



INTERNATIONAL
TRADE
ADMINISTRATION

Jobs Supported by Exports: An Update

Martin Johnson and Chris Rasmussen

Office of Competition and Economics Analysis
Manufacturing and Services
International Trade Administration
Department of Commerce

March 12, 2012

Jobs Supported by Exports: An Update

Summary

The value of U.S. exports of goods and services exceeded \$2.1 trillion in 2011. Jobs supported by exports increased to 9.7 million in 2011, up 1.2 million since 2009 (see Table 1). The 9.7 million export-supported jobs in 2011 is almost at the pre-recession peak of 9.8 million in 2008. In 2011, every billion dollars of U.S. exports supported 5,080 jobs. This is down from 5,998 jobs per billion dollars of U.S. exports in 2009. Increases in export prices and labor productivity, at 11 percent and 6 percent respectively, drove the 15 percent decline in jobs per billion dollars of U.S. exports since 2009.

Table 1. Jobs Supported by Goods and Services Exports

	Millions of Jobs Supported by Exports	Export Dollars to Support One Job	Jobs per Billion Dollars of Exports
2008*	9.8	\$171,000	5,840
2009*	8.5	\$167,000	5,998
2010*	9.1	\$182,000	5,500
2011*	9.7	\$197,000	5,080

*Values for 2008 to 2010 are revised from previous estimates; 2011 is preliminary.

Source: ITA calculations from BLS data, 2009 and 2010; ITA calculations from BLS, BEA and Census data, 2011.

Background

In this update, we report on jobs supported by U.S. exports over the period 2002 to 2011.¹ The International Trade Administration (ITA) estimates jobs supported by exports using two alternative methods. For the years 2002 to 2010, we report historical calculations of jobs supported by exports that use input-output data from the Bureau of Labor Statistics (BLS).² For 2011, we use a second method, since the input-output data are not yet available. The second method first predicts the value of exports to support one job in 2011 using the value of exports to support one job in 2010 and changes in export prices and labor productivity from 2010 to 2011.

¹ A detailed study including revised historical calculations from 1993 to 2010 and a break out of jobs supported by type of export is forthcoming.

² See Tschetter, John, 2010, "Exports Support American Jobs." International Trade Research Report No. 1, U.S. Department of Commerce, International Trade Administration, Washington, DC for a description of the historical method.

It then divides the value of exports in 2011 by the predicted value of exports to support one job to obtain the number of jobs supported by exports.³

BLS recently published updated input-output data for 1993 to 2008 and new input-output data for 2009 and 2010. BLS used the 1997 and 2002 revised benchmarks as well as the Bureau of Economic Analysis (BEA) annual input-output tables for 1993 to 2009 to construct revised input-output data for 1993 to 2009, and compiled data from other sources to develop estimates for 2010. The new data allow for revised historical calculations of jobs supported by exports for 1993 to 2008 and for historical estimates of 2009 and 2010. In addition, projected jobs supported by exports for 2011 use recently released 2011 data for the value of exports, export prices, and labor productivity from the Census Bureau, the BEA, and the BLS, respectively.

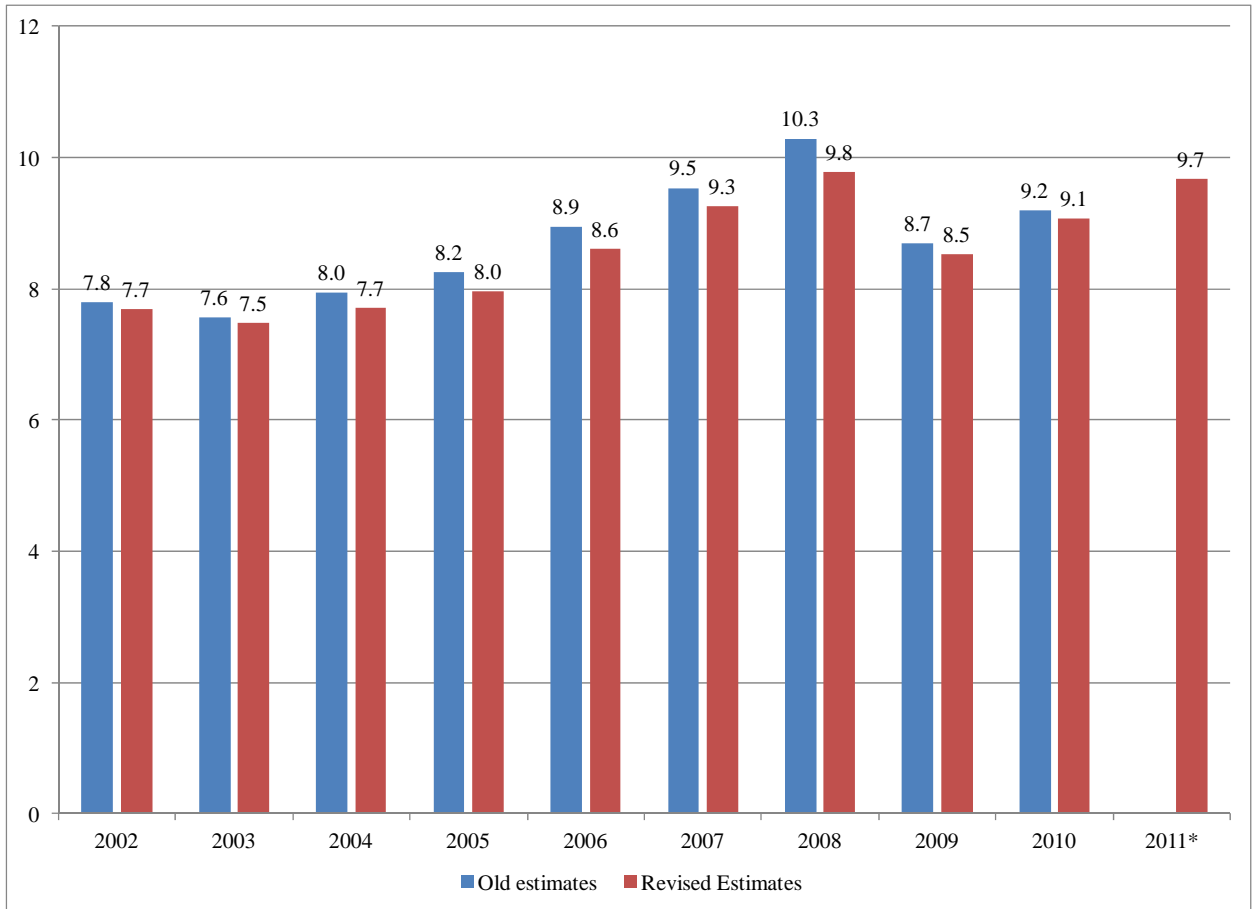
For the earlier years, the estimates of jobs supported by exports based on the updated data are very similar to the estimate based on the original data. Data revisions have marginally reduced the number of jobs supported by exports since 2002 (see Figure 1), and most downward revisions are less than 300,000 jobs or 3.5 percent of their values based on the 2002 input-output data. Year-to-year changes are identical in sign (either both decrease or both increase), and the differences in the magnitudes of changes are usually less than one percent of the total number of jobs supported by exports. Likewise, the dollar values of exports to support one job are similar between the two series (see Figure 2).

The number of jobs supported by \$1 billion of exports is inversely related to the value of exports to support a job. From 2002 to 2011, the value of exports to support one job increased from \$118,000 to \$197,000⁴ (see Figure 3). Over the same period, the number of jobs supported by \$1 billion of exports fell from 8,477 jobs per \$1 billion to 5,080 per \$1 billion. Increases in labor productivity and in export prices are the main drivers of these results. For example, over the period of our historical calculations, 2002 to 2010, the value of exports to support one job increased by 54 percent, while labor productivity increased by 18 percent and export prices increased by 29 percent.

³ See Johnson, Martin, 2011, "Projected Jobs Supported by Exports, 2009 and 2010," MAS Economic Brief #5, U.S. Department of Commerce, International Trade Administration, Washington, DC for a more detailed description of the current statistical method.

⁴ \$197,000 is determined using the exports of goods and services net of re-exports, which are assumed not to support jobs.

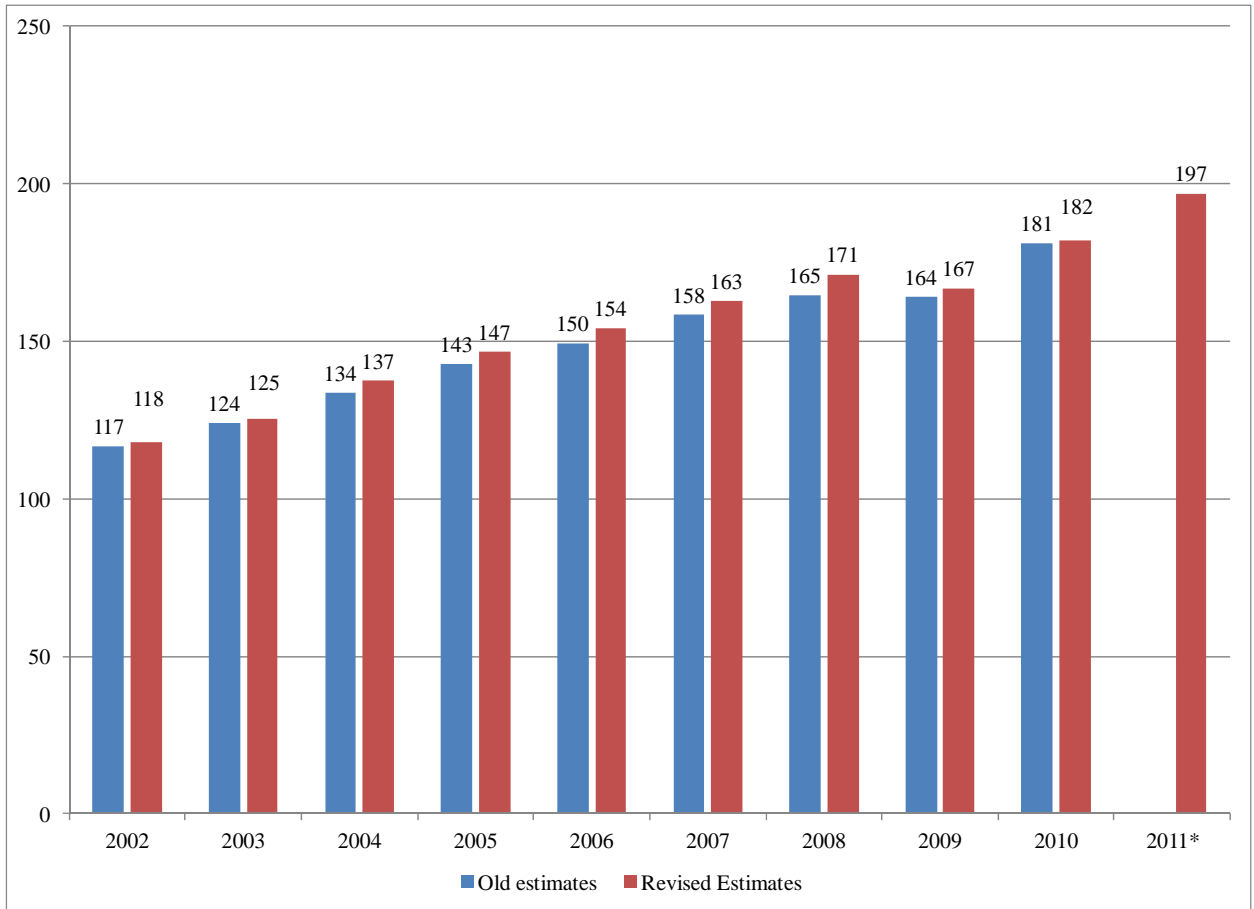
Figure 1 - Jobs Supported by Exports (millions), 2002 to 2011



* Projected

Source: ITA calculations using BLS data, except 2011 which uses BLS, BEA and Census Bureau data.

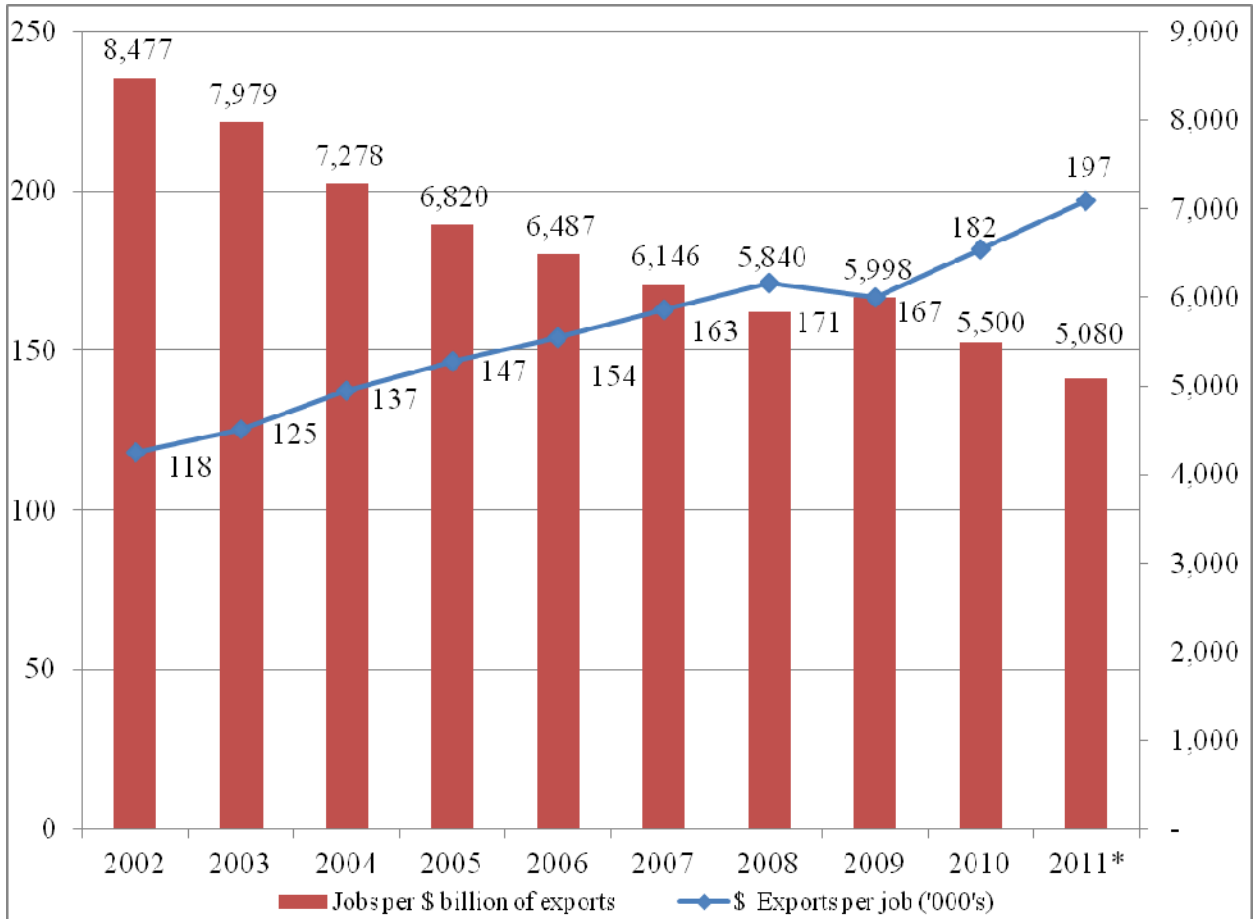
Figure 2 - Export Value Required to Support One Job (\$'000's), 2002 to 2011



* Projected

Source: ITA calculations using BLS data, except 2011 which uses BLS, BEA and Census Bureau data.

Figure 3 - Export Value Required to Support One Job (\$'000's) and Jobs Supported by \$1 Billion of Exports, 2002 to 2011



* Projected

Source: ITA calculations using BLS data, except 2011 which uses BLS, BEA and Census Bureau data.