



# Trade Means Growth for California

**International trade—exports and imports of goods and services—supports 5.1 million jobs in California, or about 1 in 5 total jobs in the state.**

Key facts about trade and jobs:

- The share of California jobs supported by trade has nearly doubled since the early 1990s.
- Jobs in export-intensive industries offer compensation that averages about 16 percent higher than other jobs.
- Imports let American families stretch their budgets and help U.S. manufacturers keep costs down and competitiveness up.
- Nearly 64,000 California companies exported in 2022. Nationally, 97% of trading firms are small-and medium sized enterprises.
- Since 2008, companies that import or export goods have accounted for 3 out of 5 new American jobs.

**California companies exported \$368 billion in goods and services in 2023 to more than 220 markets around the world.**

Top Markets for California Exports, 2023 (millions of dollars)

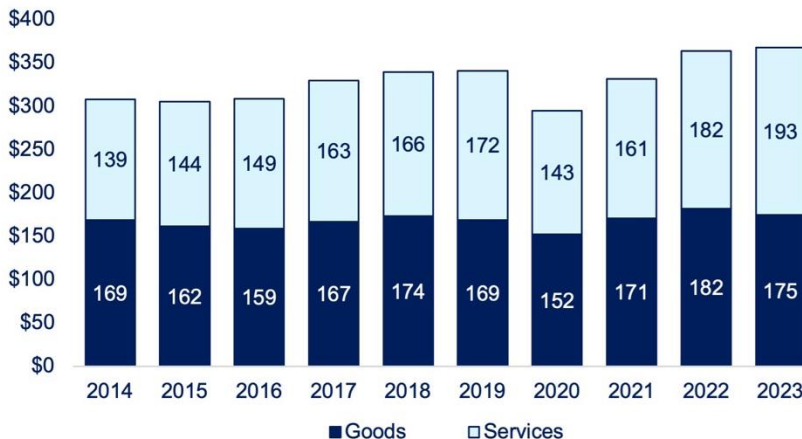
Country	Goods	Services	Total
Mexico	\$33,067	\$7,237	\$40,305
Canada	\$18,904	\$15,341	\$34,244
China	\$16,429	\$8,784	\$25,213
United Kingdom	\$5,424	\$18,354	\$23,778
Ireland	\$1,595	\$20,950	\$22,544
Other	\$99,249	\$122,530	\$221,779

America's FTA partners account for just 6% of the world's population but purchased 44% of California's goods exports in 2023.

California's goods exports to the Czech Republic were \$511 million in 2023, nearly doubling since 2014.

Ireland was the top export market for services exports in 2023 at \$21 billion.

California Exports, 2014-2023 (billions of dollars)



California's total goods and services exports increased by \$60 billion (19%) between 2014 and 2023.

In 2023, California exported \$175 billion in goods and \$193 billion in services — a 10-year high for services.

Most services export growth has been driven by digital trade, which is allowing more California companies to reach customers abroad more easily.



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## Top Goods and Services Exports from California, 2023 (millions of dollars)

Sector	Exports
Business, Professional & Technical Services	53,512
Computers & Electronic Products	40,997
Royalties & License Fees	36,658
Travel Services	29,098
Telecoms, Communication & Information	23,686
Financial Services	21,076
Other	162,836

California's top business, professional, and technical service exports in 2023 were management and consulting services (\$19 billion) and research and development services (\$18 billion).

California's top agricultural exports in 2023 were nuts (\$7.4 billion) and wine (\$1.1 billion).

California's exports of digitally tradable services reached \$150 billion in 2023.

## Foreign-headquartered companies directly employ 816,400 California workers.

## California Workers Employed at Foreign-Owned Companies by Sector, 2021

Sector	Jobs
Manufacturing	220,900
Wholesale Trade	100,500
Retail Trade	97,000
Professional, Scientific, and Technical Services	67,200
Information	50,300
Finance and Insurance	38,400
Other	242,100

British-owned companies employ the most California workers (124,900), followed by Japanese-owned companies (112,800).

Each job at a foreign-owned company typically supports three other U.S. jobs indirectly.

In 2021, U.S. affiliates of foreign-owned companies employed 8 million Americans, exported \$412 billion in goods, and spent \$78 billion on R&D.

### Data Sources

**California jobs supported by trade:** Trade Partnership Worldwide for Business Roundtable, [https://s3.amazonaws.com/bri.org/Business-Roundtable\\_TradeandAmericanJobs2022.pdf](https://s3.amazonaws.com/bri.org/Business-Roundtable_TradeandAmericanJobs2022.pdf).

**Trade-supported jobs compensation:** Riker, David, "Export-Intensive Industries Pay More on Average: An Update," <https://www.usitc.gov/publications/332/ec201504a.pdf>.

**California exporting companies:** U.S. Census Bureau, "Profile of U.S. Importing and Exporting Companies," <https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2022.pdf>.

**Goods traders job creation:** Kamal, Fariha, Ouyang, Wei, Handley, Kyle, "The rise of exporters and importers in US job growth: Insights from newly released data," <https://cepr.org/voxeu/columns/rise-exporters-and-importers-us-job-growth-insights-newly-released-data>.

**California goods and services export data:** Trade Partnership Worldwide's *CDxports* database, <https://tradepartnership.com/data/cdxports-and-cdxjobs/>.

**California FDI data:** U.S. Bureau of Economic Analysis, "Activities of U.S. Affiliates of Foreign Multinational Enterprises"; <https://www.bea.gov/international/di1fdiop>.