

Extension Area 21: Economic Overview

Butler and Hamilton Counties

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Regional Industry Sector Overview

Table 1 below ranks the top 10 industries in Area 21 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. The aircraft engine and engine parts manufacturing sector had the greatest total output in the region at \$9.35 billion. This sector had a total employment of 11,405, ranking it seventh among the 10 sectors. It also had the second highest average employee compensation at \$163,012.

Hospitals had the largest share of total employees at 42,719. Other real estate and management of companies and enterprises almost tied for the second highest number employees at 27,415 and 27,129, respectively. Other real estate represents many different players within the industry including brokers and agents, title and closing companies, among others.



Key Stats

Population 1,200,607

Total of 424 Industries

Total Employment 888,716

Gross Domestic Product \$105.1B

Data retrieved from IMPLAN
(2018 & 2019 data)

Table 1: Top 10 Industry Sectors by Total Output

Industry Description	Output	Total Employment	Average Employee Compensation
Aircraft engine and engine parts manufacturing	\$9,354,807,848	11,405	\$163,012
Monetary authorities and depository credit intermediation	\$8,569,286,488	13,868	\$98,626
Hospitals	\$7,769,207,830	42,719	\$77,855
Insurance carriers, except direct life	\$7,679,612,057	12,057	\$108,057
Soap and other detergent manufacturing	\$7,383,638,604	3,107	\$378,238
Management of companies and enterprises	\$7,185,185,773	27,129	\$155,939
Other real estate	\$5,861,948,111	27,415	\$75,504
Owner-occupied dwellings	\$5,339,509,831	N/A	N/A
Offices of physicians	\$3,066,477,477	18,128	\$138,350
Wholesale - Other nondurable goods merchant wholesalers	\$2,665,477,776	7,287	\$115,638



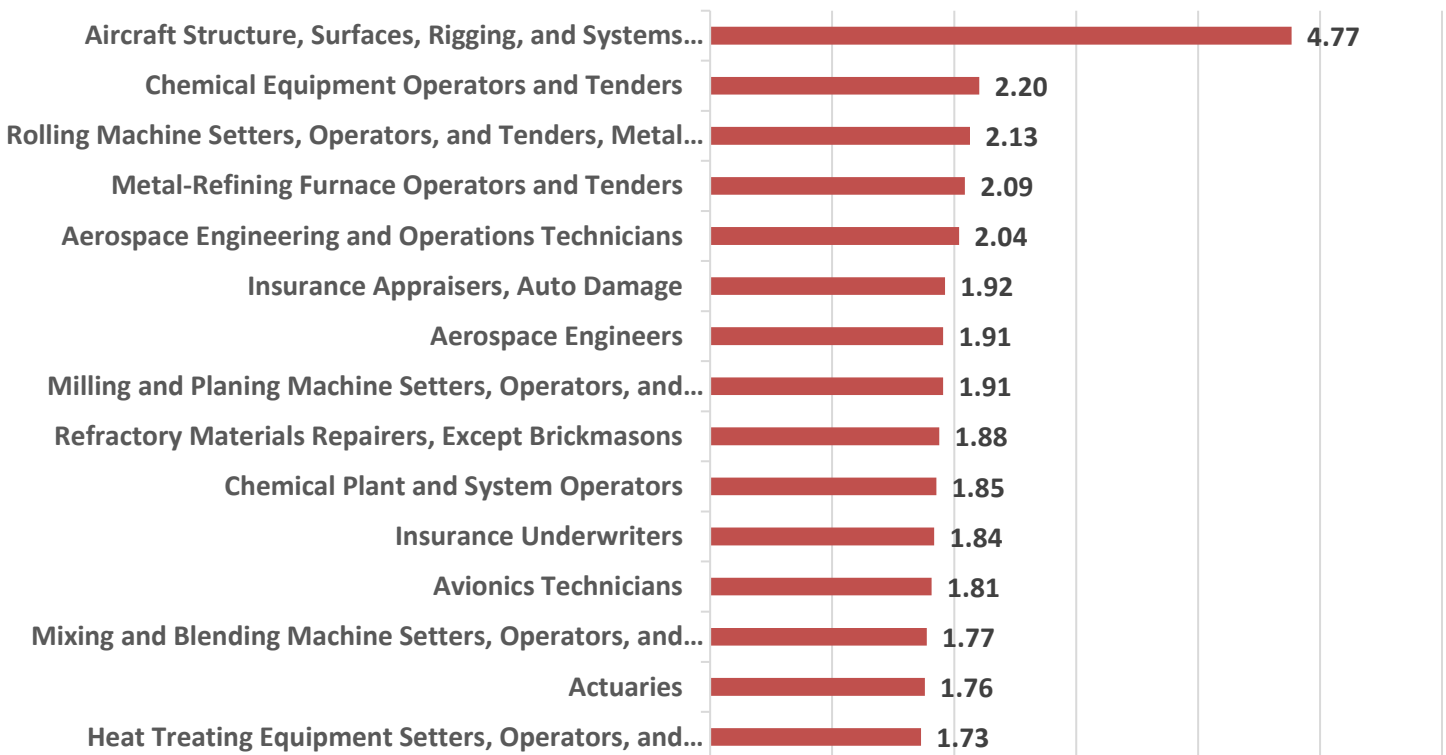
Top 15 Occupations by Location Quotient

The chart below ranks the top 15 occupations by location quotient (LQ) in Area 21. An LQ is a measure of the concentration of workers in an industry sector relative to workers nationally in the same sector. 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 just over 3 for industrial production managers, this five-county area has three times the number of workers in that occupation than in the average geographical area. This also means that the region has over twelve times the number of cabinetmakers and bench carpenters and ten times the number for furniture finishers, the two highest ranking occupations for LQ in Area 1.

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. Ten of the fifteen occupations are situated in machinery manufacturing sectors including tool and die makers, machinists, engine and other machine assemblers, machine tool setters, operators and tenders, inspectors and industrial production supervisors.

These occupations also align with manufacturing sectors included in the top ten industry sectors listed on page #1, including iron and steel mills, motor vehicle engine and engine parts, plastics products and other motor vehicle manufacturing sectors.

Chart 1: Occupation Location Quotient



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