



Research Brief

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

October 19, 2000

Pennsylvania's Finance and Insurance Industry

MIDDLETOWN, Pa— Finance and insurance is one of the new industries created by the North American Industrial Classification System (NAICS) and used in the 1997 Economic Census.

The Pennsylvania State Data Center at Penn State Harrisburg reports that the finance and insurance industry was one of the smaller industries in the Commonwealth with 16,601 establishments employing 287,143 people, according to the United States Census Bureau's, 1997 Economic Census.

Finance and insurance has five subsectors: Monetary authorities-central bank; credit intermediation and related activities; securities intermediation and related activities; insurance carriers and related activities; and funds, trusts, and other financial vehicles. The largest subsector by number of establishments is credit intermediation with 45 percent of the total. However, insurance carriers leads in terms of employment with 48 percent.

Economic Activity by Finance and Insurance Subsector: Pennsylvania, 1997

Subsector	Establishments		Revenue		Payroll(\$1,000)		Employees	
	#	%	#	%*	#	%	#	%
monetary authorities-central bank	2	0.0	1,151,000	3.2	61,431	0.5	1,664	0.6
credit intermediation & related	7,417	44.7	28,607,739	78.8	3,781,408	33.8	118,845	41.4
securities intermediation & related	1,870	11.3	6,052,931	16.7	2,097,604	18.8	27,113	9.4
insurance carriers & related	7,275	43.8	NA	NA	5,198,325	46.5	138,374	48.2
funds, trusts, and other financial vehicles	37	0.2	484,642	1.3	34,786	0.3	1,147	0.4
total Finance and insurance industry	16,601	100	36,296,312*	100	11,173,554	100	287,143	100

* excludes insurance carriers and related

Securities intermediation had the highest payroll per employee at \$77,365. Credit intermediation had the lowest at \$31,818 while the industry average was \$38,913.

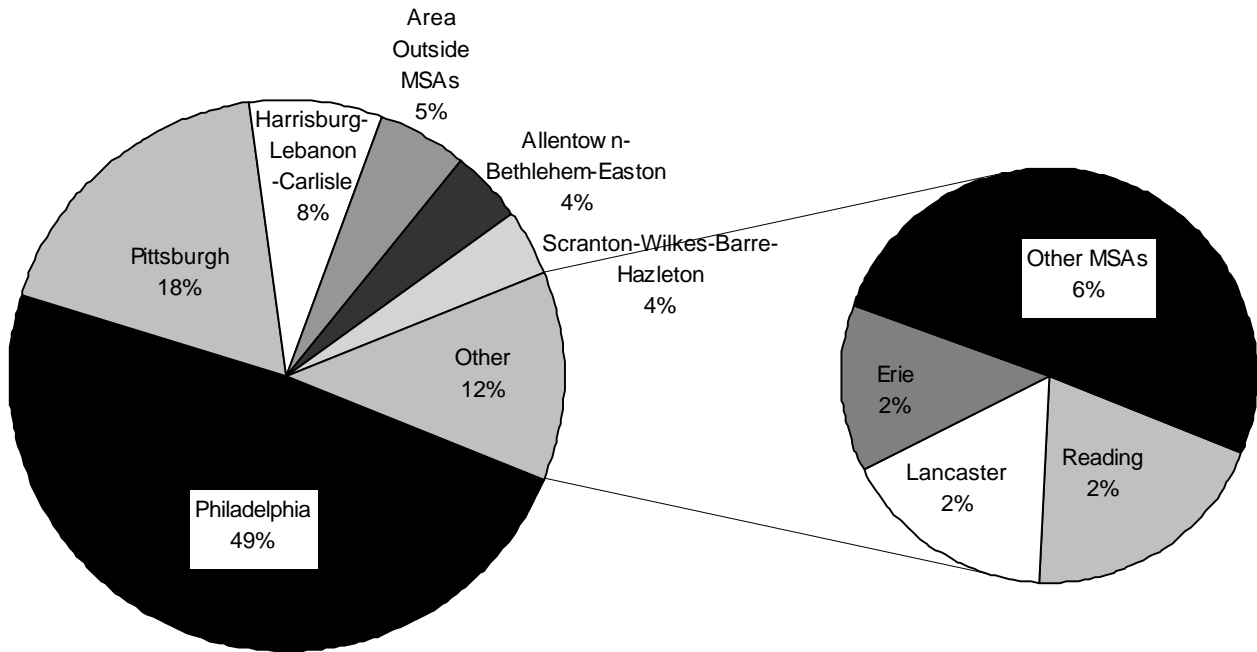


County statistics are not available for this industry, but at the metropolitan statistical area level, annual payroll per employee varied greatly. The highest was \$45,035 for the Philadelphia area (which includes parts of New Jersey), and the lowest was \$24,013 in the Johnstown MSA.

The greatest employment and number of establishments were also in the Philadelphia area. The Pittsburgh MSA led for those entirely in Pennsylvania with more than 3,500 establishments and more than 56,000 employees. The next largest was Harrisburg-Lebanon-Carlisle with 972 establishments and 23,868 employees. The smallest employer of finance and insurance was the Sharon MSA with 1,182 employees in 167 establishments.

Areas in the Commonwealth outside metropolitan areas accounted for 2,037 establishments and 16,742 employees. This computes to an average of 8 employees per establishment compared to the metropolitan figure of 18 per establishment.

Percent of Employment in the Finance and Insurance Industry: Pennsylvania MSAs, 1997



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