

Extension Area 19: Economic Overview

Morgan, Muskingum, Perry, and Washington Counties

Report prepared September 2021 by Gwynn Stewart, Community Development Educator IV, Noble County - OSU Extension Community Development

Regional Industry Sector Overview

Table 1 below ranks the top 10 industries in Area 19 by total output. Total output represents the total production value of an industry including intermediate inputs, employee compensation, proprietor income, taxes on production and imports, and other property income. Oil & Gas Extraction had the greatest total output at \$3.2 billion.

Plastics material and resin manufacturing were the second ranked industry based on total output. The sector employed 792 with an output of over \$1 billion. Of the top 10 industries by total output, the sector with the most employees in the region was local government and education with 4,311 employees. The average annual income for these workers was \$71,145 per year. This was followed by hospitals with 4,216 workers, yielding an average annual compensation of \$65,940.

The owner-occupied dwellings sector represents the wealth generated from home ownership. Owning and maintaining a home is also a major area of spending and the owner-occupied dwellings sector captures that economic effect. However, there is no employment or labor income generated in the owner-occupied dwellings sector, as the employment positions such as property managers and real estate agents is captured in the other real estate sector.



Key Statistics:

- Population 197,686
- Total of 290 Industries
- Total Employment of 92,806
- Gross Domestic Product \$15.7B

Data retrieved from IMPLAN (2018 & 2019 data)

Table 1: Top 10 Industry Sectors by Total Output

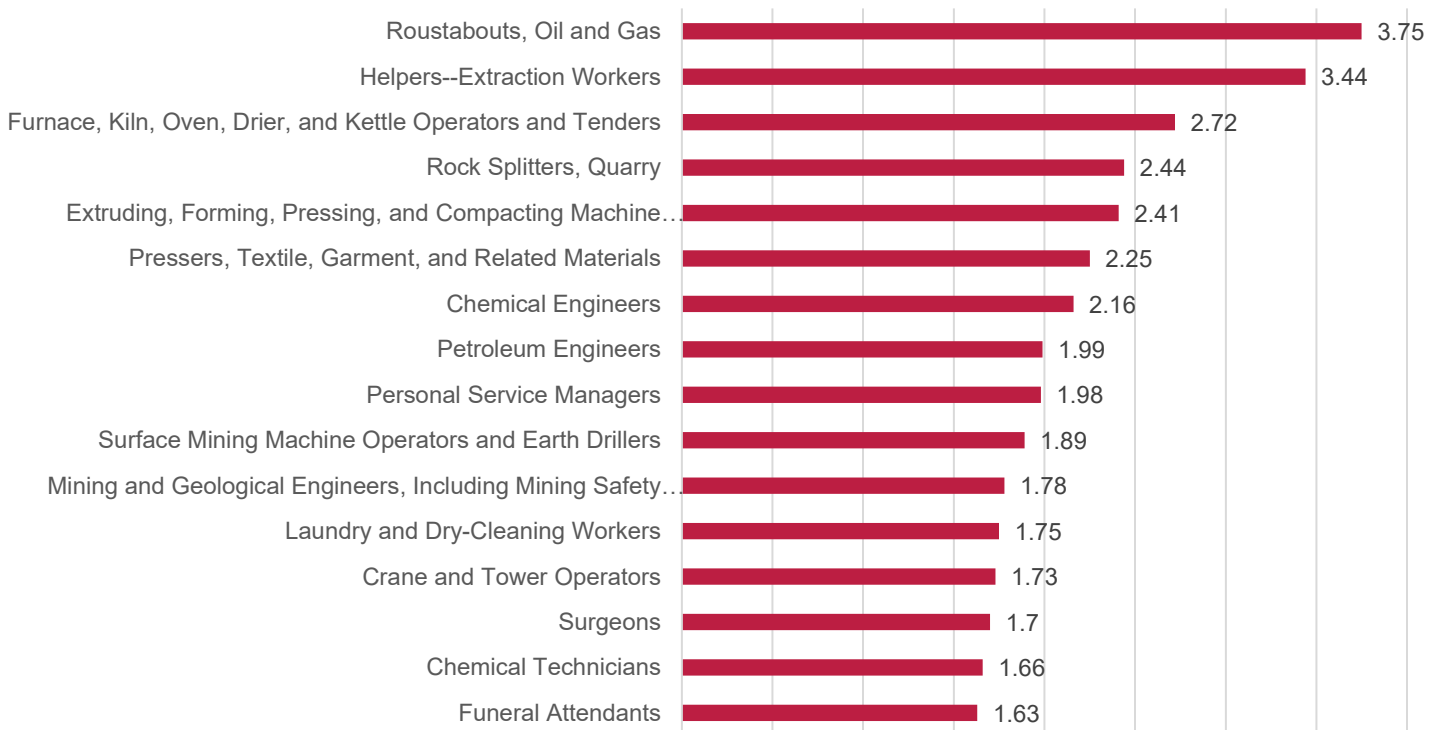
| Industry Description | Output | Total Employment | Average Employee Compensation |
|---|-----------------|------------------|-------------------------------|
| Oil & Gas Extraction | \$3,214,087,785 | 1,718 | \$134,599 |
| Plastics Material & Resin Manufacturing | \$1,073,746,439 | 792 | \$171,365 |
| Hospitals | \$699,273,864 | 4,216 | \$65,940 |
| Owner-occupied Dwellings | \$621,752,417 | 0 | 0 |
| Physician Offices | \$522,608,485 | 2,679 | \$145,702 |
| Monetary Authorities & Depository Credit Intermediation | \$540,614,252 | 1,161 | \$67,484 |
| Iron & Steel Mills and Ferroalloy Manufacturing | \$292,785,750 | 352 | \$91,426 |
| Employment & Payroll of Local Government & Education | \$294,269,082 | 4,311 | \$71,145 |
| Electric Power Transmission and Distribution | \$347,409,501 | 248 | \$317,904 |
| Motor Vehicle Gasoline Engine & Engine Parts Mfg. | \$206,570,918 | 444 | \$75,278 |

Top 15 Occupations by Location Quotient

Chart 1 below lists the top 15 occupations for Area 19. Those that have a location quotient (LQ) of 2 or over, demonstrate a significant concentration of workers relative to the nation. An LQ of 1 is equal to the national average, with an LQ of 2 being double the national average. For example, with an LQ of 3.75 for roustabouts in oil and gas in Area 19, the region has 1.75 times the number of workers in that occupation compared to the national average.

Where there is an occupational concentration, there also tends to be higher core competencies relative to other areas, creating a competitive advantage. In addition, training and education opportunities associated with the occupation are often readily available to meet hiring demands.

Chart 1: Occupation Location Quotient



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