



Research Brief

The Commonwealth's Official Source for Population and Economic Statistics

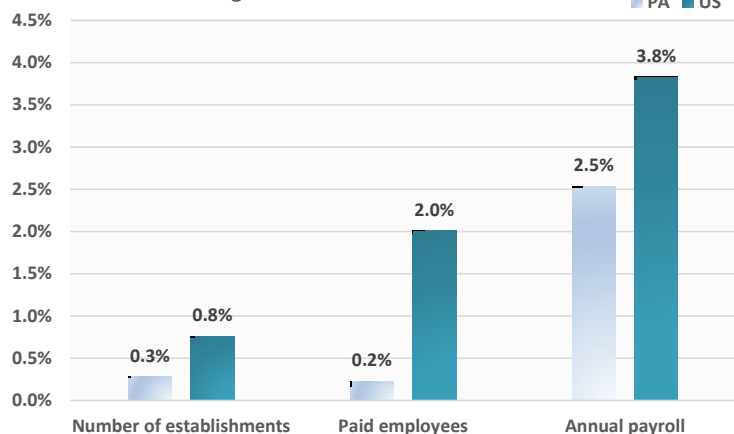
May 13, 2015

2013 County Business Patterns Released: Allegheny Tops Counties in Establishments, Employees and Payroll

PENN STATE HARRISBURG – Pennsylvania gained 820 new business establishments between 2012 and 2013, according to data from the U.S. Census Bureau's recently released 2013 County Business Patterns. The commonwealth was home to 297,692 establishments in 2013, equating to a growth rate of 0.3 percent since 2012. Nearly 5.2 million employees worked for Pennsylvania establishments in 2013, an increase of 11,609 workers (0.2 percent) from 2012. The gain in establishments and employment was accompanied by a \$5.8 billion (2.5 percent) growth in annual payroll. The average payroll per employee jumped more than a \$1,000 from \$44,833 in 2012 to \$45,866 in 2013.

National growth rates for establishments, employees and payroll eclipsed Pennsylvania: establishments were up 0.8 percent, from 7.4 million in 2012 to 7.5 million in 2013. Employment rose 2.0 percent, from 115.9 million to 118.3 million and annual payroll was up 3.8 percent, from \$5.4 trillion to \$5.6 trillion. Average payroll per employee climbed 1.8 percent, from \$46,699 to \$47,534.

Figure 1. Establishment, Employment & Annual Payroll
Change: US and PA: 2012 to 2013



Employment Growth by State

The Keystone State's neighbor to the Southeast, Delaware, led all states in rate of employment growth between 2012 and 2013 with employment levels climbing 5.1 percent to 382,128. Delaware was followed by two states on the West Coast: Washington (up 3.5 percent to 2.4 million) and California (a 3.5 percent increase to 13.4 million). Seventeen states had a higher employment growth rate than the nation as a whole (2.0 percent) between 2012 and 2013. Pennsylvania's employment growth of 0.2 percent ranked 45th nationally. Three states



experienced a decline in the number of employees between 2012 and 2013: Vermont (-1.1 percent), Wyoming (-0.7 percent) and West Virginia (-0.6 percent).

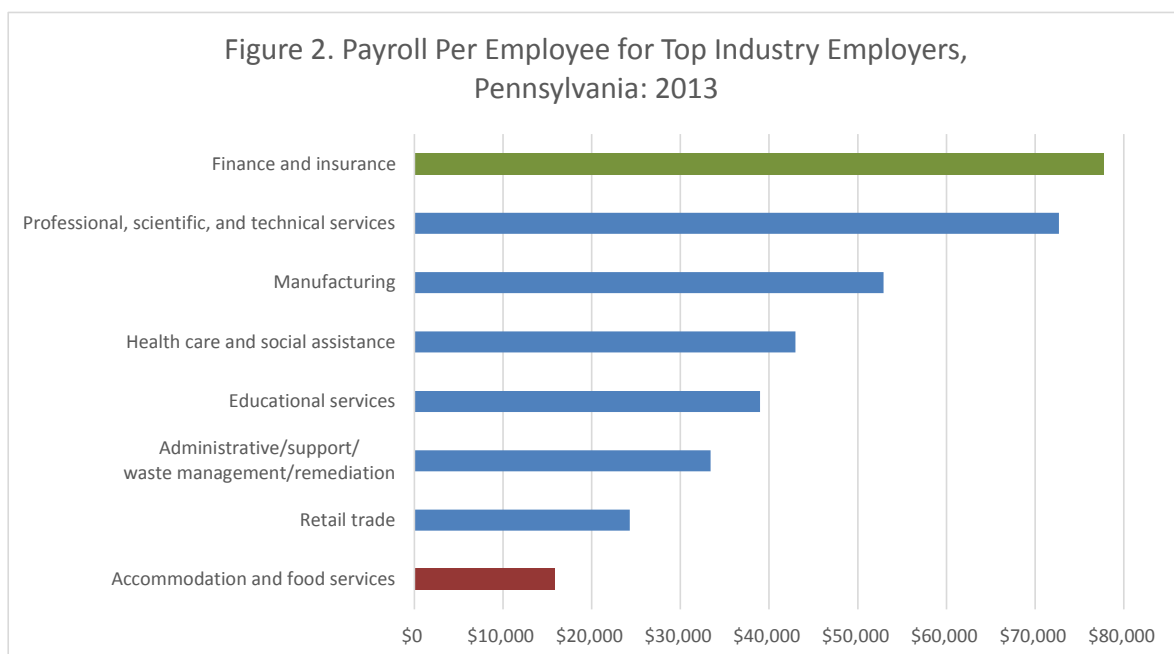
Employment, Establishments and Payroll by Industry

Health care and social assistance (NAICS 62) employed more people than any other sector. In 2013, 960,789 people were employed in this sector, accounting for 18.5 percent of all employees in the state. Retail Trade (NAICS 44-45) was the next-largest industry employer in Pennsylvania with 655,853 or 12.7 percent). Manufacturing (NAICS 31-33) followed with 539,575 employees (10.4 percent of total).

Employment in the state's finance and insurance sector (NAICS 52) rose 2.4 percent between 2012 and 2013, besting every other sector in rate of growth. The sector also saw its payroll rise 4.1 percent to \$20.6 billion and its payroll per employee climb 1.7 percent to \$77,799. The mining, quarrying, and oil and gas extraction sector experienced the largest year to year percent decline (-4.5 percent) in employees. Nationally, the information sector had the best employment growth (4.1 percent), while agriculture, forestry, fishing and hunting had the most rapid employment decline (-4.1 percent).

Establishment growth in Pennsylvania was highest in the utilities sector (NAICS 22). Between 2012 and 2013, the utilities sector had a 2.9 percent growth rate, adding a total of 23 establishments. Just as with employment, the mining, quarrying, and oil and gas extraction sector had the largest percent decline (-3.6 percent) in establishments. Nationally, educational services (2.3 percent) had the most establishment growth, while manufacturing had the largest percent decline (-1.7 percent) since 2012.

Figure 2 displays the payroll per employee figures for Pennsylvania's largest industry employers in 2013.

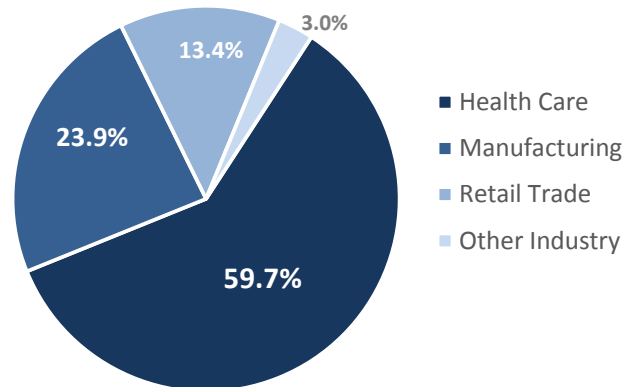


County Industry Data

Allegheny County had more establishments (33,583) and employees (696,023) and a larger annual payroll (\$34.7 billion) than any other Pennsylvania county in 2013. Philadelphia County followed in each measure (27,239 establishments, 582,474 employees and \$31.0 billion in annual payroll). Montgomery ranked third in all three measures: 25,988 establishments, 480,721 employees and \$27.5 billion in annual payroll. Taken together, Philadelphia and its surrounding counties of Bucks, Chester, Delaware and Montgomery made up a third of the state's establishments (33.2 percent) and employees (33.9 percent), while accounting for 40.3 percent of annual payroll.

Health care and social assistance was the largest industry employer in 40 of 67 counties (59.7 percent). Nearly a quarter (23.9 percent) of the state's 67 counties had manufacturing as their most prominent employer industry. Retail trade was the largest industry employer in nine counties (13.4 percent) in 2013.

Figure 3. Distribution of Largest Industry Employer, Pennsylvania Counties: 2013



More about County Business Patterns

The U.S. Census Bureau's County Business Patterns provides the only detailed annual information on the number of establishments, employees, and quarterly and annual payroll for more than a thousand industries at the national, state and county levels.

County Business Patterns defines employment as all full- and part-time employees who were on the payroll during the pay period that includes March 12. Data are obtained from Census Bureau reports and administrative records from other federal agencies. The data excludes business owners who were self-employed, employees of private households, railroad employees, agriculture production workers and most government employees. Values associated with each establishment are slightly modified to protect the confidentiality of each location's data.

Customized tables showing Pennsylvania's population by county may be obtained by contacting the Pennsylvania State Data Center at 717.948.6336 or by emailing at PaSDC@psu.edu.

Source: U.S. Census Bureau, 2012 and 2013 County Business Patterns

The Pennsylvania State Data Center is the commonwealth's official source for population and economic statistics. It is based at Penn State Harrisburg's Institute of State and Regional Affairs.

Editors: For additional data, contact the Pennsylvania State Data Center's State Capital Office at 717.772.2710 or for faculty comment on this topic, contact Penn State Harrisburg's Public Information Office at 717.948.6029.

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