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 Louisiana 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 Louisiana. 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 Louisiana recover as well.

Trade Creates & Supports Jobs in Louisiana

- **International trade, including exports and imports, supported 555,300 Louisiana jobs – 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 Louisiana’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in Louisiana. *(See Louisiana Jobs Depend On Two-Way Trade)*

- **Louisiana exported $50.4 billion in goods and $10.6 billion in services in 2019,** including petroleum and coal products, oil and gas, basic chemicals and air freight and port services. Of Louisiana’s 3,808 exporters, 85 percent are small- and medium-sized companies with less than 500 workers. *(See Louisiana Businesses Grow With Exports)*

- **Customers in 192 countries and territories buy Louisiana-made goods and services,** including billions of dollars in annual exports to top markets like Mexico, Korea and Brazil. Louisiana’s exports have grown more than three times faster than state GDP since 2010. Policies that help Louisiana businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(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 and Families Benefit from Imports)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Louisiana to partner countries.** In 2019, $23 billion of Louisiana’s goods exports, or 46 percent, went to FTA partners. This represents an increase of 119 percent since 2010. *(See Louisiana Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 75,800 workers in Louisiana.** *(See Foreign Investment In Louisiana 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 Louisiana. As the U.S. economy recovers and more Americans seek opportunities to work, policies that expand trade can create new jobs in Louisiana and help it recover faster.

Trade Creates & Supports Jobs in Louisiana

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

- One in five Louisiana jobs depends upon international trade.

- Louisiana’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

- **555,300**
  - Number of Jobs in Louisiana Supported by Trade

**Share of Jobs Tied to Trade**

- Increased 85 percent from 1992 to 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>10.9%</td>
</tr>
<tr>
<td>2019</td>
<td>20.2%</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>Personal and recreational services</td>
<td>119,400</td>
</tr>
<tr>
<td>Business and professional services</td>
<td>102,300</td>
</tr>
<tr>
<td>Education and health services</td>
<td>82,600</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>71,300</td>
</tr>
<tr>
<td>Construction</td>
<td>42,400</td>
</tr>
</tbody>
</table>

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

Louisiana exported an estimated $50.4 billion in goods and $10.6 billion in services in 2019. Between 2010 and 2019, Louisiana goods exports have increased by 89 percent and services exports by 19 percent. Large companies now account for 68 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 13 industries, including first in grain and oilseed milling products ($2.8 billion), second in petroleum and coal products ($22.1 billion), oil and gas ($10.7 billion), and basic chemicals ($5.6 billion).
- Louisiana is America’s 30th largest exporter of agricultural products. It is the 16th largest exporter of fruits and tree nuts, the 20th largest exporter of oilseeds and grains, the 26th largest exporter of miscellaneous crops, and the 26th largest exporter of greenhouse and nursery products.
- One of Louisiana’s fastest growing export categories is railroad rolling stock, which increased by nearly 4,500 percent since 2010. In 2019, exports of these products reached $139 million.

By the Numbers

3,808
Number of Louisiana Businesses that Exported in 2018

85%
Share of Louisiana Exporters that Are Small- & Medium-Sized Businesses

Top Louisiana Exports, 2019

<table>
<thead>
<tr>
<th>Goods</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum &amp; Coal Products</td>
<td>$22.1 billion</td>
</tr>
<tr>
<td>Oil &amp; Gas</td>
<td>$10.7 billion</td>
</tr>
<tr>
<td>Basic Chemicals</td>
<td>$5.6 billion</td>
</tr>
<tr>
<td>Resins &amp; Synthetic Fibers</td>
<td>$3.1 billion</td>
</tr>
<tr>
<td>Grain &amp; Oilseed Milling Products</td>
<td>$2.8 billion</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Freight &amp; Port Services</td>
<td>$2.5 billion</td>
</tr>
<tr>
<td>Personal Travel &amp; Tourism</td>
<td>$1.9 billion</td>
</tr>
<tr>
<td>Royalties from Industrial Processes</td>
<td>$1.2 billion</td>
</tr>
</tbody>
</table>

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www.brt.org/trade
In 2019, Louisiana companies sold their products in 192 countries and territories.

Top export markets include:

- **CANADA**
  - Goods Exports: $2.9 billion
  - Services Exports: $1.3 billion

- **UNITED KINGDOM**
  - Goods Exports: $1.8 billion
  - Services Exports: $981 million

- **KOREA**
  - Goods Exports: $3.3 billion
  - Services Exports: $319 million

- **MEXICO**
  - Goods Exports: $7.3 billion
  - Services Exports: $585 million

- **BRAZIL**
  - Goods Exports: $3.9 billion
  - Services Exports: $249 million

- **NETHERLANDS**
  - Goods Exports: $2.2 billion
  - Services Exports: $283 million

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

- Goods and services exports accounted for 23.7 percent of Louisiana's state GDP in 2019.
- Louisiana's exports have grown more than three times faster than state GDP since 2010. The average annual export growth during this period was 5.0 percent, while the average annual state GDP growth was 1.5 percent.
- Louisiana's top export markets for goods are Mexico, Brazil, and Korea. Its top market for services is Canada.
- Louisiana's goods exports to Spain have grown by 30 percent per year since 2010, while Louisiana's services exports to Denmark have grown by 12 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help Louisiana businesses, workers, and farmers reach the growing number of customers around the world.

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Overview

Imports provide a variety of benefit for Louisiana companies and families. Imported consumer goods help keep prices down for Louisiana families while increasing choices for foods and other products that are not available locally. Imported inputs help Louisiana 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.

Louisiana Families Benefit from Imports

- In 2019, 8 percent of Louisiana's imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving Louisiana 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 Louisiana 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, 3,967 Louisiana companies imported goods from 160 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.

Louisiana Exports and Imports are Linked Through Global Value Chains

- In 2019, 92 percent of Louisiana goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.
- Many of Louisiana’s top imports are critical components for Louisiana exports. Conversely, Louisiana exports of raw materials and parts may return to the United States in imported finished goods.

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Imports: Crude oil ($8.6B in 2019)
Exports: Refined petroleum ($20.7B in 2019)
LOUISIANA NEEDS TRADE AGREEMENTS TO GROW

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. Louisiana 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 Louisiana and United States.

- In 2019, $23 billion of Louisiana’s goods exports, or 46 percent, went to FTA partners.
- Since 2010, Louisiana’s goods exports to countries with FTAs in effect with the United States in 2019 have increased by 119 percent.
- Louisiana’s exports to Canada and Mexico have increased by $9.4 billion (1,095 percent) since NAFTA went into effect in 1994.
- Louisiana’s exports to Morocco have increased by over 4,500 percent – from $9.7 million to $446 million – since the FTA with Morocco took effect in 2006.
- Louisiana’s exports to the Dominican Republic of petroleum and coal products have increased from $47 million to $689 million since the FTA with the Dominican Republic went into effect in 2007.
- Colombia bought 18 percent – $508 million out of $2.8 billion – of Louisiana’s exports of grain and oilseed milling products in 2019.
- In 2019, $3.3 billion of Louisiana’s services exports, or 31 percent, went to FTA partners.
- Louisiana’s exports to the Dominican Republic of air freight and port services have increased from $9.4 million to $47 million, or by 400 percent, since 2006.

By the Numbers

119%
Increase in Louisiana Goods Exports to FTA Partners Between 2010 and 2019

Per Capita Purchases of Louisiana Goods, 2019

$48.94
$4.00
Non-FTA Countries
FTA Partner Countries

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

In 2019, FTA partners purchased 12.3 times more goods per capita from Louisiana than non-FTA partners.

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www.brt.org/trade
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.

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

- 16,100 workers employed by companies based in the United Kingdom;
- 13,500 workers employed by companies based in Canada;
- 10,200 workers employed by companies based in France;
- 6,700 workers employed by companies based in Germany;
- 4,300 workers employed by companies based in the Netherlands.

Foreign-Owned Companies Employed 75,800 Louisiana Workers Across Many Industries, 2019

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>BASF Corporation</td>
<td>Chemicals manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Benteler Steel/Tube Manuf Corp.</td>
<td>Steel product manufacturing</td>
<td>Austria</td>
</tr>
<tr>
<td>Clariant Corporation</td>
<td>Chemicals manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Holcim US Inc.</td>
<td>Cement manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Intertek USA Inc.</td>
<td>Chemical, oilfield testing services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Methanex Corporation</td>
<td>Chemicals manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>Nan Ya Plastics Corporation</td>
<td>Fiber and filament manufacturing</td>
<td>Taiwan</td>
</tr>
<tr>
<td>Shell Manufacturing Complex</td>
<td>Chemicals manufacturing</td>
<td>Netherlands</td>
</tr>
</tbody>
</table>

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DATA SOURCES

LOUISIANA JOBS DEPEND ON TWO-WAY TRADE
Population and Purchasing Power: Derived from World Bank population and GDP estimates


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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