Overview

With more than 95 percent of the world’s population and 80 percent of the world’s purchasing power outside the United States, future economic growth and jobs for Louisiana and America increasingly depend on expanding U.S. trade and investment opportunities in the global marketplace.

The following pages feature key facts and figures drawn from new Business Roundtable research, U.S. government data, and other data sources that demonstrate the benefits of international trade and investment to economic growth and jobs in Louisiana.

Trade Creates & Supports Jobs in Louisiana

- **International trade, including exports and imports, supports 516,200 Louisiana jobs – nearly one in five.** These trade-related jobs grew four times faster than total employment from 1992 to 2017 and are at large and small companies, on farms, in factories, and at the headquarters of Louisiana’s globally engaged firms. *(See Louisiana Jobs Depend On Two-Way Trade)*

- **Louisiana exported $41.8 billion in goods and $9.1 billion in services in 2017,** including grain & oilseed milling products, basic chemicals, oil & gas and travel services. Of Louisiana’s 3,588 exporters, 85 percent are small- and medium-sized companies with less than 500 workers. *(See Louisiana Businesses Grow With Exports)*

- **Customers in 190 countries and territories buy Louisiana-made goods and services,** including billions of dollars in annual exports to top markets like Mexico, Canada and China. Louisiana’s exports have grown nearly five times faster than state GDP since 2007. *(See Louisiana Companies Export Throughout The World)*

- **Imports lower prices and increase choices for Louisiana companies and families.** Lower raw material and input costs help Louisiana 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 Louisiana Companies Use Imports to Make Competitive Products)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Louisiana to partner countries.** In 2017, $18.5 billion of Louisiana’s goods exports, or 44 percent, went to FTA partners. This represents an increase of 95 percent since 2007. *(See Louisiana Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 67,700 workers in Louisiana.** *(See Foreign Investment In Louisiana Creates Jobs)*

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www.brt.org/trade
Overview

Creating and preserving quality U.S. jobs is a goal shared by all Americans. With more than 95 percent of the world’s population and 80 percent of the world’s purchasing power outside of the United States, future American economic growth and job creation depend on open markets abroad.

Trade Supports Jobs in Louisiana

- Export growth increases jobs by generating new business for Louisiana's manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping Louisiana businesses compete and saving Louisiana families real dollars at the cash register.

- Nearly one in five Louisiana jobs depends upon international trade.

- Louisiana's trade-related employment grew four times faster than total employment from 1992 to 2017.

- 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-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.

By the Numbers

516,200

Number of Jobs in Louisiana Supported by Trade

Share of Jobs Tied to Trade

Increased 75 percent from 1992 to 2017

Jobs Tied to Trade

Top Sectors, 2017

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade &amp; Distribution</td>
<td>125,100</td>
</tr>
<tr>
<td>Prof., Scient. &amp; Tech. Services</td>
<td>77,400</td>
</tr>
<tr>
<td>Personal &amp; Rec. Services</td>
<td>37,700</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>26,000</td>
</tr>
<tr>
<td>Construction</td>
<td>24,300</td>
</tr>
</tbody>
</table>

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Overview

Louisiana exported an estimated $41.8 billion in goods and $9.1 billion in services in 2017. Between 2007 and 2017, Louisiana goods exports have increased by 68 percent and services exports by 40 percent. Large companies now account for 65 percent of the value of Louisiana'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 Louisiana Exports

- Louisiana ranks among the top 10 state exporters in 12 industries, including first in grain & oilseed milling products ($3.1 billion), second in basic chemicals ($5.3 billion), second in oil & gas ($5.1 billion), and second in petroleum & coal products ($18.6 billion).

- Louisiana is America’s 29th largest exporter of agricultural products. It is the 16th largest exporter of fruits & tree nuts, the 19th largest exporter of oilseeds & grains, the 21st largest exporter of miscellaneous crops, and the 22nd largest exporter of swine.

- One of Louisiana’s fastest growing export categories is miscellaneous transportation equipment, which increased by 9,246 percent since 2007. In 2017, exports of these products reached $263 million.

By the Numbers

3,588

Number of Louisiana Businesses that Exported in 2016

Share of Louisiana Exporters that are Small- & Medium-Sized Businesses

85%

Top Louisiana Exports, 2017

Goods

<table>
<thead>
<tr>
<th>Product</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum &amp; Coal Products</td>
<td>$18.6 billion</td>
</tr>
<tr>
<td>Basic Chemicals</td>
<td>$5.3 billion</td>
</tr>
<tr>
<td>Oil &amp; Gas</td>
<td>$5.1 billion</td>
</tr>
<tr>
<td>Resins &amp; Synthetic Fibers</td>
<td>$3.3 billion</td>
</tr>
<tr>
<td>Grain &amp; Oilseed Milling Products</td>
<td>$3.1 billion</td>
</tr>
</tbody>
</table>

Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>$3.0 billion</td>
</tr>
<tr>
<td>Ocean Freight &amp; Port Services</td>
<td>$2.0 billion</td>
</tr>
<tr>
<td>Royalties from Industrial Processes</td>
<td>$1.2 billion</td>
</tr>
</tbody>
</table>

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In 2017, Louisiana companies sold their products in 190 countries and territories.

Top export markets include:

- **Canada**: Goods Exports: $2.7 billion, Services Exports: $630 million
- **Netherlands**: Goods Exports: $1.7 billion, Services Exports: $210 million
- **China**: Goods Exports: $2.3 billion, Services Exports: $776 million
- **Mexico**: Goods Exports: $6.1 billion, Services Exports: $454 million
- **Brazil**: Goods Exports: $2.8 billion, Services Exports: $234 million
- **Korea**: Goods Exports: $1.6 billion, Services Exports: $428 million

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

- Louisiana's exports have grown nearly five times faster than state GDP since 2007. The average annual export growth during this period was 6.8 percent, while the average annual state GDP growth was 1.4 percent.
- Louisiana's top export markets for goods are Mexico, Brazil, and Canada. Its top market for services is China.
- Louisiana's goods exports to Chile have grown by 41 percent per year since 2007, while Louisiana's services exports to Brazil have grown by 10 percent per year.

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LOUISIANA COMPANIES USE IMPORTS TO MAKE COMPETITIVE PRODUCTS

Overview
In 2017, 58 percent ($1.3 trillion) of the products imported into the United States were inputs and components used by American producers. Lower cost inputs keep U.S. manufacturing competitive in international markets. Imports frequently contain components (like cotton or semiconductors) and services inputs (like design) provided by U.S. companies and farmers, including companies and farmers in Louisiana.

- Services, especially transportation from Louisiana's ports, finance and insurance, marketing and legal services are needed to bring imported goods to American manufacturers and households.
- In 2016, about 75 percent of identified U.S. importers were very small businesses with less than 20 employees.
- Trade and investment liberalization policies save the average Louisiana family of four more than $10,000 per year.
- Imports help keep prices down for Louisiana families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

Imports Decrease Prices

- **-87.9%** Decrease in the Price of Televisions Between 2007 and 2017.
- **-44.7%** Decrease in the Price of Toys Between 2007 and 2017.

Imports Increase Choices

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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.

- In 2017, $18.5 billion of Louisiana's goods exports, or 44 percent, went to FTA partners.
- Since 2007, Louisiana's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 95 percent.
- Louisiana's goods exports to Canada and Mexico have increased by $8.0 billion (929 percent) since NAFTA went into effect in 1994.
- Louisiana's goods exports to Chile have increased by 1,175 percent since the took effect in 2004.
- Louisiana's exports to Guatemala of petroleum & coal products have increased from $76 million to $503 million since DR-CAFTA went into effect for Guatemala in 2006.
- Australia bought 28 percent of Louisiana's exports of aerospace products & parts in 2017.
- In 2017, $2.3 billion of Louisiana's services exports, or 25 percent, went to FTA partners.
- Louisiana's exports to Singapore of royalties from industrial processes have increased from $7.4 million to $55 million, or by 641 percent, since 2006 (earliest year available).

By the Numbers

95%
Increase in Louisiana Goods Exports to FTA Partners Between 2007 and 2017

Per Capita Purchases of Louisiana Goods, 2017

$39.80

$3.45

Non-FTA Countries
FTA Partner Countries*

* U.S. FTAs in effect with countries in 2017.

In 2017, FTA partners purchased 11.5 times more goods per capita from Louisiana than non-FTA partners.

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Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in Louisiana every year. Foreign-owned companies from around the world employed tens of thousands of workers in Louisiana, including:

- 16,300 workers employed by companies based in the United Kingdom;
- 10,400 workers employed by companies based in France;
- 8,100 workers employed by companies based in Canada;
- 5,800 workers employed by companies based in Germany;
- 5,200 workers employed by companies based in the Netherlands.

Selected Foreign-Owned Companies Employing Workers in Louisiana

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABB Inc.</td>
<td>Power Distribution Equipment Mfg.</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Cemex</td>
<td>Cement Manufacturing</td>
<td>Mexico</td>
</tr>
<tr>
<td>EMR USA Holdings</td>
<td>Metal Recycling Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>FCC Environmental</td>
<td>Environmental Services</td>
<td>Spain</td>
</tr>
<tr>
<td>Hunting Energy Services</td>
<td>Oilfield Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>KPMG LLP</td>
<td>Accounting Services</td>
<td>Netherlands</td>
</tr>
<tr>
<td>Rexel Inc.</td>
<td>Electrical Equipment Manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>Schindler Elevator Corp.</td>
<td>Elevator Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Solvay Chemicals</td>
<td>Chemicals Manufacturing</td>
<td>Belgium</td>
</tr>
<tr>
<td>Sparrows Offshore LLC</td>
<td>Oilfield Services</td>
<td>Scotland</td>
</tr>
<tr>
<td>Vallourec Tube-Alloy, LLC</td>
<td>Steel Product Manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>Veolia Environmental Services</td>
<td>Environmental Services</td>
<td>France</td>
</tr>
</tbody>
</table>

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LOUISIANA JOBS DEPEND ON TWO-WAY TRADE


LOUISIANA 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)


LOUISIANA COMPANIES EXPORT THROUGHOUT THE WORLD


LOUISIANA 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/)

LOUISIANA NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN LOUISIANA 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)

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