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 New Mexico 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 New Mexico.

Trade Creates & Supports Jobs in New Mexico

- **International trade, including exports and imports, supports 211,900 New Mexico jobs – nearly one in five.** These trade-related jobs grew nearly 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 New Mexico’s globally engaged firms. *(See New Mexico Jobs Depend On Two-Way Trade)*

- **New Mexico exported $3.6 billion in goods and $2.5 billion in services in 2017,** including furniture related products, sheep, goats & fine animal hair, computer equipment and travel services. Of New Mexico’s 1,316 exporters, 83 percent are small- and medium-sized companies with less than 500 workers. *(See New Mexico Businesses Grow With Exports)*

- **Customers in 159 countries and territories buy New Mexico-made goods and services,** including billions of dollars in annual exports to top markets like Mexico, China and Canada. New Mexico’s exports have grown more than three times faster than state GDP since 2007. *(See New Mexico Companies Export Throughout The World)*

- **Imports lower prices and increase choices for New Mexico companies and families.** Lower raw material and input costs help New Mexico companies stay competitive globally, while families can stretch paychecks further as trade agreements reduce the cost of products by eliminating costly barriers to trade. *(See New Mexico Companies Use Imports to Make Competitive Products)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from New Mexico to partner countries.** In 2017, $1.9 billion of New Mexico’s goods exports, or 54 percent, went to FTA partners. This represents an increase of 154 percent since 2007. *(See New Mexico Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 18,000 workers in New Mexico.** *(See Foreign Investment In New Mexico Creates Jobs)*

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
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NEW MEXICO JOBS DEPEND ON TWO-WAY 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 New Mexico

- Export growth increases jobs by generating new business for New Mexico’s manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping New Mexico businesses compete and saving New Mexico families real dollars at the cash register.
- Nearly one in five New Mexico jobs depends upon international trade.
- New Mexico’s trade-related employment grew nearly 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

211,900
Number of Jobs in New Mexico Supported by Trade

Share of Jobs Tied to Trade
Increased 72 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>49,600</td>
</tr>
<tr>
<td>Prof., Scient. &amp; Tech. Services</td>
<td>31,800</td>
</tr>
<tr>
<td>Agriculture</td>
<td>14,600</td>
</tr>
<tr>
<td>Personal &amp; Rec. Services</td>
<td>13,900</td>
</tr>
<tr>
<td>Construction</td>
<td>7,400</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
NEW MEXICO BUSINESSES GROW WITH EXPORTS

Overview

New Mexico exported an estimated $3.6 billion in goods and $2.5 billion in services in 2017. Between 2007 and 2017, New Mexico goods exports have increased by 43 percent and services exports by 43 percent. Large companies now account for 59 percent of the value of New Mexico’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 New Mexico Exports

- New Mexico ranks among the top half of state exporters in 18 industries, including sixth in furniture related products ($11 million), tenth in sheep, goats & fine animal hair ($51,000), 11th in computer equipment ($758 million), and 12th in fruits & tree nuts ($51 million).
- New Mexico is America’s 39th largest exporter of agricultural products. It is the tenth largest exporter of sheep, goats & fine animal hair, the 12th largest exporter of fruits & tree nuts, the 14th largest exporter of miscellaneous animal products, and the 16th largest exporter of swine.
- One of New Mexico’s fastest growing export categories is iron, steel & ferroalloys, which increased by 2,564 percent since 2007. In 2017, exports of these products reached $35 million.

By the Numbers

1,316
Number of New Mexico Businesses that Exported in 2016

83%
Share of New Mexico Exporters that are Small- & Medium-Sized Businesses

Top New Mexico Exports, 2017

Goods
- Semiconductors & Components $847 million
- Computer Equipment $758 million
- Misc. Fabricated Metal Products $282 million
- Medical Equipment & Supplies $220 million
- Communications Equipment $181 million

Services
- Travel $918 million
- R&D & Testing Services $401 million
- Film & Television Distribution $346 million

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In 2017, New Mexico companies sold their products in 159 countries and territories.

Top export markets include:

- **Canada**
  - Goods Exports: $125 million
  - Services Exports: $193 million

- **Germany**
  - Goods Exports: $62 million
  - Services Exports: $101 million

- **China**
  - Goods Exports: $1.0 billion
  - Services Exports: $183 million

- **Mexico**
  - Goods Exports: $1.6 billion
  - Services Exports: $133 million

- **United Kingdom**
  - Goods Exports: $26 million
  - Services Exports: $229 million

- **Japan**
  - Goods Exports: $49 million
  - Services Exports: $143 million

**Fast Facts: How Exports Help the New Mexico Economy Grow**

- Goods and services exports accounted for 6.4 percent of New Mexico's state GDP in 2017.
- New Mexico’s exports have grown more than three times faster than state GDP since 2007. The average annual export growth during this period was 5.0 percent, while the average annual state GDP growth was 1.6 percent.
- New Mexico’s top export markets for goods are Mexico, China, and Saudi Arabia. Its top market for services is the United Kingdom.
- New Mexico’s goods exports to Turkey have grown by 82 percent per year since 2007, while New Mexico’s services exports to China have grown by 16 percent per year.

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NEW MEXICO 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 New Mexico.

• Services such as transportation, 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 New Mexico family of four more than $10,000 per year.
• Imports help keep prices down for New Mexico families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

In 2016, about 211,000 U.S. companies (including 1,251 in New Mexico) imported products...

And roughly three-quarters of U.S. importers were very small businesses with less than 20 employees.

Imports Decrease Prices

-87.9%  

-63.3%  

-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, $1.9 billion of New Mexico's goods exports, or 54 percent, went to FTA partners.

• Since 2007, New Mexico's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 154 percent.

• New Mexico's goods exports to Canada and Mexico have increased by $1.6 billion (1,396 percent) since NAFTA went into effect in 1994.

• New Mexico's goods exports to Australia have increased by 567 percent since the FTA took effect in 2005.

• New Mexico's exports to Korea of semiconductors & components have increased from $3.6 million to $18 million since the FTA went into effect in 2012.

• Singapore bought 27 percent of New Mexico's exports of medical equipment & supplies in 2017.

• In 2017, $650 million of New Mexico's services exports, or 27 percent, went to FTA partners.

• New Mexico's exports to Singapore of R&D & testing services have increased from $2.9 million to $59 million, or by 1,889 percent, since 2006 (earliest year available).

By the Numbers

154%

Increase in New Mexico Goods Exports to FTA Partners Between 2007 and 2017

Per Capita Purchases of New Mexico Goods, 2017

$4.17

$0.25

Non-FTA Countries

FTA Partner Countries*

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

In 2017, FTA partners purchased 16.8 times more goods per capita from New Mexico than non-FTA partners.

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Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in New Mexico every year. Foreign-owned companies from around the world employed about 18,000 workers in New Mexico, including:

- 3,100 workers employed by companies based in Canada;
- 2,700 workers employed by companies based in Germany;
- 2,600 workers employed by companies based in France;
- 2,600 workers employed by companies based in the United Kingdom;
- 1,300 workers employed by companies based in Japan.

Selected Foreign-Owned Companies Employing Workers in New Mexico

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABB Inc.</td>
<td>Electrical Equipment Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>AMEC Earth and Environmental</td>
<td>Engineering &amp; Consulting Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>BBVA Compass Bank</td>
<td>Financial Services</td>
<td>Spain</td>
</tr>
<tr>
<td>Bio Pappel International</td>
<td>Paper Products Manufacturing</td>
<td>Mexico</td>
</tr>
<tr>
<td>Clariant Corporation</td>
<td>Chemicals Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Encana Oil &amp; Gas</td>
<td>Mining</td>
<td>Canada</td>
</tr>
<tr>
<td>Firestone Complete Auto Care</td>
<td>Retailing</td>
<td>Japan</td>
</tr>
<tr>
<td>Holiday Inn</td>
<td>Hotel Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Parex USA, Inc.</td>
<td>Specialty Chemical Manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>Qinetiq North America, Inc.</td>
<td>Research Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Siemens Water Technologies</td>
<td>Engineering Services</td>
<td>Germany</td>
</tr>
<tr>
<td>Wood Group Pressure Control</td>
<td>Energy Services</td>
<td>Scotland</td>
</tr>
</tbody>
</table>

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NEW MEXICO JOBS DEPEND ON TWO-WAY TRADE


NEW MEXICO BUSINESSES GROW WITH EXPORTS


NEW MEXICO COMPANIES EXPORT THROUGHOUT THE WORLD


NEW MEXICO COMPANIES USE IMPORTS TO MAKE COMPETITIVE PRODUCTS


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


NEW MEXICO NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN NEW MEXICO CREATES JOBS

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

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

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