



INTERNATIONAL
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ADMINISTRATION

Jobs Supported by Export Destination 2015

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Executive Summary

In 2015, goods and services exports to the European Union, our FTA partners, China, and Japan supported over 8.3 million jobs, almost 73 percent of all jobs supported by exports. Since 2009, the number of jobs supported by U.S. exports of goods and services exports to our FTA partners grew by almost 1.7 million jobs to 4.2 million. Over the same period, jobs supported by exports to China grew by almost 367,000, jobs supported by exports to the European Union grew by 154,000 and jobs supported by exports to Japan grew by almost 3,500.

Introduction

In April 2016, the International Trade Administration reported an estimated 11.5 million jobs were supported by exports in 2015.¹ This paper breaks down previous results into jobs supported by exports to specific country and regional destinations. The decomposition is performed separately for goods exports and services exports. Total jobs supported to each destination are a summation of the separately calculated jobs supported by goods and services exports. The complete set of results for jobs supported by destination can be found at <http://www.trade.gov/mas/ian/employment/index.asp>.

Methodology

Three different approaches to estimating the number of jobs supported by exports to specified destinations are employed in this paper.² For the 2015 estimates of jobs supported by goods exports, we assume that each commodity's portion of the 6.7 million jobs supported by goods exports is unchanged from that commodity's share of jobs supported in 2014. The number of jobs supported by the export of a commodity to a destination is then calculated by multiplying the total number of jobs supported by all U.S. exports of that commodity by the share of the total exports of that commodity that go to that destination. We then sum over all commodities to arrive at the total number of jobs supported by goods exports to that particular destination.

¹ Rasmussen 2016, "Jobs Supported by Exports 2015: An Update." U.S. Department of Commerce, International Trade Administration, Washington, DC. <http://www.trade.gov/mas/ian/employment/index.asp>

² The different approaches are necessitated by the different approaches used to estimate jobs supported by exports nationally for 1999-2014 as opposed to 2015 (for which IO data are not yet available) and by the lack of detailed services export data by destination.

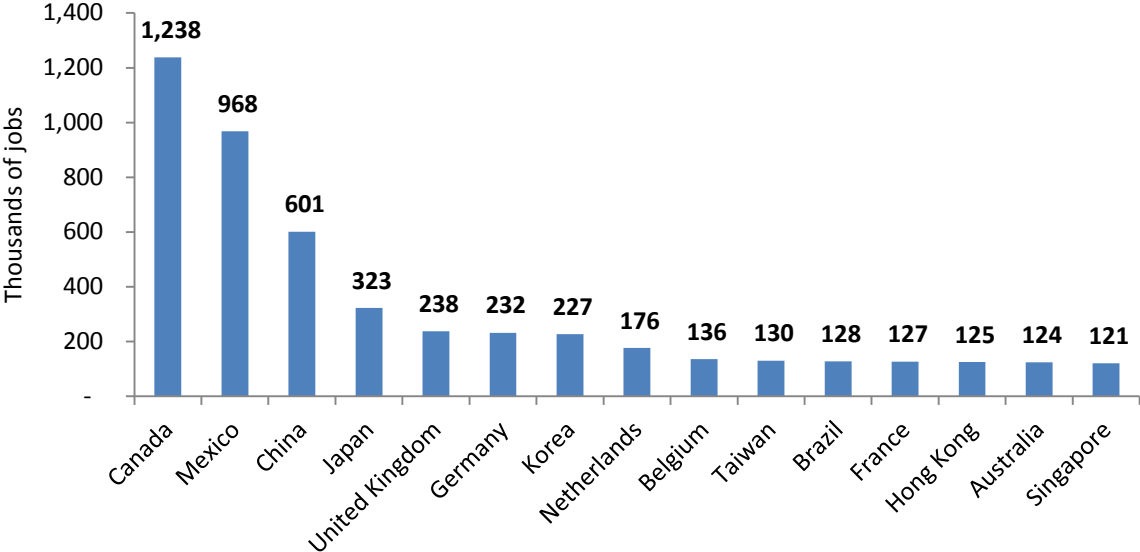
For the 1999-2014 time period, annual shares of domestic goods exports statistics detailed by destination and commodity are applied to commodity-specific annual jobs supported numbers derived using an Input-Output approach. The country by commodity jobs supported by goods exports estimates are then aggregated for each country to provide an estimate of total jobs supported by goods exports by destination.³

Because of the limited availability of U.S. Trade in Services by Country and by Type of Service data, jobs supported by the export of services to different destinations are estimated differently from jobs supported by goods exports. For each of the years 1999-2015, a destination’s share of total U.S. service exports is applied to the total jobs supported by services exports nationally.

Jobs Supported by Goods Exports

In 2015, of the 6.7 million jobs supported by U.S. goods exports to the world, goods exports to Canada supported the greatest number of U.S. jobs followed by Mexico, China, Japan and the United Kingdom (UK). The fifteen destinations for U.S. goods exports that supported the greatest number of jobs supported almost 4.9 million jobs in the aggregate. The fifteen goods export destinations that supported the greatest number of jobs are presented in Figure 1.

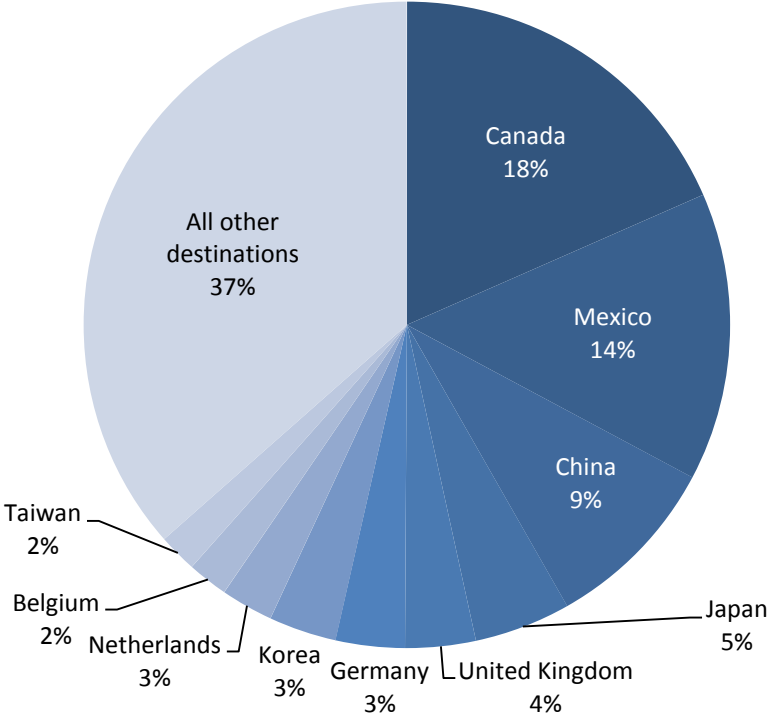
Figure 1: Top 15 Destinations, Jobs Supported by U.S. Goods Exports in 2015



³ This approach is superior to the aggregate export share decomposition approach used previously because it allows the jobs supported by exports estimates to reflect changes in the goods composition of exports to each individual destination. This sensitivity, especially over a longer time period, better reflects not only the aggregate price of goods exported to individual countries, but also the jobs impact of changes in the mix of commodities exported.

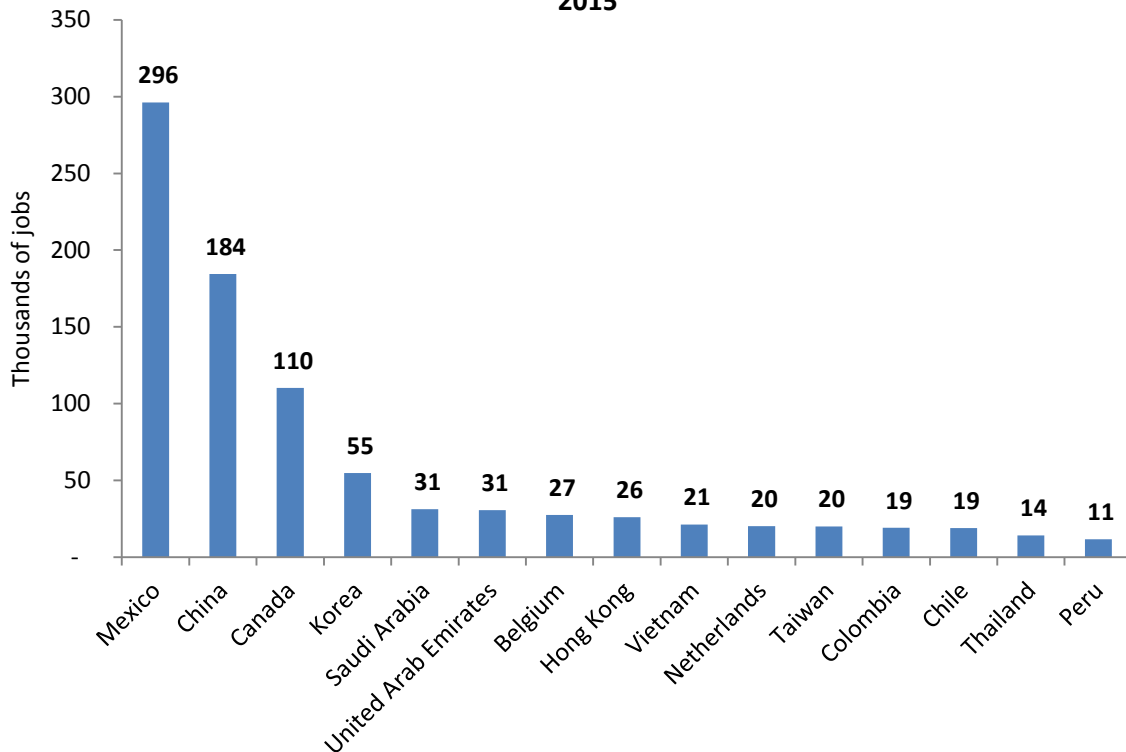
The top ten job supporting destinations for U.S. goods exports accounted for over 63 percent of all U.S. jobs supported by goods exports in 2015. Our NAFTA partners accounted for almost one out of every three jobs supported by the exports of goods. (Chart 1)

Chart 1: 2015 Shares of Jobs Supported by U.S. Goods Exports by Destination



The total number of jobs supported by goods exports has increased by 890,000 since 2009. Over the time period, the largest increases in jobs supported were associated with goods exports to Mexico (296,000 jobs supported, or one-third of the total increase), followed by China (184,000 jobs supported), Canada (110,000 jobs supported) and Korea (55,000 jobs supported). The fifteen destinations associated with the largest increases in the number of jobs supported are presented in Figure 2.

Figure 2: Largest Increases in Jobs Supported by U.S. Goods Exports, 2009-2015

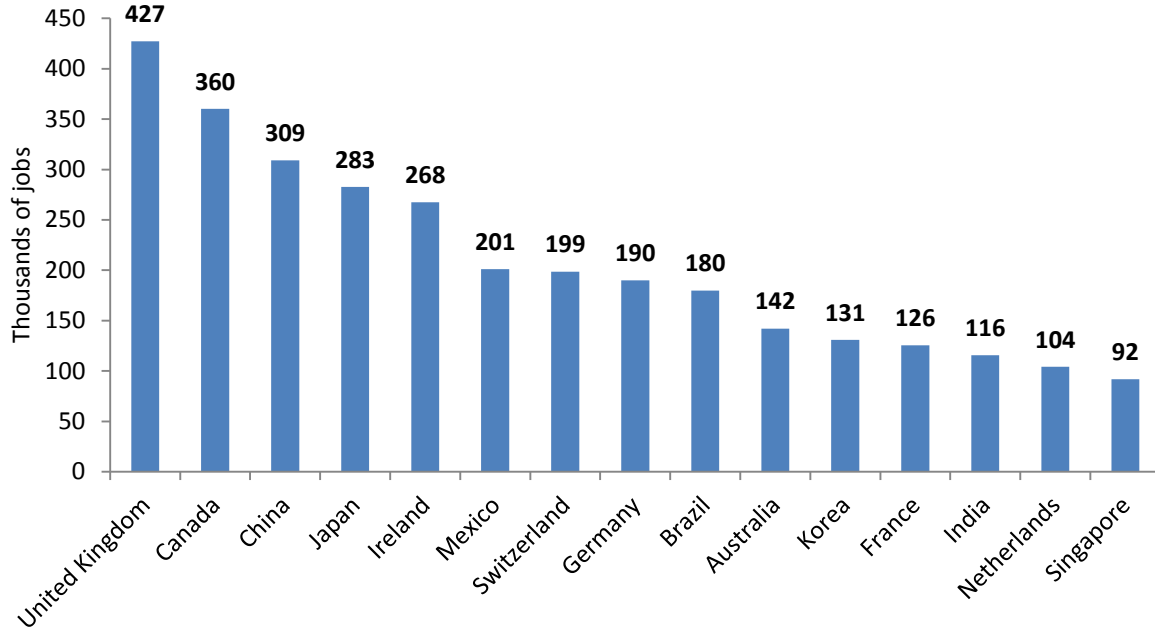


Jobs Supported by Service Exports

The most recent data available from the Bureau of Economic Analysis provides U.S. service exports to over 70 individual countries in 2015. We estimate that service exports to the United Kingdom supported the greatest number of jobs in 2015, followed by Canada, China, Japan, and Ireland.⁴ Among the markets for which 2015 U.S. service exports are available, the top fifteen destinations supported 3.1 million jobs, or 65 percent of the total. These top destinations are presented in Figure 3.

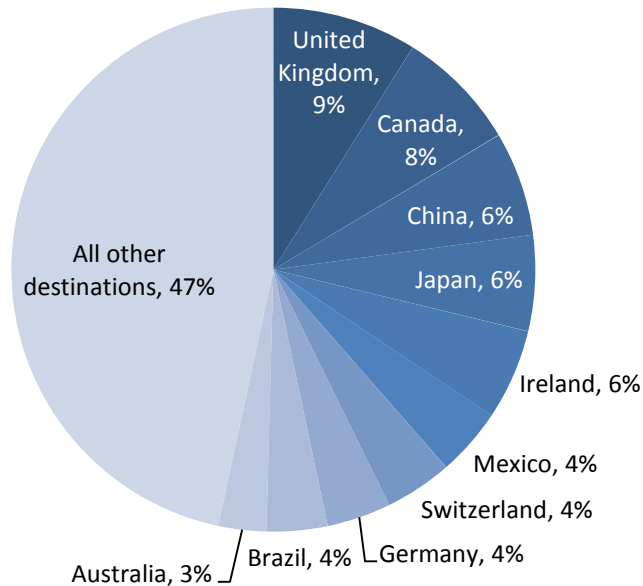
⁴ In the aforementioned “Jobs Supported by Exports 2015: An Update,” an estimated 4.8 million jobs were supported by services in 2015. U.S. services exports to individual countries can be [downloaded](#) from the BEA website. Combined exports to those counties account for approximately 88 percent of all U.S. services exports in 2015.

Figure 3: Top 15 Destinations, Jobs Supported by U.S. Services Exports in 2015

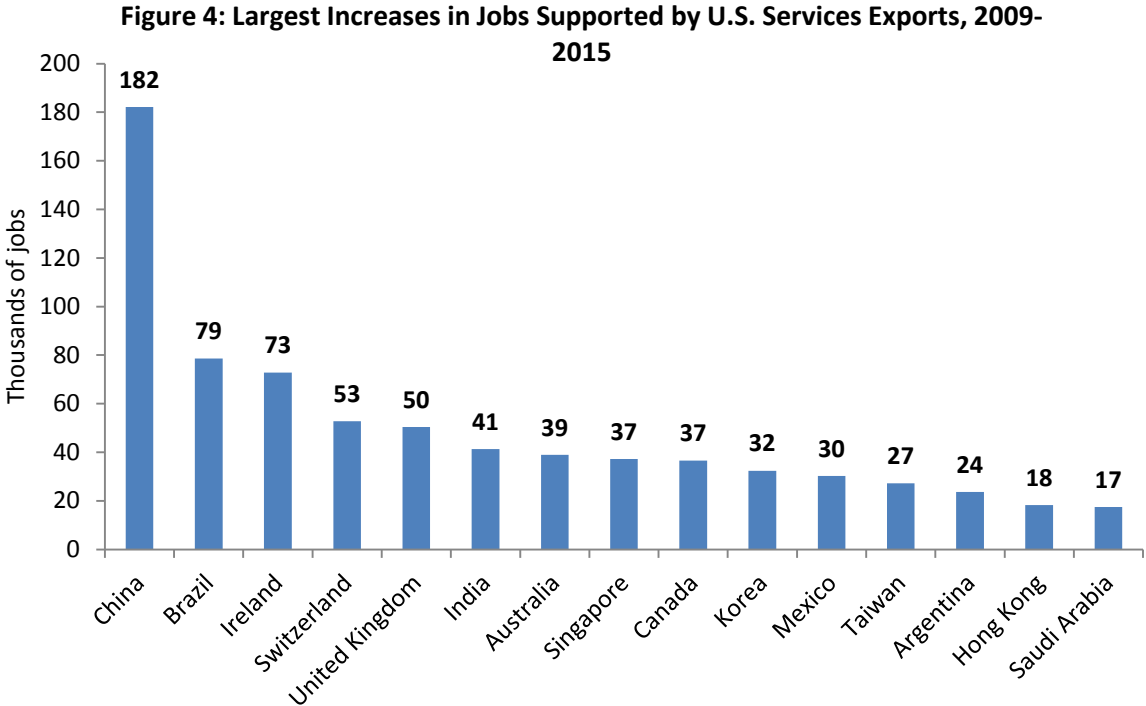


The ten largest markets for U.S. service exports accounted for over one-half of all jobs supported by service exports in 2015, with exports to the UK, Canada, China and Japan supporting over one-quarter of all service export supported jobs. (Chart 2)

Chart 2: 2015 Shares of Jobs Supported by U.S. Services Exports by Destination



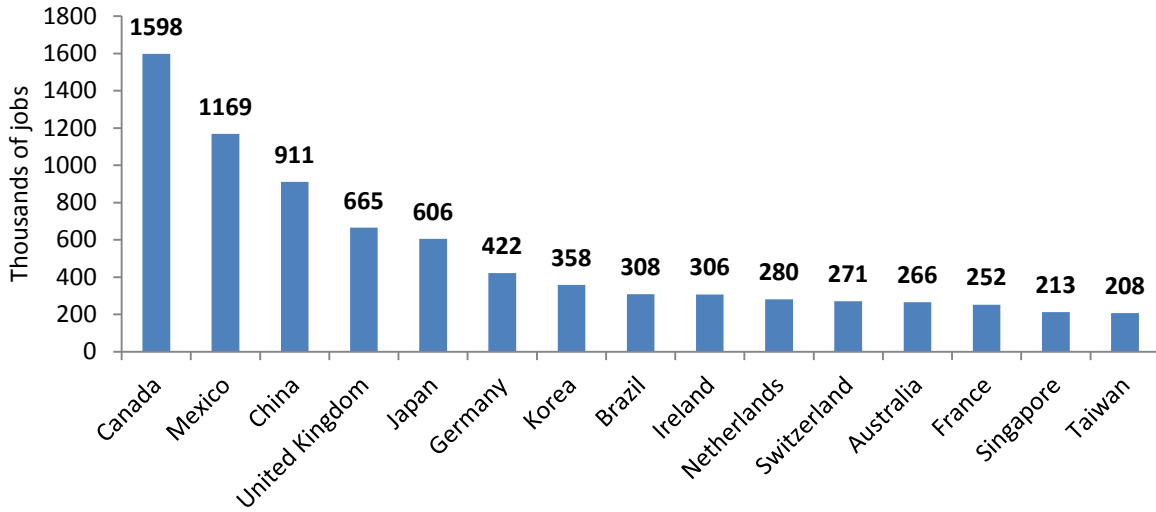
Comparing 2009 to 2015, the largest increases over the time period in the number of jobs were supported by exports to China, followed by Brazil, Ireland, Switzerland and the UK. The fifteen destinations associated with the largest increases in the number of jobs supported are presented in Figure 4.



Jobs Supported by Total Exports (Goods and Services)

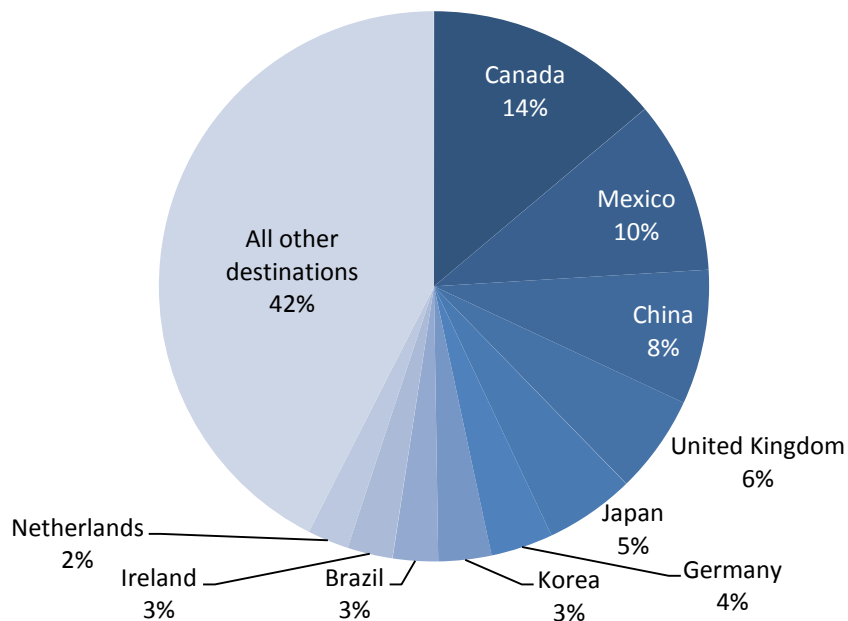
Exports to Canada supported the greatest number of jobs in 2015 (1.6 million); followed by Mexico (1.2 million jobs); China (910,000); the UK (660,000); and Japan (606,000). Jobs supported by total exports to the top fifteen job supporting destinations for U.S. exports are presented in Figure 5; combined, exports to these markets supported 7.8 million jobs.

Figure 5: Top 15 Destinations, Jobs Supported by Total (U.S. Goods and Services) Exports in 2015

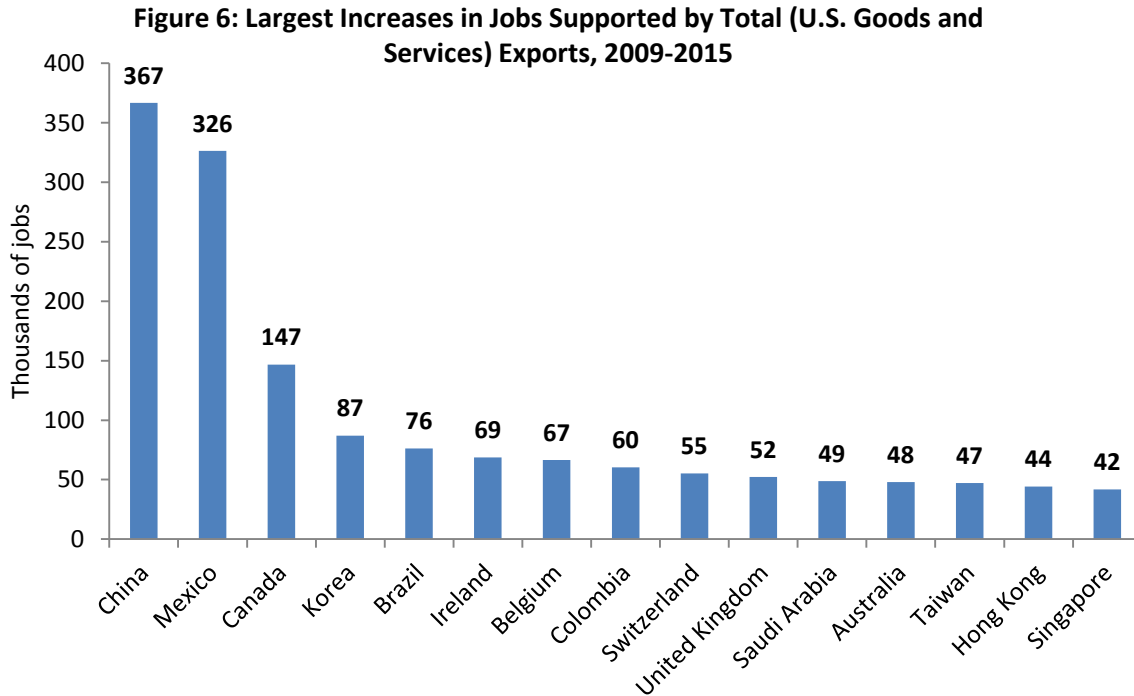


2015 exports to the ten markets supporting the greatest number of jobs accounted for 58 percent of all jobs supported by exports. Exports to our NAFTA partners accounted for nearly one out of four jobs supported by exports. (Chart 3)

Chart 3: 2015 Shares of Jobs Supported by Total (U.S. Goods and Services) Exports by Destination



Between 2009 and 2015, the total number of jobs supported by U.S. exports grew by almost 1.9 million. The largest increases in the number of jobs supported during the time period were supported by exports to China followed by Mexico, Canada, Korea and Brazil. (Figure 6)



Jobs Supported by Regional Exports

In addition to estimating jobs supported by exports to individual partners, the numbers of jobs supported by exports to aggregated geographic and/or trading blocs can be computed by summation of the individual jobs supported numbers (in the case of jobs supported by goods exports) or by incorporation of pre-existing regional aggregations contained in BEA's service export data.⁵ Table 1 presents jobs supported by exports in 2015 to selected regions.

⁵ The sum of exports of services to [BEA's geographic areas](#) of Africa, Asia & Pacific, Canada, Europe, Latin America and other Western Hemisphere and the Middle East together with International Organizations and unallocated account for 100 percent of the BEA reported totals for services exports.

Table 1: Jobs Supported by Exports to Select Regions in 2015

Region	Jobs Supported by Goods Exports (%)	Jobs Supported by Service Exports (%)	Total Jobs Supported by Exports (%)
Africa	136,235 (2%)	92,978 (2%)	229,214 (2%)
All Current FTA Partners	3,091,017 (46%)	1,118,414 (23%)	4,209,431 (37%)
Asia and Pacific	2,011,886 (30%)	1,369,003 (29%)	3,380,889 (29%)
CAFTA-DR	133,910 (2%)	46,227 (1%)	180,137 (2%)
Caribbean	98,781 (1%)	370,420 (8%)	469,201 (4%)
Europe	1,388,477 (21%)	1,751,040 (37%)	3,139,517 (27%)
Latin America	1,525,755 (23%)	646,457 (13%)	2,172,212 (19%)
Middle East	323,796 (5%)	186,506 (4%)	510,302 (4%)
NAFTA	2,205,703 (33%)	561,374 (12%)	2,767,077 (24%)
TPP	2,991,102 (44%)	1,175,333 (25%)	4,166,436 (36%)
TTIP(EU28)	1,193,285 (18%)	1,447,827 (30%)	2,641,113 (23%)

Goods plus Services may not sum to total due to rounding.

Goods exports to the Asia and Pacific region supported 2.0 million (30 percent of the jobs supported by goods exports) in 2015, while goods exports to Latin America and Europe supported 1.5 million (23 percent) and 1.4 million (21 percent) jobs, respectively. Goods exports to China and Japan accounted for 46 percent of jobs supported by goods exports to the Asia and Pacific region, while exports to Mexico accounted for 63 percent of all jobs supported by the export of goods to Latin America.

Goods exports to our current FTA partners supported almost 3.1 million jobs (46 percent), with 2.2 million of those supported by goods exports to our NAFTA partners. Goods exports to the membership of the proposed Trans-Pacific Partnership (TPP) agreement accounted for almost 3.0 million (44 percent) of all jobs supported by goods exports in 2015, with the majority of those supported by NAFTA trade. Goods exports to the membership of proposed Transatlantic Trade and Investment Partnership (TTIP) agreement supported almost 1.2 million jobs in 2015, of which 20 percent and 19 percent were accounted for by exports to the UK and Germany, respectively.

Service exports to Europe and the Asia and Pacific region supported over 3.1 million jobs in 2015. Service exports to our FTA partners supported over 1.1 million jobs while service

exports to the European Union (EU) supported over 1.4 million jobs in 2015. Service exports to the UK (the largest single destination for U.S services exports) accounted for almost 30 percent of U.S. jobs supported by service exports to the EU and almost 9 percent of all jobs supported by U.S. service exports. Excluding the UK, Germany and France, service exports to the remaining 25 members of the EU supported 705,000 jobs, just under one-half of the EU total and almost 15 percent of the world total.

Exports (both goods and services) to the Asia and Pacific region supported almost 3.4 million jobs, followed by Europe (3.1 million jobs) and Latin America (2.2 million jobs). Exports to our FTA partners supported over 4.2 million jobs in 2015, while exports to the membership of the TPP supported almost 4.2 million jobs and exports to the EU supported over 2.6 million jobs.

Table 2 presents the changes by destination in the number of export supported jobs between 2009 and 2015. The largest regional increases in jobs supported by goods exports were associated with exports to Latin America (driven largely by an increase in jobs supported by goods exports to Mexico) and Asia and Pacific (driven largely by an increase in jobs supported by goods exports to China.)

Table 2: Change in Jobs Supported by Exports to Select Regions 2009 to 2015

Region	Change in Jobs Supported by Goods Exports	Change in Jobs Supported by Service Exports	Change in Total Jobs Supported by Exports
Africa	-14,938	7,711	-7,226
All Current FTA Partners	558,870	NA	NA
Asia and Pacific	345,410	388,292	733,702
CAFTA-DR	17,458	NA	NA
Caribbean	-2,477	133,192	130,715
Europe	16,156	206,339	222,495
Latin America	372,354	188,458	560,812
Middle East	67,233	16,300	83,533
NAFTA	406,330	66,877	473,207
TPP	476,248	NA	NA
TTIP(EU28)	10,712	143,755	154,468

NA: Not Available. Goods plus Services may not sum to total due to rounding.

Jobs supported by goods exports to all current U.S. FTA partners grew by almost 560,000 over the time period, while jobs supported by goods exports to our NAFTA partners grew by over 400,000. In both cases the increases in jobs supported were largely the result of an estimated 296,000 increase in jobs supported by goods exports to Mexico. Jobs supported by goods exports to the membership of the TPP grew by almost 477,000. Jobs supported by U.S. goods exports to the EU grew by a relatively modest 11,000 (or one percent) over the time period.

For U.S. service exports, the largest regional increases in the number of jobs supported were supported by exports to Asia and Pacific (almost one-half of which was the result of exports to China), followed by jobs supported by service exports to Europe and Latin America. Most of the growth in jobs supported by exports to Latin America was driven by increases in the number of jobs supported by exports to Brazil (almost 79,000) and Mexico (30,000).

Jobs supported by service exports to our NAFTA partners grew by almost 67,000 over the time period, with almost 37,000 of the increase being due to increased exports to Canada.⁶

Between 2009 and 2015, the largest regional increase in jobs supported by exports (both goods and services) to a region was in the number of jobs supported by exports to Asia and Pacific, with half of the increase of 730,000 being jobs supported by exports to China. Jobs supported by exports to Latin America grew by over 560,000, with almost 60 percent of the increase due to exports to Mexico.

Finally, jobs supported by exports (both goods and services) to our two NAFTA partners grew by over 473,000 (or 25 percent of the total increase in jobs supported over the time period.) During the same time period, jobs supported by exports to the EU increased by over 150,000, one third of which were the result of the increase in jobs supported by exports to the UK.

⁶ Proportionately the number of jobs supported by service exports to Mexico grew faster over the time period, increasing by almost 18 percent versus the 11 percent increase in the number of jobs supported by service exports to Canada.