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Exports help California reverse long-term manufacturing decline

By Ronald D. White
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Consistently strong demand for California exports has helped the state reverse a long-term decline in manufacturing jobs, according to a report released by Beacon Economics.

The report said California has had an unbroken string of year-over-year export increases from November 2009 through February of this year.

The value of goods shipped abroad by California businesses in February reached \$12.85 billion, up 9.2% from the \$11.76 billion in exports reported in February 2011, according to the Beacon Economics analysis of U.S. Commerce Department trade statistics.

California's exports of manufactured goods grew 9.1% to \$8.22 billion, while non-manufactured exports, which are mostly raw materials and agricultural products, were up 3.6% to \$1.61 billion.

The totals were affected by the fact that February had 29 days this year instead of the usual 28.

"With 2012 a leap year, we got the Sadie Hawkins Day bump this February," said Jock O'Connell, Beacon Economics' international trade advisor. "Discounting for that one extra day, California's export trade this February was up by a solid 5.5% over last February."

Jordan Levine, Beacon Economics' director of economic research, said the continuing strength in the state's exports has helped California add 9,900 manufacturing jobs since February 2010, when the statewide total had fallen to 1.24 million jobs.

The modest job gain comes after a decade of steady declines in California manufacturing jobs, which dropped 32.61% between 2000 and 2010. In 2000, the state had 1.84 million such jobs.

"Today's figures indicate that the [manufacturing] sector will continue to be aided by foreign demand for California-made goods," Levine said.

Beacon Economics expects to see California's exporters post relatively modest year-over-year growth figures in the next several months.

The state's busiest cargo container port, Los Angeles, released its own trade figures for the month of March. The port got a strong boost in import traffic in March to 324,758 containers, up 9.3% from a year earlier. Exports fell to 188,155 containers, down 2.4% from March 2011.

The port handled 1.9 million containers in the first three months of this year, up 3.23% from the same period in 2011.



California exports, shipped overseas on ships like this one arriving at the Port of Los Angeles, have helped reverse a long-term decline in manufacturing jobs. (Port of Los Angeles / April 3, 2012)