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 Oregon 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 Oregon. 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 Oregon recover as well.

Trade Creates & Supports Jobs in Oregon

- **International trade, including exports and imports, supported 506,100 Oregon jobs – nearly one in five in 2019.** These trade-related jobs grew three 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 Oregon’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in Oregon. *(See Oregon Jobs Depend On Two-Way Trade)*

- **Oregon exported $22.9 billion in goods and $9.4 billion in services in 2019,** including semiconductors and components, industrial machinery, computer equipment and royalties from industrial processes. Of Oregon’s 5,839 exporters, 88 percent are small- and medium-sized companies with less than 500 workers. *(See Oregon Businesses Grow With Exports)*

- **Customers in 199 countries and territories buy Oregon-made goods and services,** including billions of dollars in annual exports to top markets like China, Canada and Japan. Oregon's exports have grown 0.7 percent per year since 2010. Policies that help Oregon businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(See Oregon Companies Export Throughout The World)*

- **Imports lower prices and increase choices for Oregon companies and families.** Lower raw material and input costs help Oregon 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 Oregon Companies and Families Benefit from Imports)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Oregon to partner countries.** In 2019, $6.5 billion of Oregon’s goods exports, or 29 percent, went to FTA partners. This represents an increase of 40 percent since 2010. *(See Oregon Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 72,000 workers in Oregon.** *(See Foreign Investment In Oregon 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 Oregon. As the U.S. economy recovers and more Americans seek opportunities to work, policies that expand trade can create new jobs in Oregon and help it recover faster.

Trade Creates & Supports Jobs in Oregon

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

506,100
Number of Jobs in Oregon 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>10.5%</td>
</tr>
<tr>
<td>2019</td>
<td>19.3%</td>
</tr>
</tbody>
</table>

Jobs Tied to Trade
Top Sectors, 2019

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs Tied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and professional services</td>
<td>107,800</td>
</tr>
<tr>
<td>Personal and recreational services</td>
<td>105,900</td>
</tr>
<tr>
<td>Education and health services</td>
<td>78,700</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>70,400</td>
</tr>
<tr>
<td>Construction</td>
<td>30,600</td>
</tr>
</tbody>
</table>

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

Oregon exported an estimated $22.9 billion in goods and $9.4 billion in services in 2019. Between 2010 and 2019, Oregon goods exports have increased by 42 percent and services exports by 29 percent. Large companies now account for 79 percent of the value of Oregon’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 Oregon Exports

- Oregon ranks among the top 10 state exporters in 21 industries, including first in miscellaneous leather products ($450 million) and veneer, plywood and engineered wood ($164 million) and second in pesticides and fertilizers ($905 million) and footwear ($101 million).
- Oregon is America’s 23rd largest exporter of agricultural products. It is the third largest exporter of greenhouse and nursery products, the fourth largest exporter of aquaculture, the eighth largest exporter of miscellaneous crops, and the eighth largest exporter of fruits and tree nuts.
- One of Oregon’s fastest growing export categories is miscellaneous leather products, which increased by 246 percent since 2010. In 2019, exports of these products reached $450 million.

By the Numbers

5,839
Number of Oregon Businesses that Exported in 2018

Share of Oregon Exporters that Are Small- & Medium-Sized Businesses

88%

Top Oregon Exports, 2019

Goods
- Semiconductors & Components: $8.2 billion
- Industrial Machinery: $1.8 billion
- Computer Equipment: $1.2 billion
- Motor Vehicles: $956 million
- Pesticides & Fertilizers: $905 million

Services
- Royalties from Industrial Processes: $2.0 billion
- R&D & Testing Services: $1.7 billion
- Personal Travel & Tourism: $1.3 billion

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In 2019, Oregon companies sold their products in 199 countries and territories. Top export markets include:

**Canada**
- Goods Exports: $3.3 billion
- Services Exports: $592 million

**Malaysia**
- Goods Exports: $1.3 billion
- Services Exports: $36 million

**China**
- Goods Exports: $7.2 billion
- Services Exports: $628 million

**Switzerland**
- Goods Exports: $378 million
- Services Exports: $1.1 billion

**Korea**
- Goods Exports: $1.3 billion
- Services Exports: $304 million

**Japan**
- Goods Exports: $1.4 billion
- Services Exports: $662 million

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

- Goods and services exports accounted for 12.7 percent of Oregon's state GDP in 2019.
- Oregon's annual exports grew 0.7 percent per year since 2010.
- Oregon's top export markets for goods are China, Canada, and Japan. Its top market for services is Switzerland.
- Oregon's goods exports to the Czech Republic have grown by 20 percent per year since 2010, while Oregon's services exports to India have grown by 10 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help Oregon 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 Oregon companies and families. Imported consumer goods help keep prices down for Oregon families while increasing choices for foods and other products that are not available locally. Imported inputs help Oregon 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.

Oregon Families Benefit from Imports

- In 2019, 21 percent of Oregon's imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving Oregon 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 Oregon 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, 6,035 Oregon companies imported goods from 161 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.

Oregon Exports and Imports are Linked Through Global Value Chains

- In 2019, 79 percent of Oregon goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.
- Many of Oregon's top imports are critical components for Oregon exports. Conversely, Oregon 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. Oregon 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 Oregon and United States.

• In 2019, $6.5 billion of Oregon's goods exports, or 29 percent, went to FTA partners.
• Since 2010, Oregon's goods exports to countries with FTAs in effect with the United States in 2019 have increased by 40 percent.
• Oregon's exports to Canada and Mexico have increased by $2.9 billion (286 percent) since NAFTA went into effect in 1994.
• Oregon's exports to the Dominican Republic have increased by 782 percent – from $2.7 million to $23 million – since the FTA with the Dominican Republic took effect in 2007.
• Oregon's exports to Korea of basic chemicals have increased from $3.5 million to $110 million since the FTA with Korea went into effect in 2012.
• Korea bought 88 percent – $49 million out of $56 million – of Oregon's exports of animal foods in 2019.
• In 2019, $2.1 billion of Oregon's services exports, or 23 percent, went to FTA partners.
• Oregon's exports to Singapore of R&D and testing services have increased from $5.4 million to $240 million, or by nearly 45 times, since 2006 (earliest year available).

By the Numbers

40%

Increase in Oregon Goods Exports to FTA Partners Between 2010 and 2019

Per Capita Purchases of Oregon Goods, 2019

$2.39

Non-FTA Countries

$13.85

FTA Partner Countries

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

In 2019, FTA partners purchased 5.8 times more goods per capita from Oregon 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.

Oregon is no exception. Foreign-owned companies make significant investments in Oregon 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 Oregon in 2019, including:

- 15,700 workers employed by companies based in the United Kingdom;
- 11,000 workers employed by companies based in Germany;
- 10,500 workers employed by companies based in Japan;
- 6,700 workers employed by companies based in Switzerland;
- 6,000 workers employed by companies based in Canada.

### Foreign-Owned Companies Employed 72,000 Oregon Workers Across Many Industries, 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>22,800</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>19,900</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>10,400</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>6,500</td>
</tr>
<tr>
<td>Information</td>
<td>4,500</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>4,300</td>
</tr>
<tr>
<td>Prof., Sci. &amp; Tech. Services</td>
<td>3,600</td>
</tr>
</tbody>
</table>

Selected Foreign-Owned Companies Employing Workers in Oregon

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Columbia Grain Inc. (HQ)</td>
<td>Grain processing and transportation services</td>
<td>Japan</td>
</tr>
<tr>
<td>Daimler Trucks North America LLC</td>
<td>Truck manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Interfor</td>
<td>Wood products manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>McFarland Cascade</td>
<td>Wood products manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>Mission Foods</td>
<td>Food product manufacturing</td>
<td>Mexico</td>
</tr>
<tr>
<td>Rexel</td>
<td>Retail services</td>
<td>France</td>
</tr>
<tr>
<td>Siemens Industry, Inc.</td>
<td>Business services</td>
<td>Germany</td>
</tr>
<tr>
<td>Sumitomo Electric Semiconductor Materials, Inc.</td>
<td>Electronic parts manufacturing</td>
<td>Japan</td>
</tr>
</tbody>
</table>

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OREGON JOBS DEPEND ON TWO-WAY TRADE

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


OREGON 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/pub189.pdf)


OREGON COMPANIES EXPORT THROUGHOUT THE WORLD


OREGON 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/)

OREGON NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN OREGON 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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