

EQUIPPED TO MANUFACTURE

A BLUEPRINT FOR BOLSTERING U.S. EQUIPMENT MANUFACTURING

America's manufacturing leadership is under threat. After peaking in 2001, U.S. manufacturers' market share has declined to 17%, with China leading the world at 29%. Even with the Trump Administration's "Made in America Agenda," America's decline and China's manufacturing rise is projected to continue in the years to come – unless government and industry partner together to do something about it.

There is no better place to start than by bolstering U.S. equipment manufacturing – an industry that makes the equipment that builds, powers, and feeds not just the country, but the world. The 2.2 million Americans employed by the industry make an average annual income of over six figures, demonstrating the promise of careers in U.S. manufacturing.

But trade uncertainty, a skilled labor shortage, and lower demand for equipment have created headwinds. It's time for policies that give equipment manufacturers the certainty needed to create – and fill – jobs in America.

This three-pillar policy agenda is the Association of Equipment Manufacturers' blueprint for growing equipment manufacturing in the U.S.

PILLAR 1

DRIVE EXPANSION OF
DOMESTIC MANUFACTURING:

**Provide Certainty
With Trade
Policies**

ISSUE:

U.S. equipment manufacturers have global supply chains because many essential components – including steel, electronics, and hydraulics – cannot be sourced domestically at scale and must be imported. Equipment manufacturers need trade policies that recognize those realities, encourage domestic manufacturing, and cement America's manufacturing dominance.

SOLUTIONS:

- **Provide** a transparent exclusion process for tariff exemptions for equipment parts and components not available domestically at cost and scale.
- **Update** the United States-Mexico-Canada (USMCA) agreement and negotiate new bilateral and multilateral trade agreements that open markets for U.S. equipment exports.
- **Reinvest** tariff revenue into U.S. manufacturing capacity, workforce training, and innovation. Create a new tax credit that will offset tariff payments and incentivize manufacturers to invest in their domestic operations.

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ISSUE:

In order to create more equipment manufacturing jobs in America, there must be more demand for construction and agriculture equipment. But the reauthorization of key federal programs, which are the lifeblood of construction and agricultural economies, is uncertain. The Infrastructure Investment and Jobs Act is set to expire later this year, and less than half of the funds in that law have been deployed due to the U.S.'s glacial permitting process, where large infrastructure projects can be delayed up to 10 years. Meanwhile, rural communities need sustained investments to bolster the farm economy and the equipment manufacturing industry.

SOLUTIONS:

- Congress needs to **reform** the permitting process so infrastructure projects can move forward more quickly. The Standardizing Permitting and Expediting Economic Development (SPEED) Act needs to be enacted to reduce the backlog.
- Congress has begun discussing the 2026 Surface Transportation Reauthorization to **replace** the Infrastructure Investment and Jobs Act. It is critical Congress passes legislation to fund critical infrastructure projects (U.S. infrastructure has received a 'C' grade).
- A new farm bill (the Agriculture Improvement Act of 2018) is long overdue. In particular, a new farm bill should help farmers **invest** in new precision agriculture equipment, boosting productivity and innovation. The bill should also expand access to affordable, high-speed broadband through targeted federal grants and incentives, allowing farmers to take advantage of emerging technologies.

PILLAR 2

CREATE MORE
MANUFACTURING JOBS:

Pass Legislation
to Bolster
Infrastructure
Projects and
Strengthen the
Farm Economy



PILLAR 3

BUILD THE MANUFACTURING
WORKFORCE OF TOMORROW:

Attract and
Retain Skilled
Workers to
Move the
Industry
Forward



ISSUE:

America can't build and grow the equipment industry without the skilled workers needed to manufacture and maintain modern equipment. Manufacturers face persistent workforce shortages, with 403,000 unfilled jobs across the sector as a whole and 42,000 unfilled jobs in the equipment manufacturing industry specifically. By 2033, 1.9 million manufacturing jobs are expected to go unfilled.

SOLUTIONS:

- **Modernize** the National Apprenticeship Act so registered apprenticeships can better reach the manufacturing workforce and help equipment manufacturers develop the skilled talent they need to compete and grow.
- **Grow** career and technical education (CTE) in high schools to further build the industry's talent pipeline.
- **Align** legal immigration pathways with worker shortages by creating a dedicated visa category for essential manufacturing roles (welders, machinists, technicians) and streamline green card processing for high-demand roles to reduce backlogs.