Extension Area 16: Economic Overview

Clinton, Fayette, Pickaway, and Ross Counties

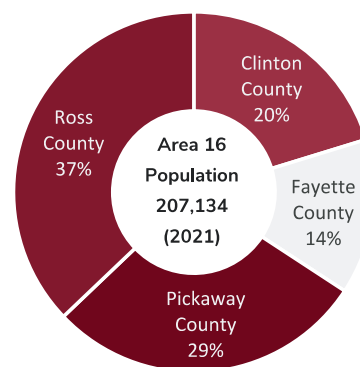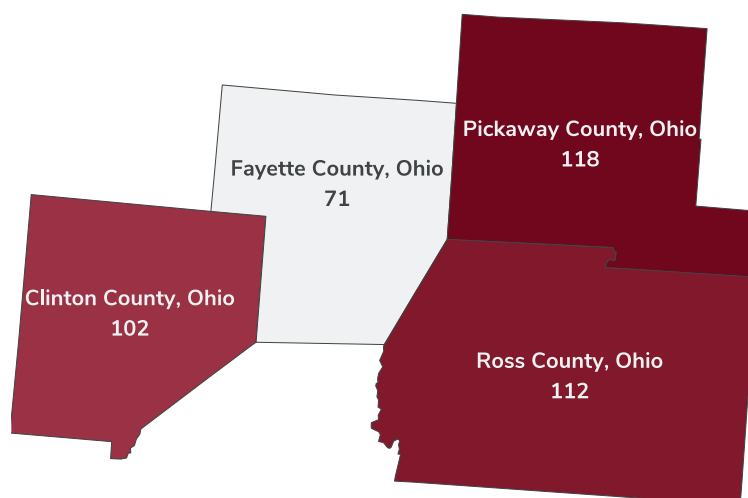## Regional Overview

OSU Extension Area 16 is a four-county area in southcentral Ohio, including Clinton, Fayette, Pickaway, and Ross counties. In 2021, the combined Area 16 footprint was 2,008 square miles (mi2) supporting a population of 207,134 residents and an overall population density of 103 residents per square mile. Population density is a ratio of total population to total land area, simply described as a count of residents per square mile. As illustrated in Image 1, Pickaway County had the highest population density of 118, while Ross County was the second highest at 112, followed by Clinton County at 102, and Fayette County with 71 residents per square mile.

Overall, the combined population in Area 16 increased slightly between 2001 and 2021, growing by 6% from a total population of 196,275 to 207,134 in 2021. While all four counties increased in population, Pickaway County experienced the greatest amount population growth increasing by 12% from 52,986 in 2001 to 59,333 in 2021. During this period, Ross County also increased in population by 4% to a total of 76,891 in 2021, while Clinton County had growth of 2% to 42,004, and Fayette County population increased by 2% to a total of 28,906.

Image 1: OSU Extension Area 16 Population Density

Fayette County, Ohio
71

Pickaway County, Ohio
118

Clinton County, Ohio
102

Ross County, Ohio
112

Clinton County 20%

Fayette County 14%

Pickaway County 29%

Ross County 37%

Area 16 Population 207,134 (2021)

Key Stats

Total of 281 Industries

Total Employment of 99,070

Gross Domestic Product $9.261 B

Data retrieved from IMPLAN (2021 data)

Regional Industry Sector Overview

IMPLAN defines the total annual production value of each Industry or Commodity as 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.

Table 1 below ranks the top 10 industries in Area 16 by total output in 2021. Heavy-duty truck manufacturing was the highest ranked industry with a total output of $1.444 billion, supporting 1,677 jobs, and an average employee compensation of $92,638. When comparing 2020 to 2021, the data shows the heavy-duty truck manufacturing industry experienced a 7% increase in total output and a gain in total employment of 375 jobs.

Owner-occupied dwellings had the second greatest total output at $822 million. 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.

The industry with the third highest total output in Area 16 was hospitals with a total output of $746 million, supporting 3,774 jobs, and an average employee compensation of $82,227 per year. Of the top 10 industries by total output, the sector with the most employees in the region was employment and payroll of local government and education with 4,998 employees. The average annual income for these workers was $71,471 per year.

Table 1: Area 16 Top 10 Industries by Total Output

Industry Description	Output	Total Employment	Average Employee Compensation
Heavy duty truck manufacturing	$1,444,604,184	1,677	$92,638
Owner-occupied dwellings	$822,431,964	N/A	N/A
Hospitals	$746,202,328	3,774	$82,227
Paper mills	$662,214,326	927	$99,334
Other motor vehicle parts manufacturing	$520,316,452	1,174	$73,916
Monetary authorities and depository credit intermediation	$431,502,148	772	$65,049
* Employment and payroll of local govt, education	$410,334,010	4,998	$71,471
Truck transportation	$375,974,980	1,815	$83,672
Limited-service restaurants	$369,797,312	3,885	$21,226
Grain farming	$355,326,772	1,744	$37,065

Area 16 Annual Employment Trends

The Total Employment figure reported by IMPLAN represents a full and part-time annual average including the self-employed, all federal, state, and local government employment and military employment (including overseas military).

Chart 1 provides a visual reference of the Area 16 annual employment trends between 2001 and 2021. As shown in the chart, Area 16 experienced consistent growth between 2001 and 2008 when the U.S. housing market collapsed, stressing global financial markets and ultimately triggering the U.S.

economy into a period of recession. Since 2010 annual employment in Area 16 increased by 9% reaching a total employment of 99,070 jobs in 2021.
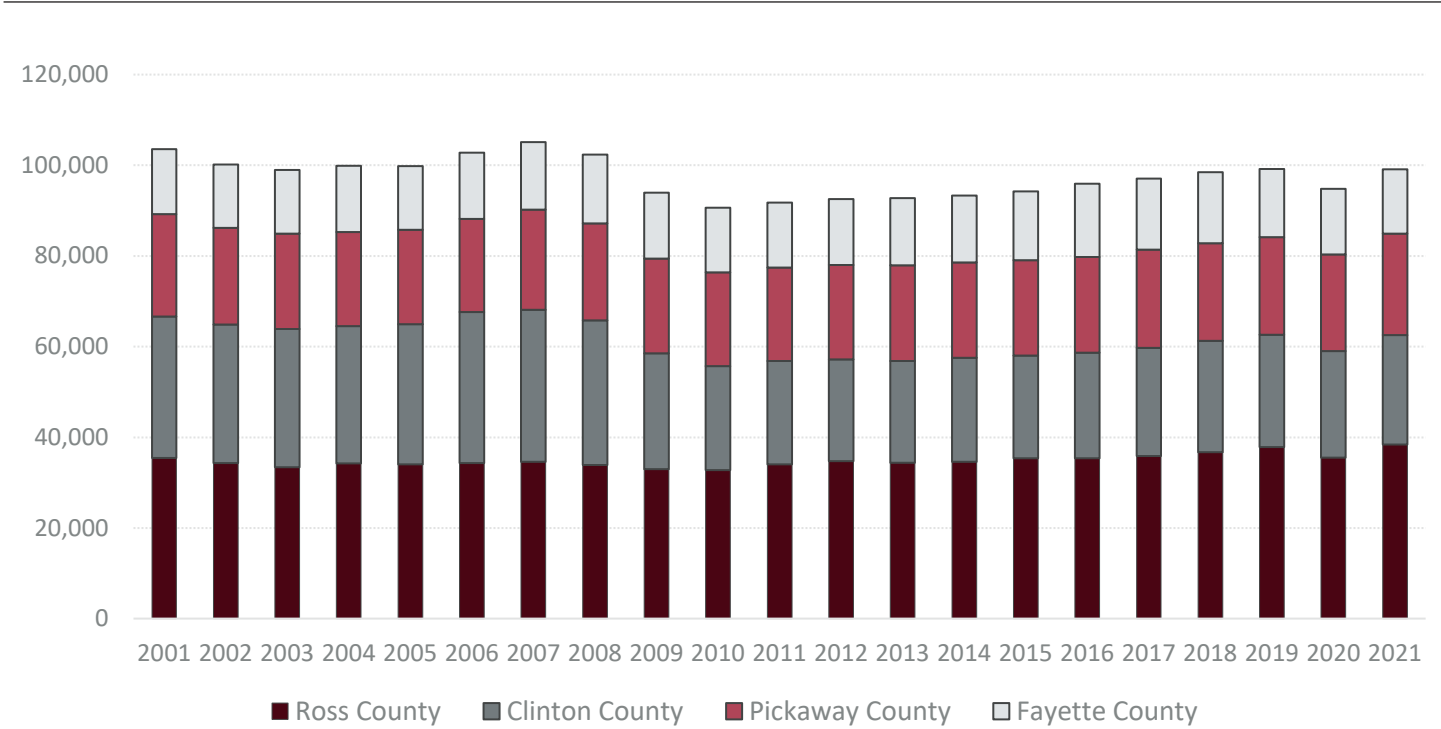
When considering the long-term employment trends by county, Ross County saw the greatest growth in total employment of 8%, increasing from 35,449 in 2001 to 38,389 in 2021.

During the same period (2001–2021) three counties in Area 16 experienced a decline in total employment.

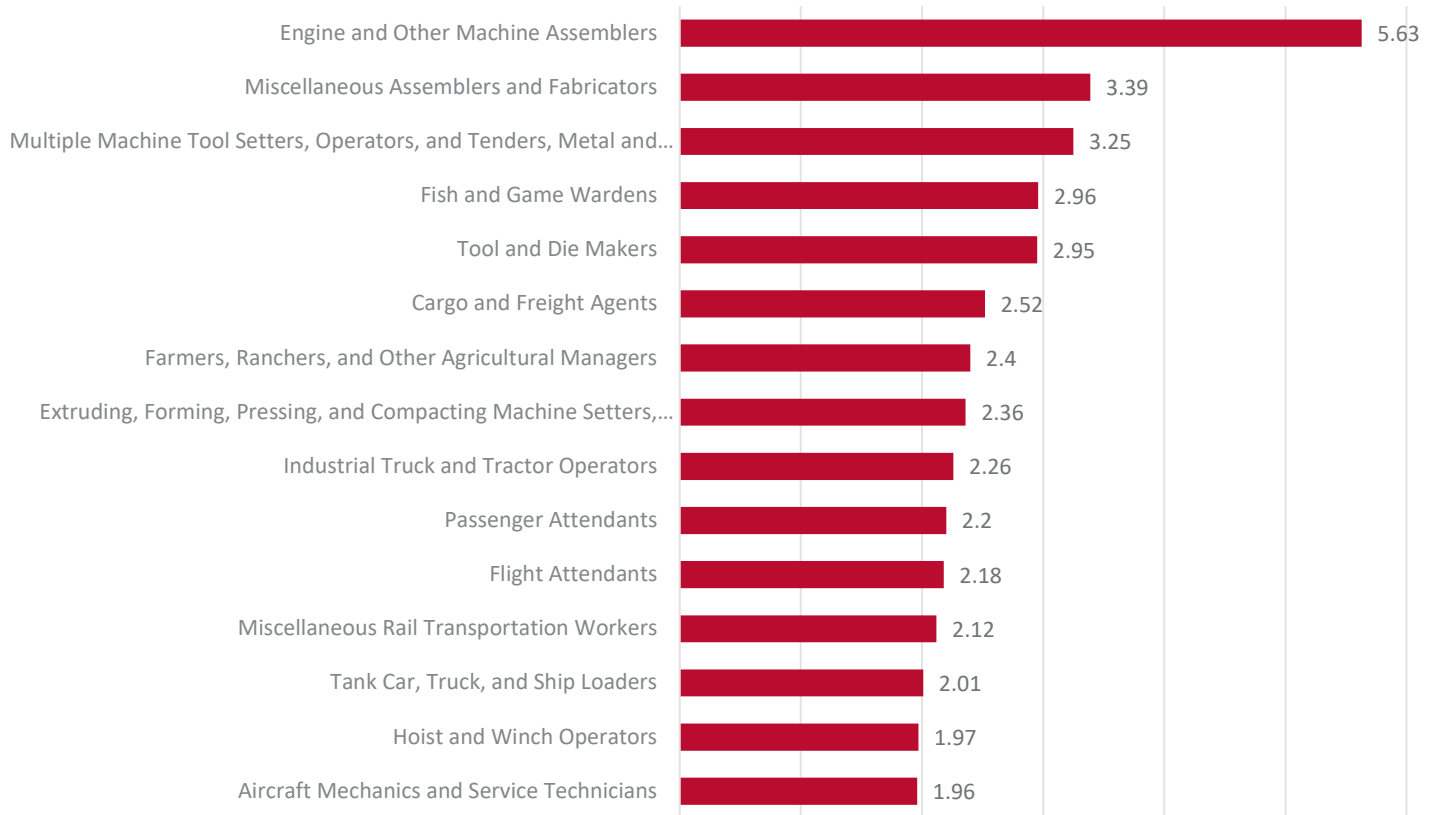*"Since 2018, the Area 16 total employment has **increased** by **634 jobs**"*

Clinton County underwent the greatest decline of -23% from 31,182 jobs in 2001 to 24,140 in 2021. Meanwhile, Pickaway and Fayette County each experienced an employment declined of -1% from 2001 to 2021.

Chart 1: Area 16 Annual Employment

Legend: ■ Ross County ■ Clinton County ■ Pickaway County □ Fayette County

Top 15 Occupations by Location Quotient

Chart 2: Occupation Location Quotient

Occupation	LQ
Engine and Other Machine Assemblers	5.63
Miscellaneous Assemblers and Fabricators	3.39
Multiple Machine Tool Setters, Operators, and Tenders, Metal and…	3.25
Fish and Game Wardens	2.96
Tool and Die Makers	2.95
Cargo and Freight Agents	2.52
Farmers, Ranchers, and Other Agricultural Managers	2.4
Extruding, Forming, Pressing, and Compacting Machine Setters,…	2.36
Industrial Truck and Tractor Operators	2.26
Passenger Attendants	2.2
Flight Attendants	2.18
Miscellaneous Rail Transportation Workers	2.12
Tank Car, Truck, and Ship Loaders	2.01
Hoist and Winch Operators	1.97
Aircraft Mechanics and Service Technicians	1.96

A location quotient (LQ) is a metric that compares the relative concentration of a local regions workers in a specific industry sector to the concentration of workers nationally in the same sector. An LQ equal to 1 signifies that the local share is equal to the national share, while an LQ greater than 1 means the local share is greater than the national share and is typically an exporter or perhaps has a specialization in that sector. 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.

Illustrated above, Chart 2 lists the top 15 occupations with the highest LQ in Area 16 demonstrating a significant concentration of workers relative to the nation. In 2021, the top occupation by LQ in Area 16 was engine and other machine assemblers, with an LQ of 5.63. This suggests the region has more than five times the number of engine and other machine assembler workers compared to the national average. The second highest occupation by LQ in Area 16 was miscellaneous assemblers and fabricators at 3.39, followed by machine tool setters, operators, and tenders with an LQ of 3.25, and fish and game wardens at 2.96. Year to year, the cargo and freight agents LQ declined by -32% from 3.74 in 2020 to 2.52 in 2021.

Image 2: Average Employee Compensation by County

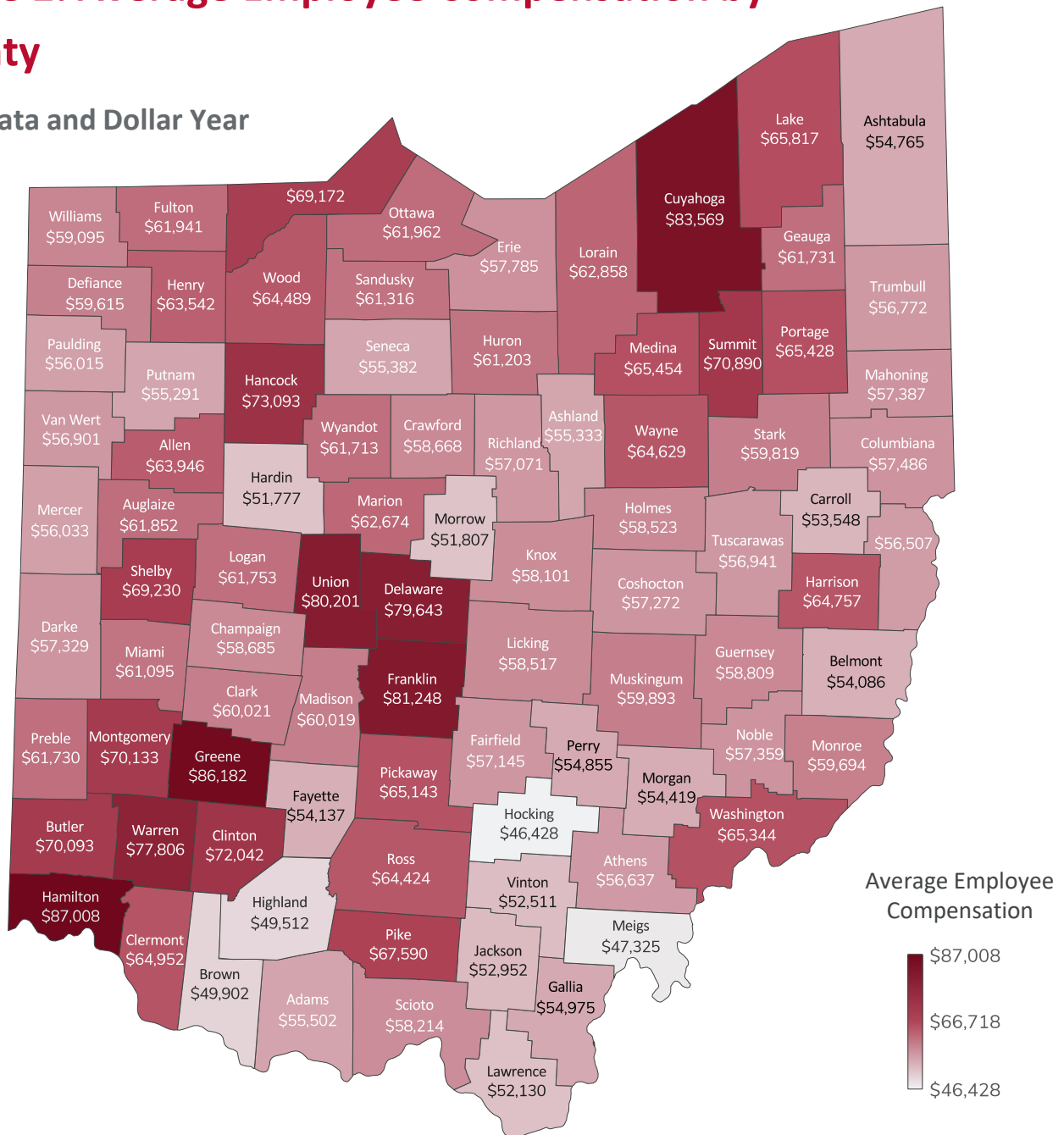**2021 Data and Dollar Year**

Image 2 illustrates the average employee compensation by county for 2021. Employee Compensation is the total payroll cost of an employee including wages and salaries, all benefits, and payroll taxes. The average employee compensation is calculated as Employee Compensation divided by wage and salary Employment. When comparing counties statewide, Hamilton County had the highest average employee compensation of $87,008, while Hocking County posted the lowest county average of $46,428 in 2021. When combining all Ohio counties, the statewide average employee compensation in 2021 was $60,659 pe worker, which was a 4% increase compared to 2020. Of the counties in Area 16, Clinton County had the highest average employee compensation of $72,042, ranking 9th highest in Ohio. The next highest average employee compensation in Area 16 was Pickaway County at $65,143, followed by Ross County with an average employee compensation of $64,424, and Fayette County at $54,137.

TEACHING

EXTENSION RESEARCH

IMPLAN® model, 2021 Data, using inputs provided by the user and IMPLAN Group LLC, IMPLAN System (data and software), 16905 Northcross Dr., Suite 120, Huntersville, NC 28078 www.IMPLAN.com

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OSU Extension Community Development Mission:
We help communities enhance their well-being and create social, economic and environmental conditions in which they can thrive.

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