



# Business Roundtable

July 2009

## Massachusetts's Economy Depends on Worldwide American Companies

Massachusetts's 1,050 worldwide American companies and their employees need a level international playing field to prosper and grow. These companies support substantial employment and economic output in Massachusetts, directly through their production of goods and services, through their suppliers, and through spending by the people they employ.

If the Congress raises international taxes on worldwide American companies – while other nations are adopting more competitive tax structures – it will put Massachusetts companies and their employees at a competitive disadvantage with their foreign competitors and jeopardize the substantial contributions they make to Massachusetts's economy.

### The Economic Contribution of Worldwide American Companies in Massachusetts, 2007

	Direct Contribution*	Indirect Contribution**	Total Contribution	Total Contribution as a percent of State Total
Jobs	458,300	915,600	1,373,800	36.9%
Payroll	\$36.5 B	\$53.6 B	\$90.2 B	41.1%
Value-Added	\$59.3 B	\$83.5 B	\$142.8 B	43.3%

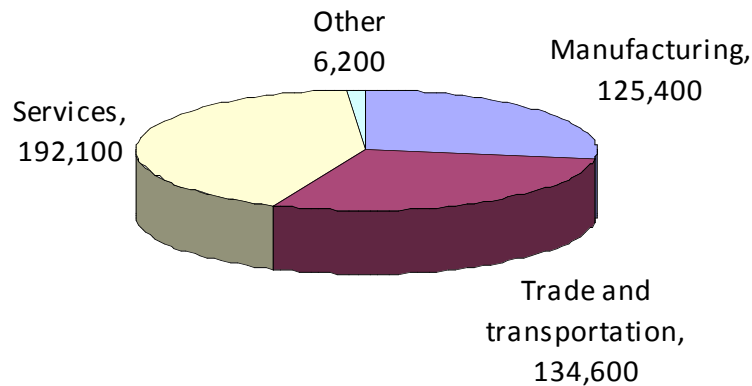
\*The direct contribution consists of employment in and the payroll and production of worldwide American companies in the state.

\*\*The indirect contribution consists of employment, payroll, and production supported by worldwide American companies through their supply chains and the consumption spending of the people they employ directly or indirectly.

- In 2007, worldwide American companies in Massachusetts employed **458,300** people and supported an additional **915,600 jobs** through their supply chains and spending by the people they employed directly or indirectly.
- These jobs accounted for **36.9 percent** of all private-sector employment in Massachusetts and **41.1 percent** of the total private-sector payroll in the state.
- Worldwide American companies in Massachusetts create high quality jobs, paying on average **\$79,746 per worker** in wages and salaries and fringe benefits in 2007.
- Worldwide American companies in Massachusetts accounted for **43.3 percent** of Massachusetts's GDP (\$142.8 billion) in 2007.
- Worldwide American companies also paid approximately **\$6.8 billion** in dividends to Massachusetts residents in 2007.

## Direct Employment by Worldwide American Companies in Massachusetts by Industry

Worldwide American companies employed **458,300** Massachusetts workers in 2007 in a wide range of industries, including the following:



### **Services: 550 companies, 192,100 jobs**

- Administrative and support services: 107 companies, 26,900 jobs
- Computer systems design: 129 companies, 23,100 jobs
- Telecommunications: 44 companies, 20,900 jobs
- Other services: 414 companies, 121,200 jobs

### **Manufacturing: 438 companies, 125,400 jobs**

- Communications equipment and semiconductors: 95 companies, 21,300 jobs
- Navigational and other instruments: 70 companies, 19,100 jobs
- Miscellaneous manufacturing: 44 companies, 18,400 jobs
- Other manufacturing: 301 companies, 66,600 jobs

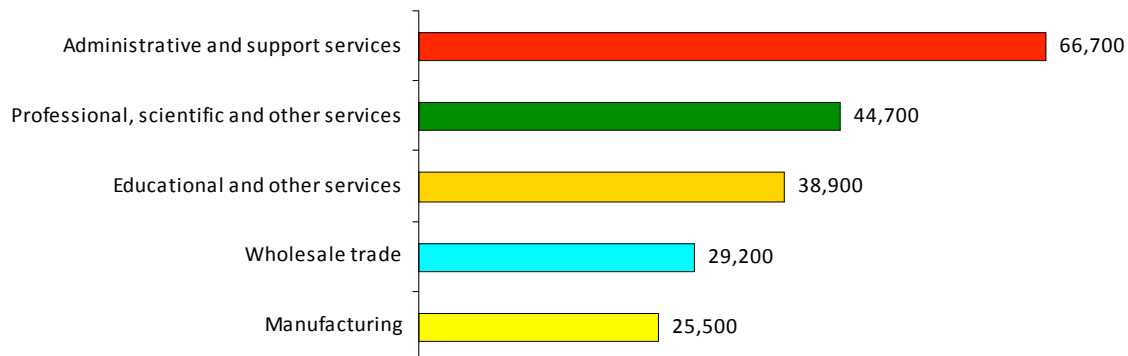
### **Trade and transportation: 388 companies, 134,600 jobs**

### **All other industries: 47 companies, 6,200 jobs**

Note: Company counts by industry do not sum to the state total (1,050) because a company may have operations in multiple industries. Job counts have been rounded to the nearest 100. Detail may not sum to totals due to rounding.

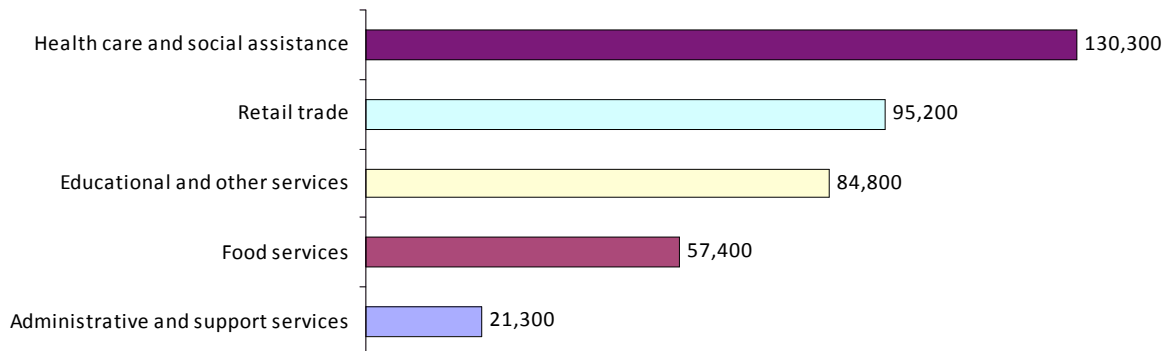
## Indirect Employment through Purchases of Goods and Services from Suppliers

Worldwide American companies supported an additional **389,900 jobs** in Massachusetts in 2007 through their purchases of goods and services from suppliers in Massachusetts. Top Massachusetts suppliers for worldwide American companies include the following industries:



## Indirect Employment through Consumption Spending by Employees

Consumption spending by the employees of worldwide American companies and their suppliers supported an additional **525,700 jobs** in Massachusetts in 2007, including in these leading industries:



**Protect U.S. Jobs and Wages. U.S. Tax Policy Must Keep Worldwide American Companies Competitive with Foreign Multinational Firms.**