



Get the Facts About...Our Trade Economy

Fact: The Northwest economy is built on trade.

From apples to aircraft, grain to technology, international trade is the main driver of the Northwest economy. Trade is responsible for as many as 1 in 4 jobs in the Pacific Northwest, and as many as 1 in 3 jobs in Washington State,¹ which is the most trade-dependent state in the United States.²

Fact: The Northwest is uniquely positioned to expand trade and exports to Asia, including commodities such as coal, grain and potash.

Geographic location, strong transportation infrastructure and skilled trade workers make the Northwest a prime hub for growing trade with Asia. This applies to everything from computer chips, to corn, to coal. A healthy trade economy responds to demand, and demand for coal is forecast to grow rapidly in Asian markets for the foreseeable future.³ Countries such as China, South Korea and Japan need to source coal from somewhere, and Powder River Basin coal shipped from the United States presents them economic and environmental benefits not present in many other types of coal.⁴ Further, if we do not build these terminals the demand for coal will not change – it will just be shipped from other ports, including those in British Columbia. The question is whether we use this as an opportunity to strengthen the Northwest economy and trade infrastructure, or let another region or country benefit from the jobs and revenue.

Fact: Upgrading export infrastructure is vital to maintaining our competitiveness.

The governors of both Washington State and Oregon have highlighted exports and investment in transportation and trade infrastructure as keys to regional economic growth.^{5,6} Failure to seize the opportunity to use private investment to strengthen our infrastructure could have long-term consequences, ceding important exports and capacity to other ports.

Canada is quietly targeting Puget Sound ports, making huge investments in port and rail infrastructure in British Columbia. For example, exports already account for more than 40 percent of economic activity in Canada⁷ and coal is B.C.'s largest single export commodity.⁸ Ridley Export Terminal has announced plans to more than double coal export capacity by 2015 in anticipation of growing demand in Asia.

Canada recognizes the enormous economic opportunity that Asian demand presents, and is moving to claim it. To remain a strong trade economy, we must compete.

"Trade and exports are a rich part of the Pacific Northwest's history and an asset to our future. The business, trade and export community's commitment to excellence is seen in every product our region produces, transports and exports overseas. We have the opportunity to use that expertise to strengthen the Pacific Northwest export economy with the jobs, investment and economic benefit these shipping proposals will create."

– Anthony Hempstad, president and CEO, World Trade Center Tacoma⁹

¹ Rep. Rick Larsen, "[Homeland Security](#)"

² Washington Business Magazine, [Selling Washington to the World](#)

³ U.S. Energy Information Administration, [Rising Asian demand drives global coal consumption growth](#)

⁴ The Australian "['Dirty coal' likely to fill supply hole if exports cease](#)" May 26, 2011

⁵ The Oregonian, [Port of Portland toasts economic growth as international trade bounces back](#)

⁶ Context China, [Jay Inslee bullish on clean energy, agricultural exports to China](#)

⁷ Association of Canadian Port Authorities, [Industry overview](#)

⁸ British Columbia Ministry of Energy, [Coal overview](#)

⁹ Puget Sound Business Journal, [Don't let coal overshadow bulk export benefits](#), October 19, 2012