



# Research Brief

\* THE COMMONWEALTH'S OFFICIAL SOURCE OF POPULATION AND ECONOMIC STATISTICS \*

October 5, 2000

## Pennsylvania's Manufacturing Industry is Highly Profitable

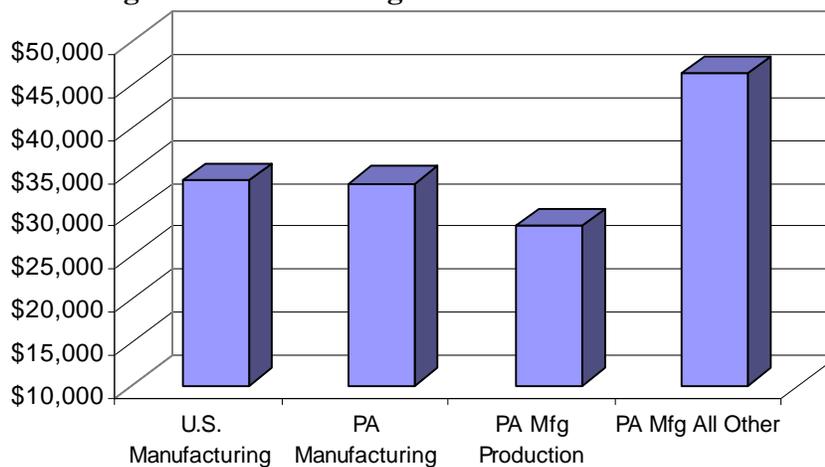
MIDDLETOWN, Pa— Pennsylvania's manufacturing industry produced goods valued at nearly double its cost of materials in 1997.

The Pennsylvania State Data Center at Penn State Harrisburg reports that the value of shipments of the Commonwealth's manufacturing industry was \$172.2 billion, according to the 1997 Economic Census by the United States Census Bureau. This figure is made up roughly of the cost of materials which was \$86.7 billion and the value added by the manufacturing process which was \$86.2 billion.

In 1997, the manufacturing industry in Pennsylvania consisted of 17,128 establishments and employed 826,521 people. Many (37 percent) of the establishments had 20 or more employees. Nearly three quarters (72 percent) of the employees were production workers.

The annual payroll for the total employees was \$27.6 billion while that for the production workers was \$17.1 billion or 62 percent of the total payroll. This calculates to approximately \$33,440 per worker or \$28,525 per production worker and an average of \$46,275 for other workers. Nationally, manufacturing employees earned an average of \$33,770 that year, slightly higher than Pennsylvania's equivalent workers.

**Average Annual Wage of Manufacturing Workers: United States and Pennsylvania, 1997**



There are 21 subsectors within the manufacturing sector of the economy. The largest of these in terms of number of establishments was fabricated metal products with 18.6 percent of total establishments followed by printing and related support activities (10.5 percent), and machinery (8.9 percent). In number of employees, the leader was again fabricated metal products (12.6) followed by food (9.2 percent) and machinery (8.9 percent). The highest value of shipments was in the food subsector with 11.9 percent of the total. Chemicals and primary metals followed with 11.2 and 9.9 percent respectively.

Leather and allied products was the smallest subsector accounting for fewer than one-half of one percent of manufacturing's establishments, employment, and value of shipments.

Allegheny county had the greatest number of manufacturing establishments with 1,500. Montgomery, Philadelphia, and Bucks counties also had more than 1,000 each. These top four counties boasted nearly one-third (32 percent) of the state's manufacturing establishments. Fourteen counties had fewer than 50. Montgomery, Allegheny, and Lancaster counties each employed greater than 50,000 persons in manufacturing. They accounted for 21.3 percent of the Commonwealth's manufacturing employment. Five counties employed fewer than 1,000 in this industry.

Delaware County had the highest payroll per manufacturing employee at \$44,826. It was followed by Montour, Montgomery, and Allegheny counties which had average pays of \$42,975, \$39,407, and \$38,311 respectively. The lowest average pay per manufacturing employee was in Sullivan County at \$19,056. Nine other counties also paid an average of less than \$25,000.

Montgomery County led by far in value of shipments bringing in \$20.7 billion, 12 percent of the state's total. Philadelphia, Lancaster, and Allegheny followed each with greater than \$10 billion.

The Pennsylvania State Data Center is the Commonwealth's official source of population and economic statistics and services. It is based at Penn State Harrisburg's Institute of State and Regional Affairs. The Pennsylvania State Data Center is part of the U.S. Census Bureau's national State Data Center Program.

---

Editors: For additional data, contact Amy Jonas at the Data Center's State Capital Office, (717) 772-2710, or for faculty comment on this topic contact Penn State Harrisburg's Public Information Office, (717) 948-6029.

Source of Information: U.S. Census Bureau, 1997 Economic Census