboard mill products, engines and turbines and passenger fares. Of Georgia’s 15,099 exporters, 88 percent are small- and medium-sized companies with less than 500 workers. *(See Georgia Businesses Grow With Exports)*

- **Customers in 212 countries and territories buy Georgia-made goods and services,** including billions of dollars in annual exports to top markets like Canada, Mexico and Germany. Georgia’s exports have grown 0.9 percent per year since 2010. Policies that help Georgia businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(See Georgia Companies Export Throughout The World)*

- **Imports lower prices and increase choices for Georgia companies and families.** Lower raw material and input costs help Georgia companies stay competitive in global markets, while families can stretch paychecks further as trade agreements reduce the cost of products by eliminating costly barriers to trade. *(See Georgia Companies and Families Benefit from Imports)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Georgia to partner countries.** In 2019, $16 billion of Georgia’s goods exports, or 40 percent, went to FTA partners. This represents an increase of 42 percent since 2010. *(See Georgia Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 287,400 workers in Georgia.** *(See Foreign Investment In Georgia Creates Jobs)*

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
Overview

Creating and preserving quality U.S. jobs is a goal shared by all Americans. With more than 96 percent of the world’s population and 75 percent of the world’s purchasing power outside of the United States, future American economic growth and job creation depend on open markets abroad. At the beginning of 2020, the COVID-19 global pandemic dramatically decreased trade, disrupted communities and economies, and ended millions of jobs across America, including in Georgia. As the U.S. economy recovers and more Americans seek opportunities to work, policies that expand trade can create new jobs in Georgia and help it recover faster.

Trade Creates & Supports Jobs in Georgia

- Export growth increases jobs by generating new business for Georgia’s manufacturers, services providers and farmers. Imports support jobs and keep costs low, helping Georgia businesses compete and saving Georgia families real dollars at the cash register.
- More than one in five Georgia jobs depends upon international trade.
- Georgia’s trade-related employment grew four times faster than total employment from 1992 to 2019.
- Jobs in export-dependent industries pay about 16 percent more than jobs in less export-intensive industries.
- U.S. exporting plants increase employment 2 to 4 percent faster annually than plants that do not export. Exporting plants also are less likely to go out of business.
- Trade supports more than 28 million U.S. jobs that provide middle class incomes.

About Trade & Jobs

Trade-supported jobs are not just at companies that export and import. Trade supports higher wages for workers and lower costs for companies and consumers, providing them with more money to spend on other things. This spending supports additional jobs throughout the U.S. economy in sectors like entertainment, education and construction not typically associated with “exports and imports.”

By the Numbers

1,328,100
Number of Jobs in Georgia Supported by Trade

Share of Jobs Tied to Trade
Increased 111 percent from 1992 to 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>9.8%</td>
</tr>
<tr>
<td>2019</td>
<td>20.7%</td>
</tr>
</tbody>
</table>

Jobs Tied to Trade
Top Sectors, 2019

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and professional services</td>
<td>299,000</td>
</tr>
<tr>
<td>Personal and recreational services</td>
<td>266,000</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>173,400</td>
</tr>
<tr>
<td>Education and health services</td>
<td>157,800</td>
</tr>
<tr>
<td>Transportation and utilities</td>
<td>88,000</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
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Overview

Georgia exported an estimated $39.6 billion in goods and $25.6 billion in services in 2019. Between 2010 and 2019, Georgia goods exports have increased by 38 percent and services exports by 53 percent. Large companies now account for 73 percent of the value of Georgia's goods exports, with the rest provided by small- and medium-sized enterprises (SMEs).

Small & Large Employers Partner to Export

In addition to exporting directly themselves, thousands of American SMEs export indirectly when they sell goods and services to large U.S. exporters. Based on their direct and indirect export activity combined, SMEs represent more than 40 percent of the value of U.S. exports.

Top Georgia Exports

- Georgia ranks among the top 5 state exporters in 19 industries, including first in pulp and paperboard mill products ($3.1 billion), nonmetallic minerals ($553 million), textile furnishings ($420 million), and lime and gypsum products ($19 million).
- Georgia is America’s 15th largest exporter of agricultural products. It is the second largest exporter of poultry and eggs, the third largest exporter of miscellaneous crops, the ninth largest exporter of fruits and tree nuts, and the 11th largest exporter of vegetables and melons.
- One of Georgia's fastest growing export categories is miscellaneous wood products, which increased by 733 percent since 2010. In 2019, exports of these products reached $285 million.

By the Numbers

15,099
Number of Georgia Businesses that Exported in 2018

88%
Share of Georgia Exporters that Are Small- & Medium-Sized Businesses

Top Georgia Exports, 2019

<table>
<thead>
<tr>
<th>Goods</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace Products &amp; Parts</td>
<td>$9.3 billion</td>
</tr>
<tr>
<td>Pulp &amp; Paperboard Mill Products</td>
<td>$3.1 billion</td>
</tr>
<tr>
<td>Engines &amp; Turbines</td>
<td>$1.8 billion</td>
</tr>
<tr>
<td>Medical Equipment &amp; Supplies</td>
<td>$1.7 billion</td>
</tr>
<tr>
<td>Meat Products</td>
<td>$1.2 billion</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Fares</td>
<td>$3.7 billion</td>
</tr>
<tr>
<td>Personal Travel &amp; Tourism</td>
<td>$2.2 billion</td>
</tr>
<tr>
<td>Software Distribution Royalties</td>
<td>$1.9 billion</td>
</tr>
</tbody>
</table>

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www.brt.org/trade
In 2019, Georgia companies sold their products in 212 countries and territories.

Top export markets include:

- **CANADA**
  - Goods Exports: $5.9 billion
  - Services Exports: $2.0 billion

- **UNITED KINGDOM**
  - Goods Exports: $1.5 billion
  - Services Exports: $2.6 billion

- **CHINA**
  - Goods Exports: $2.3 billion
  - Services Exports: $1.6 billion

- **MEXICO**
  - Goods Exports: $3.5 billion
  - Services Exports: $990 million

- **GERMANY**
  - Goods Exports: $2.7 billion
  - Services Exports: $1.4 billion

- **JAPAN**
  - Goods Exports: $1.5 billion
  - Services Exports: $1.5 billion

**Fast Facts: How Exports Help the Georgia Economy Grow**

- Goods and services exports accounted for 10.4 percent of Georgia's state GDP in 2019.
- Georgia's annual exports grew 0.9 percent per year since 2010.
- Georgia's top export markets for goods are Canada, Mexico, and Germany. Its top market for services is the United Kingdom.
- Georgia's goods exports to Norway have grown by 29 percent per year since 2010, while Georgia's services exports to China have grown by 10 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help Georgia businesses, workers, and farmers reach the growing number of customers around the world.

**Contact:** Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
Overview

Imports provide a variety of benefit for Georgia companies and families. Imported consumer goods help keep prices down for Georgia families while increasing choices for foods and other products that are not available locally. Imported inputs help Georgia manufacturers compete in both the United States and international markets, while exported goods (e.g., components) and services (e.g., design) often return to the United States as imports. To best meet the COVID-19 challenges, trade policies should ensure that American families and businesses retain access to both domestic and international inputs, supplies and services they need at prices they can afford.

Georgia Families Benefit from Imports

• In 2019, 40 percent of Georgia's imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving Georgia families more money to spend on locally provided goods and services, such as housing, education, and health care.

• Trade and investment liberalization policies save the average Georgia family of four more than $10,000 per year through lower prices and increased specialization.

2010-2019 Price Decrease

-85% for Televisions

-52% for Computers

-51% for Toys

Most Importers are Small Businesses

• In 2019, 14,393 Georgia companies imported goods from 200 countries around the world.

• Nationally, 77 percent of importers were very small businesses with less than 20 employees, while less than 3 percent had over 500 employees.

Georgia Exports and Imports are Linked Through Global Value Chains

• In 2019, 60 percent of Georgia goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.

• Many of Georgia's top imports are critical components for Georgia exports. Conversely, Georgia exports of raw materials and parts may return to the United States in imported finished goods.

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Overview

Trade with our free trade agreement (FTA) partner countries supports millions of American jobs. Trade agreements level the playing field by lowering other nations’ trade barriers, opening up foreign markets to U.S. exports and setting strong, enforceable rules for trade between the United States and those other countries. Georgia businesses, workers and farmers benefit from market-opening agreements, and would be harmed from new barriers to trade that limit exports, competitiveness, and jobs in Georgia and United States.

- In 2019, $16 billion of Georgia’s goods exports, or 40 percent, went to FTA partners.
- Since 2010, Georgia's goods exports to countries with FTAs in effect with the United States in 2019 have increased by 42 percent.
- Georgia's exports to Canada and Mexico have increased by $7.5 billion (395 percent) since NAFTA went into effect in 1994.
- Georgia's exports to Chile have increased by 540 percent – from $85 million to $547 million – since the FTA with Chile took effect in 2004.
- Georgia's exports to Singapore of aerospace products and parts have increased from $33 million to $1.4 billion since the FTA with Singapore went into effect in 2004.
- In 2019, $6.3 billion of Georgia's services exports, or 25 percent, went to FTA partners.
- Georgia's exports to Singapore of ocean freight and services have increased from $14 million to $69 million, or by about 400 percent, since 2006 (earliest year available).

By the Numbers

<table>
<thead>
<tr>
<th>42%</th>
<th>Increase in Georgia Goods Exports to FTA Partners Between 2010 and 2019</th>
</tr>
</thead>
</table>

Per Capita Purchases of Georgia Goods, 2019

| $33.48 | FTA Partner Countries |
| $3.47 | Non-FTA Countries |

* U.S. FTAs in effect with countries in 2019.

In 2019, FTA partners purchased 9.6 times more goods per capita from Georgia than non-FTA partners.

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Overview

Foreign-owned companies help grow the U.S. economy and jobs. In 2019, foreign-owned companies added over $1 trillion to U.S. GDP, including goods exports of $380 billion and R&D spending of over $60 billion. They employed 7.4 million workers in the United States, including 2 million workers – or 1 out of every 6 – in the manufacturing sector.

Georgia is no exception. Foreign-owned companies make significant investments in Georgia to open or expand facilities every year and are important customers for local goods and services providers. Subsidiaries of foreign-owned companies alone employed hundreds of thousands of workers in Georgia in 2019, including:

- 38,500 workers employed by companies based in Japan;
- 37,900 workers employed by companies based in the United Kingdom;
- 37,300 workers employed by companies based in Canada;
- 33,100 workers employed by companies based in Germany;
- 25,000 workers employed by companies based in France.

Foreign-Owned Companies Employed 287,400 Georgia Workers Across Many Industries, 2019

Selected Foreign-Owned Companies Employing Workers in Georgia

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>BASF Corporation</td>
<td>Chemicals manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Bridgestone Americas</td>
<td>Tire manufacturing</td>
<td>Japan</td>
</tr>
<tr>
<td>Canfor Corp. Lumber</td>
<td>Lumber manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>Holcim US Inc.</td>
<td>Cement manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Magna Exteriors/Decostar Industries, Inc.</td>
<td>Auto parts manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>National Beef Packing Company</td>
<td>Meat processing</td>
<td>Brazil</td>
</tr>
<tr>
<td>Specialty Fabrics &amp; Converting Inc.</td>
<td>Specialty fabric manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Yamaha Motor Manufacturing Corp. of America</td>
<td>Recreational vehicle manufacturing</td>
<td>Japan</td>
</tr>
</tbody>
</table>

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GEORGIA JOBS DEPEND ON TWO-WAY TRADE

Population and Purchasing Power: Derived from World Bank population and GDP estimates


GEORGIA BUSINESSES GROW WITH EXPORTS

Small and Large Firms Partnering to Export (for 2006, the most recent year for which data were available): U.S. International Trade Commission, Small and Medium-Sized Enterprises: Characteristics and Performance, November 2010, (http://www.usitc.gov/publications/332/pub4189.pdf)


GEORGIA COMPANIES EXPORT THROUGHOUT THE WORLD


GEORGIA COMPANIES USE IMPORTS TO MAKE COMPETITIVE PRODUCTS


Imports as Components: Derived from Census end-use import data


Price Changes: Derived from BLS Consumer Price Index database (http://www.bls.gov/cpi/)

GEORGIA NEEDS TRADE AGREEMENTS TO GROW


Per Capita Purchases of Georgia Goods: Derived from The Trade Partnership (http://tradepartnership.com/data/cdxports-and-cdxjobs) and World Bank population estimates

FOREIGN INVESTMENT IN GEORGIA CREATES JOBS

Employment Data: BEA “Direct Investment & Multinational Companies” database (http://bea.gov/iTable/index_MNC.cfm)

Foreign Investors: Uniworld BP database of “Foreign Firms Operating in the United States” (http://www.uniworldbp.com)

DATA SOURCES

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