Rhode Island Would be Harmed by Withdrawing from NAFTA

By raising the costs of Rhode Island exports and imports, a U.S. withdrawal from NAFTA would make Rhode Island businesses and farmers less competitive, resulting in losses of jobs and production in the state and exports from the state to Canada and Mexico.

Jobs Are Lost

-6,030

Estimated number of Rhode Island jobs lost if NAFTA is terminated

Exports Drop

-17%

Estimated decline in Rhode Island exports to Canada and Mexico if NAFTA is terminated

Output Declines

-$382 million

Estimated decline in Rhode Island production if NAFTA is terminated

Vulnerable Rhode Island Export Sectors

Estimated declines in select exports to Canada and Mexico if NAFTA is terminated ($ Millions)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Estimated Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrap Products</td>
<td>$50</td>
</tr>
<tr>
<td>Travel Services</td>
<td>$20</td>
</tr>
<tr>
<td>Misc. Mfg. Goods</td>
<td>-$10</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>-$9</td>
</tr>
<tr>
<td>Auto Parts</td>
<td>-$7</td>
</tr>
<tr>
<td>Electrical Equip. Parts</td>
<td>-$5</td>
</tr>
</tbody>
</table>

$162 million decline in Rhode Island exports to NAFTA partners:

- $111 million in Rhode Island exports to Canada
- $51 million in Rhode Island exports to Mexico

Vulnerable Rhode Island Export Products

Estimated declines in select exports to Canada and Mexico if NAFTA is terminated

- $3.0 million Eyewear (including protective)
  - Export Market: Canada
  - Export Value: $14 million
  - Higher Tariff Rate: Up to 5%

- $2.5 million Jewelry and parts
  - Export Market: Canada
  - Export Value: $12 million
  - Higher Tariff Rate: Up to 9%

- $1.6 million Static converters
  - Export Market: Mexico
  - Export Value: $9 million
  - Higher Tariff Rate: Up to 15%

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