

In Focus

Global Supply Chains

Changes in Host Country Employment for U.S. Multinational Enterprises, 2009–2022

December 23, 2024

The U.S. Bureau of Economic Analysis (BEA) publishes statistics on the activities of U.S. multinational enterprises (MNEs) that provide insights on how U.S. MNEs impact the U.S. economy and the foreign host economies where they operate. The information in this article features majority-owned foreign affiliates, rather than all foreign affiliates (both majority and non majority owned), because majority control is important in the analysis of the activities of MNEs. In 2022, majority-owned affiliates accounted for 90 percent of both the employment and assets of all foreign affiliates.

Key Terms

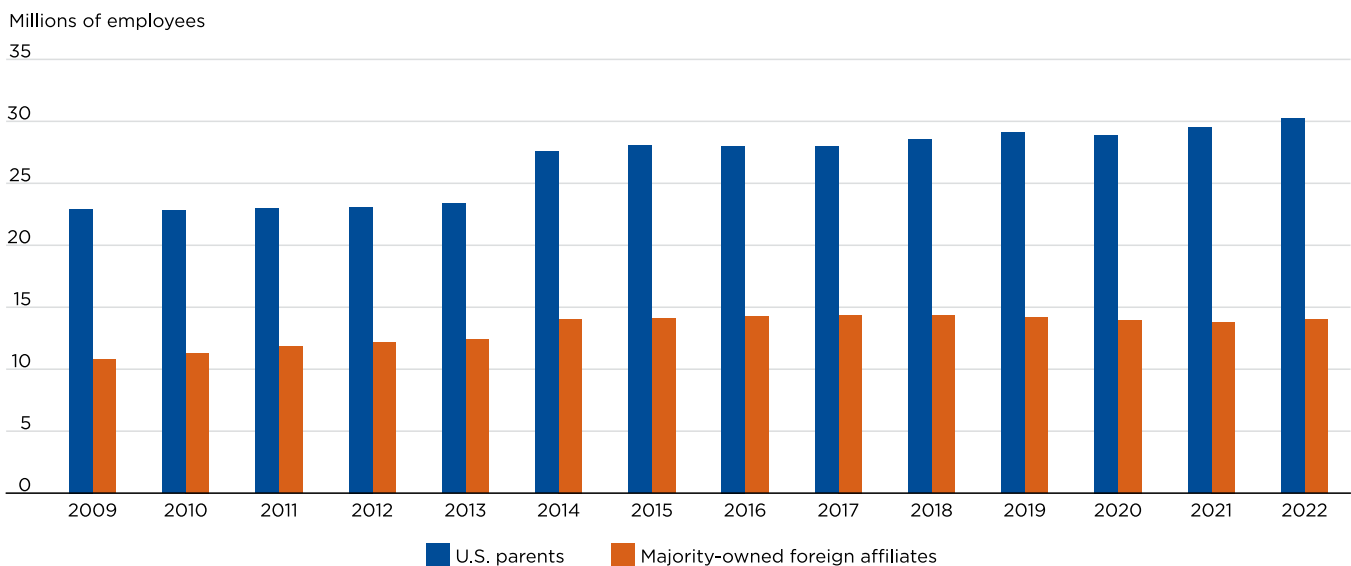
A **U.S. multinational enterprise (U.S. MNE)** is composed of the U.S. parent and its foreign affiliates.

A **U.S. parent** is a person (in the broad legal sense to include any individual, partnership, corporation, or other form of organization), resident in the United States, that owns 10 percent or more of a foreign business enterprise, referred to as its foreign affiliate.

A **majority-owned foreign affiliate** is a foreign business enterprise in which the combined ownership of all U.S. parents, either directly or indirectly, exceeds 50 percent.

U.S. MNE employment was highest in the United States, with U.S. parent employment accounting for 65 to 68 percent of U.S. MNE employment over the past decade. Employment abroad, i.e., foreign affiliate employment, accounted for 32 to 35 percent of U.S. MNE employment. Foreign affiliate employment increased each year from 2010 to 2017, when it peaked at 14.4 million employees. Foreign affiliate employment declined from 2018 to 2021 and increased in 2022. U.S. parent employment increased each year between 2018 to 2022, except for in 2020 (chart 1).

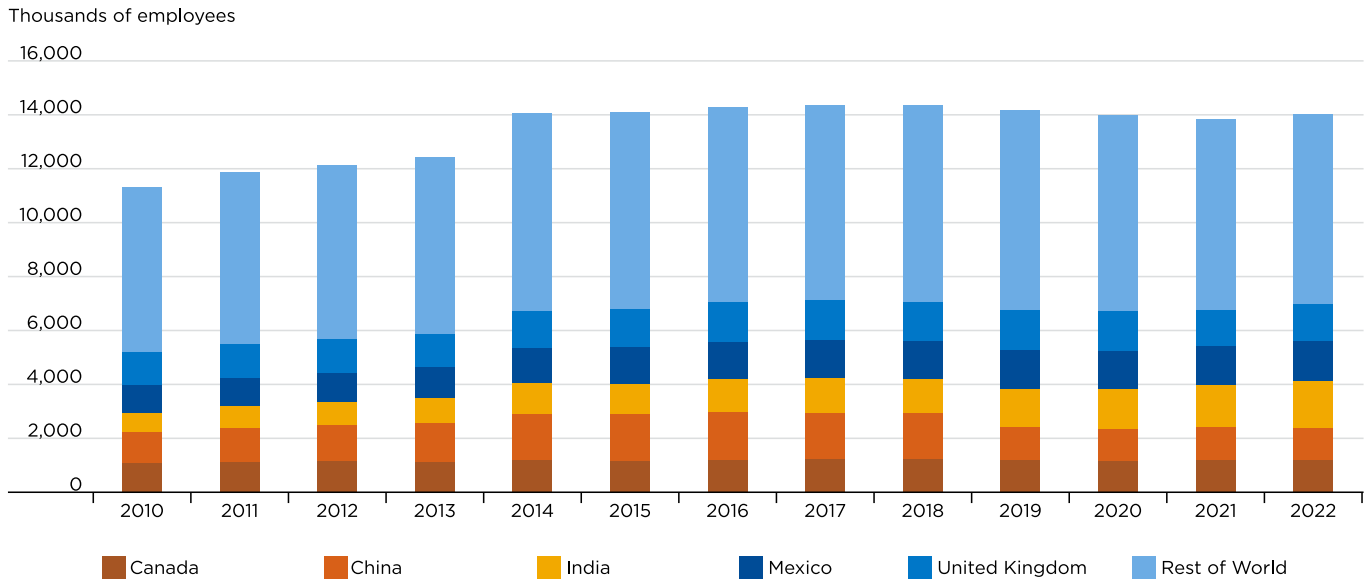
Chart 1. Employment by U.S. Multinational Enterprises



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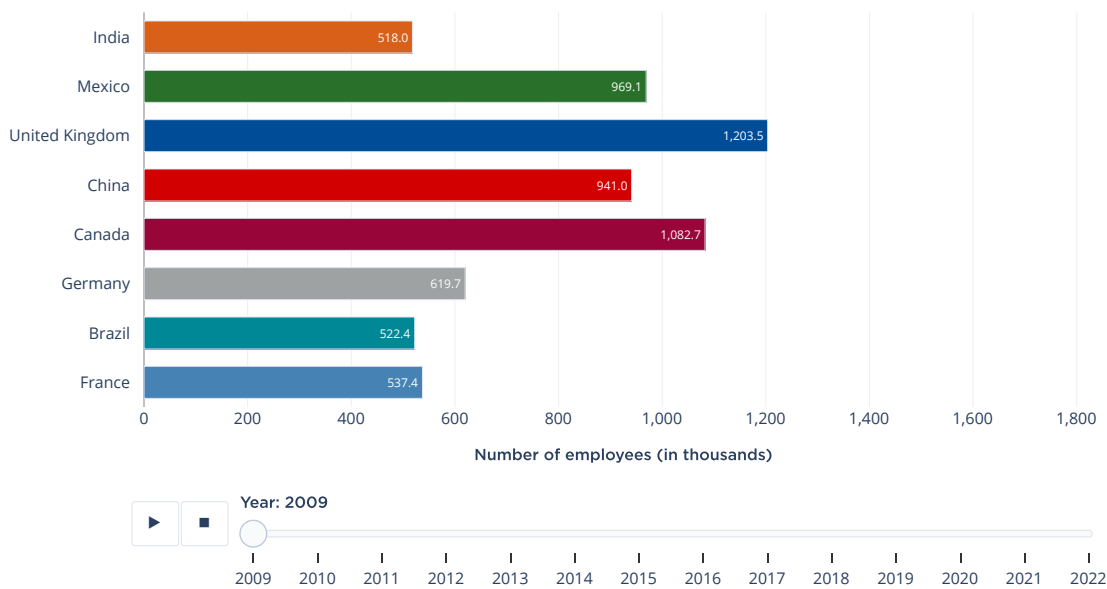
The top five host economies accounting for the largest shares of total foreign affiliate employment from 2010 to 2022 were Canada, China, India, Mexico, and the United Kingdom (chart 2). Together, they accounted for 50 percent of the total in 2022. China was the top foreign affiliate location for employment from 2012 to 2018, until it was surpassed by the United Kingdom in 2019 (chart 3). In 2021, India became the top foreign affiliate location, with 1.6 million workers, and maintained the top spot in 2022 by continuing to add to employment; the other top host countries experienced very little growth (Mexico and the United Kingdom) or declines (China and Canada).

Chart 2. Top Host Country Employment, 2010–2022



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Interactive Chart 3. Top Host Country Employment, 2009–2022



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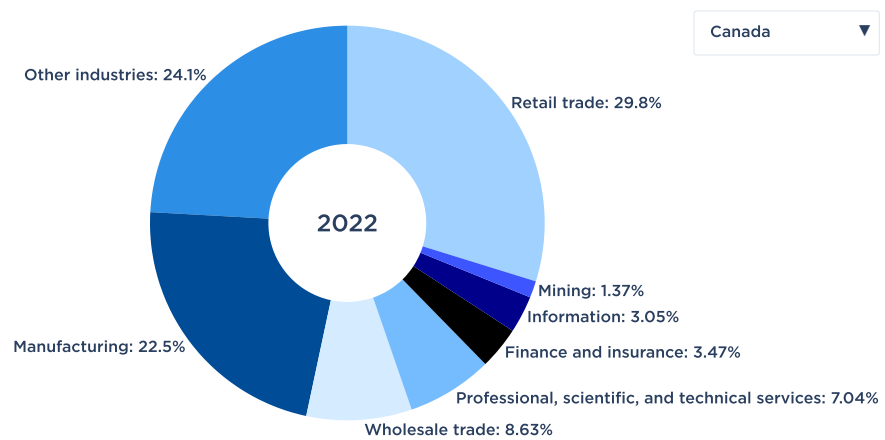
U.S. MNE employment in China was highest in the manufacturing sector, and that concentration increased from 42 percent in 2016 to 55 percent in 2022 (chart 4). In 2022, computer and electronic products manufacturing accounted for the largest share of manufacturing employment in China. Transportation equipment manufacturing experienced the largest growth from 2009 to 2022, increasing by 81,000 workers, or 210 percent. Accommodations and food services employment experienced the largest decline from 2009 to 2022.

In India, the professional, scientific, and technical sector accounted for the largest share of employment. This sector saw significant growth in 2022 and had an annual average growth rate of 8 percent between 2011 and 2022.

In Mexico, 58 percent of employment was in the manufacturing sector in 2022, with the highest concentration (45 percent) in transportation equipment.

Employment in the United Kingdom in 2022 was spread across most major sectors, with 25 percent of the foreign affiliate employment in “other industries,” which was primarily concentrated in administration, support, and waste management, followed by 21 percent in the manufacturing sector. Retail trade was the third-largest employment sector in 2022, after employment levels fell 47 percent from 2020. In Canada, retail trade accounted for the largest share of employment in 2022, at 30 percent. Other industries, primarily transportation and warehousing, accounted for 24 percent, and manufacturing accounted for 23 percent.

Interactive Chart 4. Top Host Country Employment by Industry, 2022



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(D) indicates that the data in certain industries have been suppressed to avoid disclosure of data of individual companies.

Statistical Conventions

The data included here, along with additional statistics not featured in this article, are available on BEA's website in customizable [interactive tables](#) and in a [comprehensive data format](#). Additional information on the concepts, definitions, and statistical methods used to produce the activities data can be found in [U.S. International Economic Accounts: Concepts and Methods](#).

BEA also produces statistics that cover the activities of U.S. affiliates of foreign MNEs, that is, U.S. companies receiving "inward" direct investment. Jointly, these outward and inward statistics are referred to as statistics on the activities of MNEs. [Statistics for U.S. affiliates of foreign MNEs for 2022](#) were released on November 15, 2024.

The [latest available activities of U.S. MNE statistics for 2022](#) were released on August 23, 2024.

Employment data represent both full- and part-time employees on the payroll at the end of each fiscal year.

Year-to-year changes to the data reflect multiple factors such as acquisitions, divestitures, and changes in the ongoing operations of existing affiliates.



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