



USMCA Oregon State Fact Sheet

Oregon's Trade with the World¹

- In 2019, Oregon exported \$23.6 Billion in goods to the world.
- In 2019, Oregon was the 20th-largest state exporter of goods in the United States.
- In 2016, 87,023 U.S. jobs were supported by goods exported from Oregon.²
- In 2018, 5,936 companies exported goods from Oregon- 88 percent were small and medium-sized companies.³

Oregon's Trade with Canada and Mexico

Oregon's Rank in Exports to Canada and Mexico

In 2019, Oregon was the 29th-largest exporter of goods to Mexico and Canada.

Ranks of Canada and Mexico as Destinations for Oregon Exports

In 2019, Canada was Oregon's second-largest export destination and Mexico was the eight-largest export destination.

*Statewide Statistics and Top Export Product Categories*⁴

- In 2019, Oregon exported \$3.9 Billion to Canada and Mexico, accounting for 16 percent of Oregon's total exports to the world.
 - Oregon exported \$3.4 Billion to Canada, 14 percent of Oregon's exports to the world.

¹All trade data used in this report reflect the data published by June 15, 2020 from the U.S. Census Bureau, as compiled by the International Trade Administration's Trade Policy Information System (TPIS).

² Jobs supported by state exports estimates by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce:

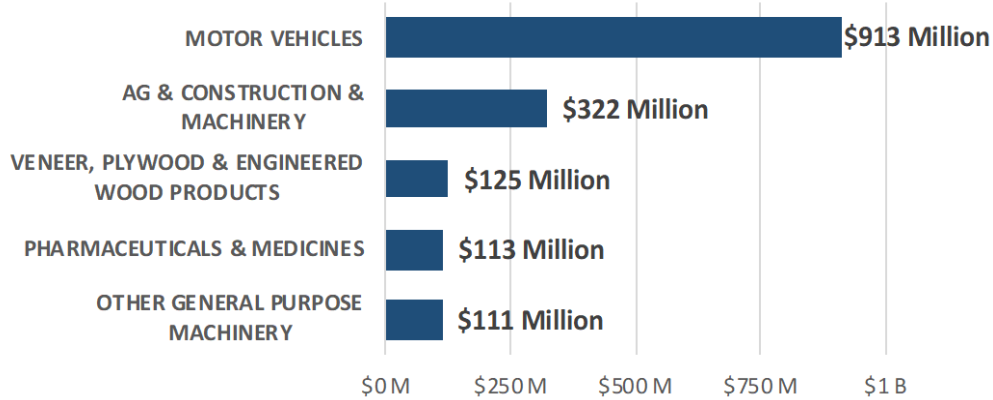
<https://www.trade.gov/mas/ian/employment/>

³ U.S. Census Bureau's A Profile of U.S. Importing and Exporting Companies, Table 6a 2018 Exports by State of Origin of Movement, Number of Exporting Companies, Value for Small and Medium Companies

⁴ Top export product categories reflected under the 2017 North American Industry Classification System (NAICS) at the 4-digit level of detail, compiled by TPIS.

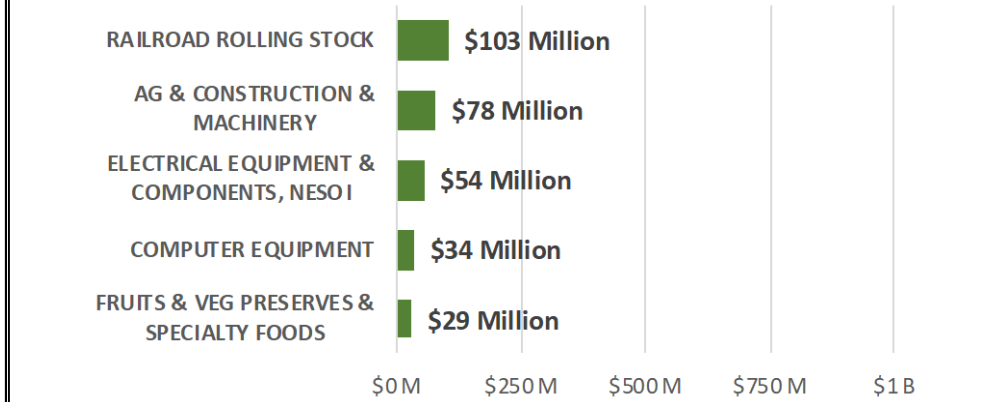


Oregon's Top 5 Export Categories to Canada



- Oregon exported \$530 Million to Mexico, 2 percent of Oregon's exports to the world.

Oregon's Top 5 Export Categories to Mexico



Metropolitan Statistics⁵

- Oregon's Top Metropolitan Exports to Canada and Mexico 2018
 - Portland-Vancouver-Hillsboro **\$2.9 Billion**^{*6}
 - Top Products: Computer And Electronic Product Manufacturing; Machinery Manufacturing; Crop Production; Transportation Equipment Manufacturing; Chemical Manufacturing
 - Eugene-Springfield **\$182 Million**

⁵ 2018 Metropolitan (statistical) area (MSA) exports to Canada and Mexico data from the U.S. Census Bureau compiled by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce. Top products by MSA reflected under the 2017 North American Industry Classification System (NAICS) at the 3-digit level of detail.

⁶ An asterisk (*) notes if the Metropolitan Area is shared with one or more other states.



- Top Products: Machinery Manufacturing; Wood Product Manufacturing; Chemical Manufacturing; Computer And Electronic Product Manufacturing; Crop Production
- Salem **\$121 Million**
 - Top Products: Crop Production; Food Manufacturing; Machinery Manufacturing; Transportation Equipment Manufacturing; Computer And Electronic Product Manufacturing

USMCA Will Benefit Oregon’s Top Export Sectors to Canada and Mexico

Oregon’s top export sectors to Canada and Mexico in 2019 include Transportation Equipment (Motor Vehicle and Automotive Industries), Machinery, and Wood and Wood Products.⁷

Transportation Equipment (Motor Vehicle and Automotive Industries)

Oregon is home to numerous transportation equipment companies in both the aerospace and automotive industries. In 2019, the transportation sector⁸ employed 12,559 workers in 270 establishments. Multnomah (Portland), Clarkmas (Oregon City), and Jackson (Medford) counties have the largest number of employees in the transportation sector. The aerospace industry⁹ reported the importance of USMCA’s continued duty-free treatment of originating aerospace-related items between Canada, Mexico, and the United States as vital to the United States’ aerospace sector’s competitiveness and success. The aerospace industry¹⁰ supports the Customs and Trade Facilitation chapter’s standardization of Customs regimes to increase efficiency and enhance capacity and performance of U.S. companies and their supply chains. The aerospace industry¹¹ also fully supports the Intellectual Property chapter’s requirement for governments to establish criminal, civil and administrative procedures and remedies to combat trade secret theft, a significant problem for U.S. aerospace companies. USMCA requires more auto production in North America in order to qualify for duty-free treatment by eliminating NAFTA’s “deemed originating” loophole. USMCA’s innovative auto rules of origin, strict labor and environmental standards, and provisions designed to combat non-market practices – such as currency manipulation – are designed to incentivize additional automotive and auto parts investment and production in Oregon and to ensure auto producers and workers in the state can compete on a more-level playing field with their Mexican and Canadian counterparts. USMCA increases the regional value content for automobiles from 62.5% to 75%, thus incentivizing more auto production in North America. USMCA includes a first-of-its-kind labor value content rule that requires a certain percentage of each motor vehicle (40% for passenger vehicles and 45% for light trucks) to be

⁷ Unless otherwise footnoted in the below sectors, sector employment data is average annual number of employees and establishments by county or local economic region by 2017 NAICS3-digit level from the Bureau of Labor Statistics.

⁸ Transportation sector defined as NAICS 336 and includes the motor vehicle and aerospace industries.

⁹ Industry Trade Advisory Committee 1 – Aerospace Equipment Report Regarding USMCA:

<https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%201%20REPORT%20-%20Aerospace%20Equipment.pdf>

¹⁰ Ibid.

¹¹ Ibid.



manufactured in a factory in a USMCA country where workers make an average wage of at least \$16 per hour.

Machinery

Oregon is home to many machinery companies that specialize in heavy lift, material moving, and metalworking.¹² In 2019, there were 390 machinery manufacturing¹³ establishments with 14,149 employees. Washington, Multnomah (Portland), and Lane (Eugene) counties have the largest number of employees in the machinery sector. USMCA maintains duty-free access to Mexico and Canada for originating machinery and remanufactured goods for Oregon's machinery manufacturing companies and contains strong rules of origin protections to ensure that tariff preferences go to companies in the USMCA countries. USMCA also goes beyond any past trade agreement by including important new provisions that will help reduce costs and bring greater predictability to the border for shipments of machinery. At the same time USMCA will ensure customs administrations have the necessary tools to enforce the law. Industry¹⁴ reported support for the following provisions included in the Intellectual Property chapter: civil and criminal courses of legal action to protect trade secrets, protection of industrial designs, and equal treatment of digital and physical goods. Industry¹⁵ also supports the Small and Medium-Sized Enterprises (SMEs) provisions to enhance SMEs ability to participate in the benefits and opportunities created by USMCA. As stated in Oregon's trade statistics, 88 percent of companies that exported goods from Oregon in 2018¹⁶ were small and medium-sized companies.

Wood and Wood Products

Oregon is the largest lumber producer in the United States and is an internationally recognized leader in wood product manufacturing.¹⁷ Oregon is home to many leading wood manufacturers. In 2019, there were 434 wood and wood products¹⁸ establishments with 23,190 employees. Lane, Douglas, and Linn counties have the largest number of employees in the paper manufacturing sector. USMCA maintains duty-free access to Mexico and Canada for originating wood products from Oregon's wood manufacturing companies and contains strong rules of origin protections to ensure that tariff preferences go to companies in the USMCA countries. USMCA also goes beyond any past trade agreements by including new Customs and Trade Facilitation provisions that will help reduce costs and bring greater predictability to the border for shipments of wood and wood products, while at the same

¹² Business Oregon oregon4biz.com

¹³ Machinery sector defined as NAICS 333 for machinery manufacturing.

¹⁴ Industry Trade Advisory Committee 2 – Automotive Equipment and Capital Goods Report Regarding USMCA: <https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%20%20REPORT%20-%20Automotive%20Equipment%20and%20Capital%20Goods.pdf>

¹⁵ Ibid.

¹⁶ Census' Exports by State of the Origin of Movement, Number of Exporting Companies, and Value for Small and Medium Sized Companies in 2018 was the latest data published by June 25, 2020.

¹⁷ Business Oregon oregon4biz.com

¹⁸ Wood and wood products sector defined as NAICS 321 for wood products manufacturing.



time ensuring customs administrations have the necessary tools to enforce the law. Industry¹⁹ reported their support of the Customs and Trade Facilitations chapter since delays in customs clearance are extremely costly for traders, manufacturers, and retailers. Industry²⁰ also supports the Environment provisions incorporated in the core of USMCA, which promote sustainable forest management, promote trade in legally harvested products, and includes the agreement for Parties to effectively enforce their environmental laws.

¹⁹ Ibid.

²⁰ Industry Trade Advisory Committee 5 – Forest Products, Building Materials, Construction, and Nonferrous Metals Report Regarding USMCA:

<https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%205%20REPORT%20-%20Forest%20Products%2C%20Building%20Materials%2C%20Construction%2C%20and%20Nonferrous%20Metals.pdf>