

# Extension Area 19: Economic Overview

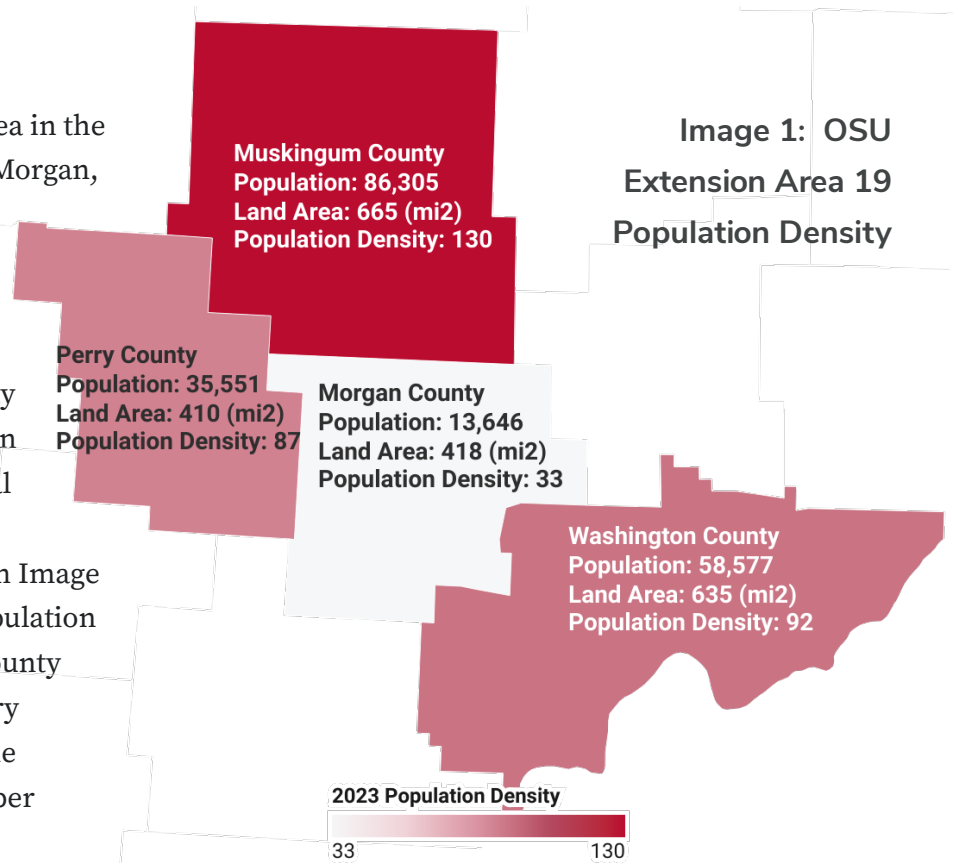
## Morgan, Muskingum, Perry, and Washington Counties

Report prepared January 2025 by Kenzie Johnston and Eric Romich, OSU Extension Community Development

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### Regional Overview

OSU Extension Area 19 is a four-county area in the south-eastern part of the state, including Morgan, Muskingum, Perry, and Washington counties. In 2023, the combined Area 19 footprint was 2,128 square miles (mi<sup>2</sup>) supporting a population of 194,079 residents and an overall population density of 91 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, Muskingum County had the highest population density of 130, followed by Washington County with a population density of 92, while Perry County was 87, and Morgan County had the lowest population density of 33 residents per square mile.



Overall, the combined population in Area 19 decreased slightly between 2001 and 2022, dropping by -1.5% from a total population of 197,162 in 2001 to 194,079 in 2023. However, there were some notable shifts in the population trends of individual counties between 2001 and 2023. Perry County experienced the greatest amount of growth as the population increased by 3% from 34,380 in 2001 to 35,551 in 2023. During this period, Muskingum County underwent a population increase of 1% to a total of 86,305 in 2023. Meanwhile, Washington County had a population decrease of -6% to a total of 58,577 in 2023, while Morgan County had a -8% decline in population to 13,646 residents in 2023.

### Key Stats

- Total of 286 Industries**
- Total Employment of 98,231**
- Gross Domestic Product \$10.8 B**

# 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 19 by total output in 2023. Plastic material and resin manufacturing remained the highest ranked industry with a total output of \$1.5 billion, supporting 904 jobs, and an average employee compensation of \$174,960.

Oil and gas extraction underwent the largest growth in total output of 57% from \$708 million in 2022 to \$1.1 billion in 2023. The industry with the third highest total output in Area 19 was owner occupied housing with a total output of \$912 million in 2023. The Owner-occupied housing 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.

Of the top 10 industries by total output, the sector with the most employees in the region was the hospitals industry, supporting 4,021 jobs in Area 19, with an average employee compensation of \$78,681 per year. In addition, the office of physicians' industry yielded 3,101 employees with an average annual income of \$164,022 per year.



**Table 1: Area 19 Top 10 Industries by Total Output**

Industry Description	Output	Total Employment	Average Employee Compensation
Plastics material and resin manufacturing	\$1,564 M	904	\$174,960
Oil and gas extraction	\$1,115 M	1,413.49	\$116,471.46
Owner-occupied housing	\$913 M	N/A	N/A
Monetary authorities and depository credit intermediation	\$810 M	1,331	\$76,476
Hospitals	\$749 M	4,021	\$78,681
Iron and steel mills and ferroalloy manufacturing	\$730 M	383	\$102,790
Offices of physicians	\$608 M	3,101	\$164,022
Other real estate	\$455 M	3,072	\$57,701
Truck transportation	\$403 M	1,705	\$86,806
Electric power transmission and distribution	\$398 M	249	\$155,432

# Area 19 Annual Employment Trends

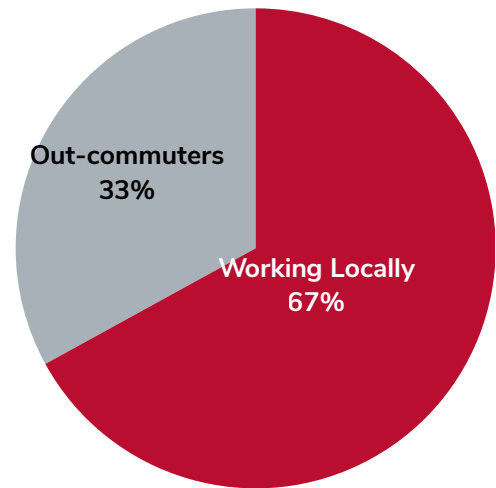
The Total Employment figure reported by IMPLAN represents a full and part-time annual average including the self-employed, all federal, state, and local government employment and military employment (including overseas military).

Chart 1 provides a visual reference of the Area 19 annual employment trends between 2001 and 2023. As shown in the chart, Area 19 experienced a 12% decline in employment between 2001 and 2010, reaching a low of 87,306 jobs in 2010. However, Area 19 employment has since recovered as there was a 12% increase between 2010 and 2018 reaching a peak employment of 97,986 jobs in 2018. In 2023, Area 19 has now surpassed the previous peak employment with 98,231 jobs. Up from the previous year of 93,111 in 2022, an increase of 5%.

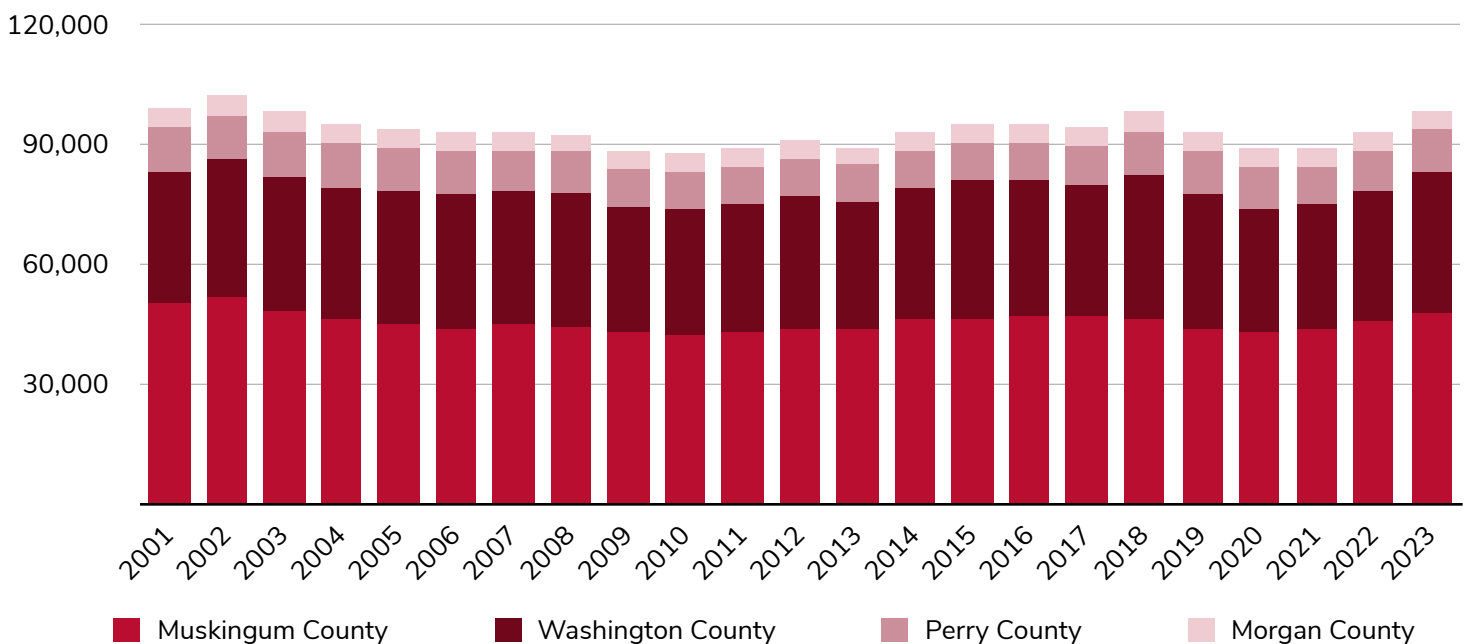
When considering the long-term employment trends by county, three of the four counties experienced a reduction in employment.

Muskingum County saw the greatest employment decline of -5%, falling from 50,235 in 2001 to 47,628 in 2023. Similarly, during the same period (2001–2023) Perry County employment declined by -2% to 10,710 jobs in 2023, while Morgan County jobs declined by -4% to 4,953 in 2023, and Washington County jobs increased by 7% since 2001 jumping from 32,762 to 34,938.

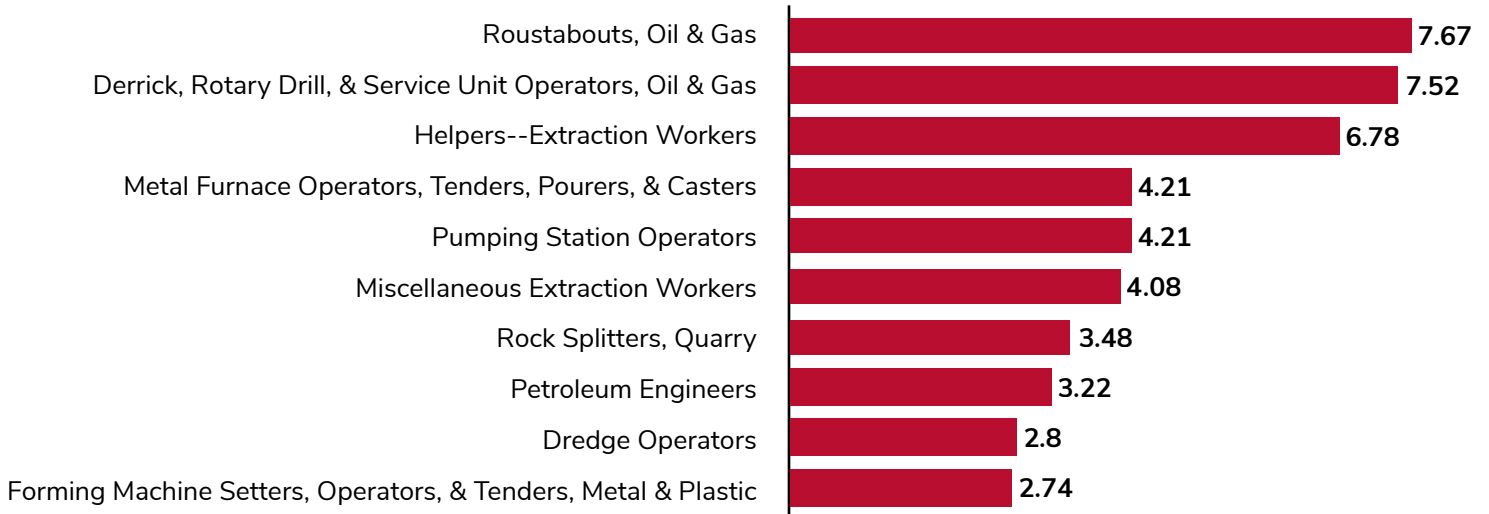
**Chart 1: Area 19 Location of Workforce**



**Chart 2: Area 19 Annual Employment**



**Chart 3: Area 19 Top 10 Occupations by Location Quotient**

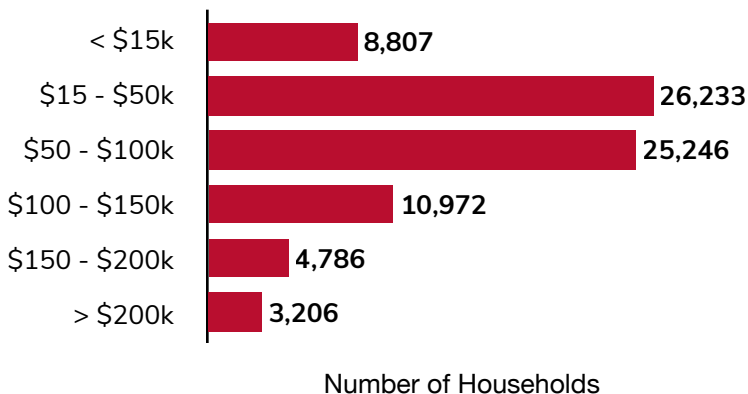


## Occupations by Location Quotient

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 10 occupations with the highest LQ in Area 19 demonstrating a significant concentration of workers relative to the nation. In 2023, the top occupation by LQ in Area 19 was oil and gas roustabouts, with an LQ of 7.67. This suggests the region has more than 7 times the number of oil and gas roustabout workers compared to the national average. The second highest occupation by LQ in Area 19 was oil and gas, derrick, rotary drill and service unit operators with an LQ of 7.52, followed by extraction worker helpers at 6.78, metal furnace operators, tenders, pourers and casters with an LQ of 4.21, and pumping station operators at 4.21.

**Chart 4: Area 19 Households Income**



## Household Income

There are roughly 8,807 households with an income of less than \$15,000 per year in Area 19. Much of the Area 19 population has a household income ranging between \$15,000 - \$50,000 per year, while only 3,206 households earn greater than \$2,000 per year.

## Image 2: Average Employee Compensation by County 2023 Data and Dollar Year

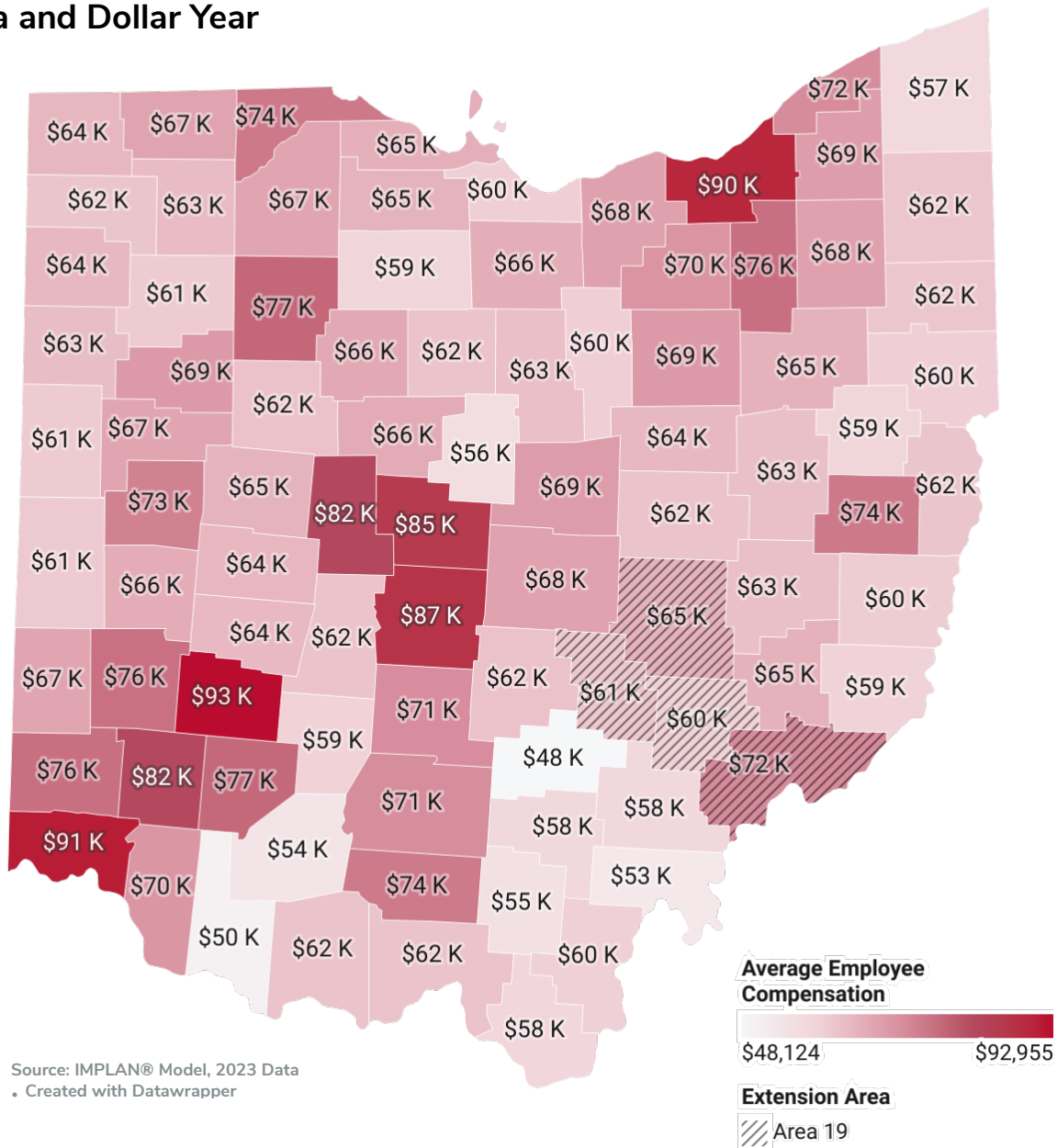


Image 2 illustrates the average employee compensation by county for 2023. Employee Compensation is the total payroll cost of an employee including wages and salaries, all benefits, and payroll taxes. The average employee compensation is calculated as Employee Compensation divided by wage and salary Employment. When comparing counties statewide, Hamilton County had the highest average employee compensation of \$92,955, while Brown County posted the lowest county average of

\$448,124 in 2023. When combining all Ohio counties, the statewide average employee compensation in 2023 was \$66,126 per worker, which was a 4% increase compared to 2023. Of the counties in Area 19, Washington County had the highest average employee compensation of \$71,553. The next highest average employee compensation in Area 19 was Muskingum County at \$64,778, followed by Perry County \$61,107, and Morgan County with an average employee compensation of \$59,558.



### Modeling Data Source

IMPLAN® model, 2023 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](http://www.IMPLAN.com).

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