

# Extension Area 23: Economic Overview

## Jackson, Lawrence, Pike, and Scioto Counties

Report prepared **March** 2023 by Amanda Osborne, Extension Educator, OSU Extension Community Development

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### Regional Overview

OSU Extension Area 23 is a four-county area in the southern part of the state, including Jackson, Lawrence, Pike, Scioto counties. In 2021, the combined Area 23 footprint is 1,930 square miles (mi<sup>2</sup>) supporting a population of 190,391 residents and an overall population density of 99 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, Lawrence County has the highest population density of 126, followed by Scioto County with a population density of 120, while Pike, and Jackson counties ranged between 61 to 77 residents per square mile.

Overall, the combined population in Area 23 has remained consistent decreasing slightly by -5.3% from 200,953 in 2001 to a total population of 190,391 in 2021. However, there were some notable shifts in the population trends of individual counties between 2001 and 2021. Scioto County experienced the greatest amount of decline as the population decreased by -6.5% from 78,435 in 2001 to 73,346 in 2021. During this period, Lawrence County also underwent a population decrease of -7.4% to a total of 57,445 in 2021. Between 2001 and 2021 there were minor shifts in population as Pike County (-2.7%) had 27,089 residents and Jackson County (-0.5%) had 32,511 in 2021.

Image 1: OSU Extension Area 23 Population Density



#### Key Stats

Population 190,391

Total of 272 Industries

Total Employment of 76,329

Gross Domestic Product \$6.5B

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 23 by total output in 2021. Owner-occupied dwellings was the highest ranked industry with a total output of \$692 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 second highest total output in Area 23 was waste management and remediation services with a total output of \$685 million, supporting 2,199 jobs, and an average employee compensation of \$110,693 per year. When comparing 2021 to 2020, the waste management industry saw an 11.5% increase in total output.

The industry with the third highest total output in Area 23 was hospitals, supporting 2,805 jobs, and an average employee compensation of \$65,829.

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 5,023 employees. The average annual income for these workers was \$71,218 per year.

Table 1: Area 23 Top 10 Industries by Total Output

Industry Description	Output	Total Employment	Average Employee Compensation
Owner-occupied dwellings	\$692,288,699	N/A	N/A
Waste management and remediation services	\$685,056,005	2,199	\$110,693
Hospitals	\$467,271,631	2,805	\$65,829
Employment and payroll of local govt, education	\$410,985,235	5,023	\$71,218
Frozen specialties manufacturing	\$358,120,991	1,070	\$51,373
Monetary authorities and depository credit intermediation	\$346,682,793	688	\$57,054
Limited-service restaurants	\$326,718,459	3,487	\$21,017
Copper rolling, drawing, extruding and alloying	\$298,408,941	289	\$74,867
Offices of physicians	\$244,507,469	1,424	\$162,356
Truck transportation	\$209,896,581	1,056	\$66,955

# Area 23 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 23 annual employment trends between 2001 and 2021. As shown in the chart, Area 23 experienced consistent growth between 2002 and 2007 when the U.S. housing market collapsed, stressing global financial markets, and ultimately triggering the U.S.

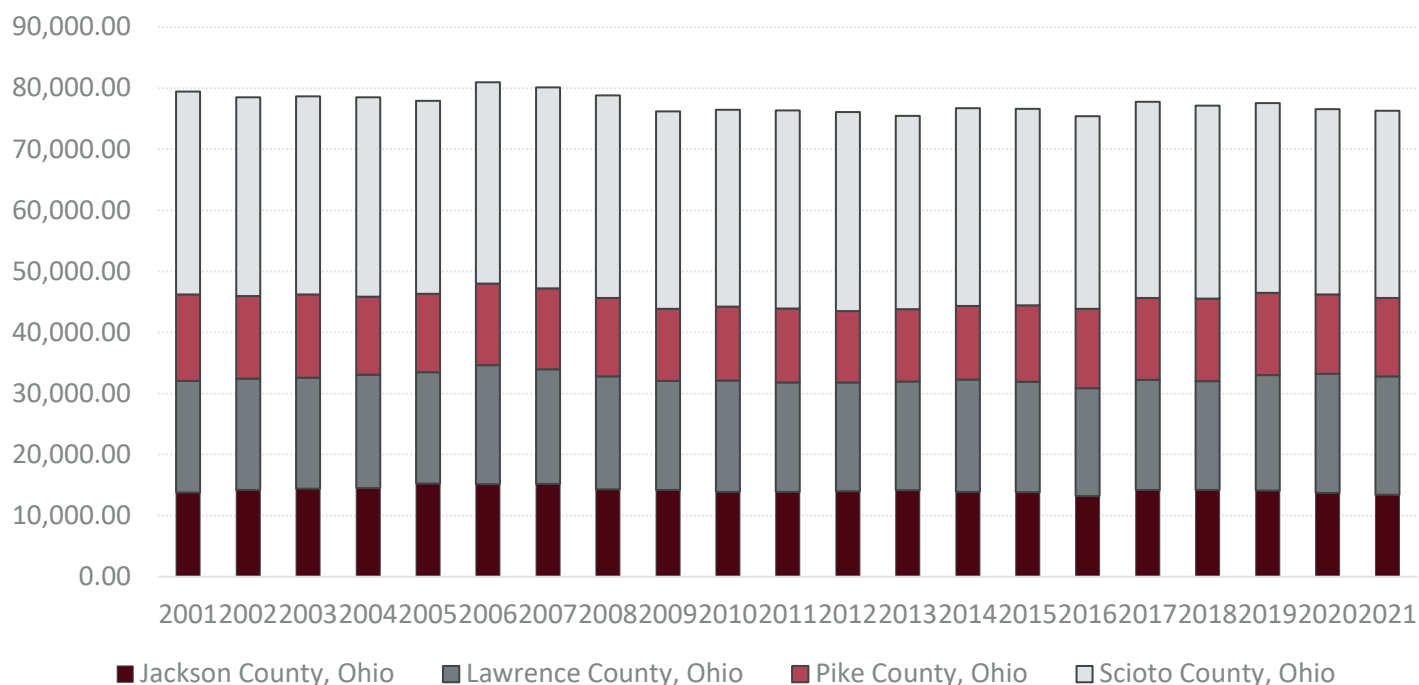
economy into a period of recession. Since 2001 annual employment in Area 23 decreased by -4% reaching a peak employment of 80,999 jobs in 2006. Between 2020 and 2021 Area 23 experienced a loss of jobs, losing 258 jobs, leaving an annual employment of 76,329 in 2021.

When considering the long-term employment trends by county, Pike County saw the greatest decline in total employment of -9.6%, decreasing from 14,168 in 2001 to 12,801 in 2021. Similarly,

*“Year-to-year, Area 23 total employment is down 258 Jobs in 2021”*

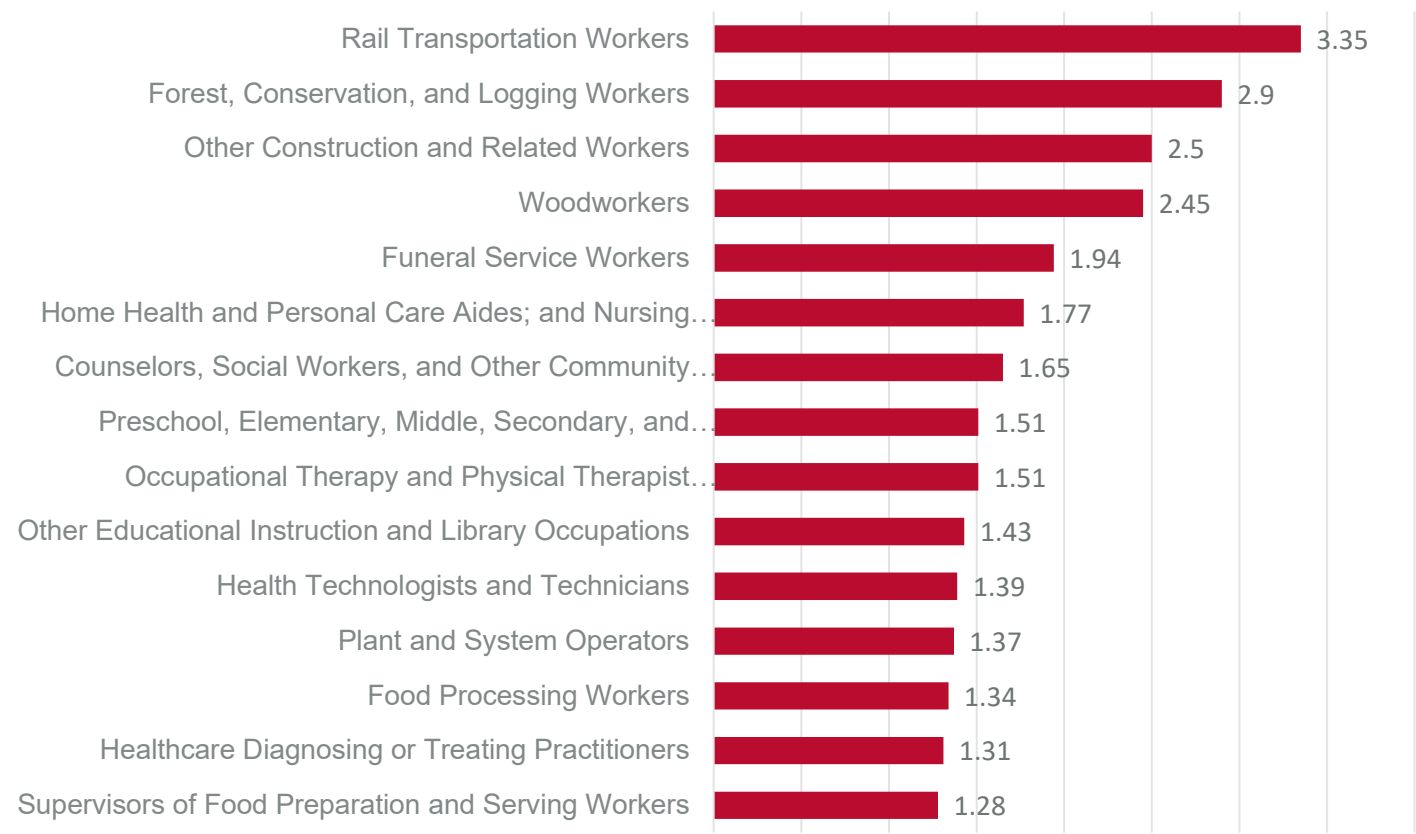
Scioto County total employment decreased by -8.2%, from 33,261 jobs in 2001 to 30,701 in 2021. During the same period (2001–2021) Lawrence County experienced an increase (6%) in total employment while Jackson County experienced a minor decrease (-2.4%).

**Chart 1: Area 23 Annual Employment**



# Top 15 Occupations by Location Quotient

Chart 2: Occupation 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 15 occupations with the highest LQ in Area 23 demonstrating a significant concentration of workers relative to the nation. In 2021, the top occupation by LQ in Area 23 was rail transportation workers with an LQ of 3.35. This suggests the region has more than three times the number of rail transportation workers compared to the national average. The second highest occupation by LQ in Area 23 was forest, conservation, and logging workers at 2.9, followed by other construction and related workers with an LQ of 2.5, and woodworkers at 2.45.

## Image 2: Average Employee Compensation by County

2021 Data and Dollar Year

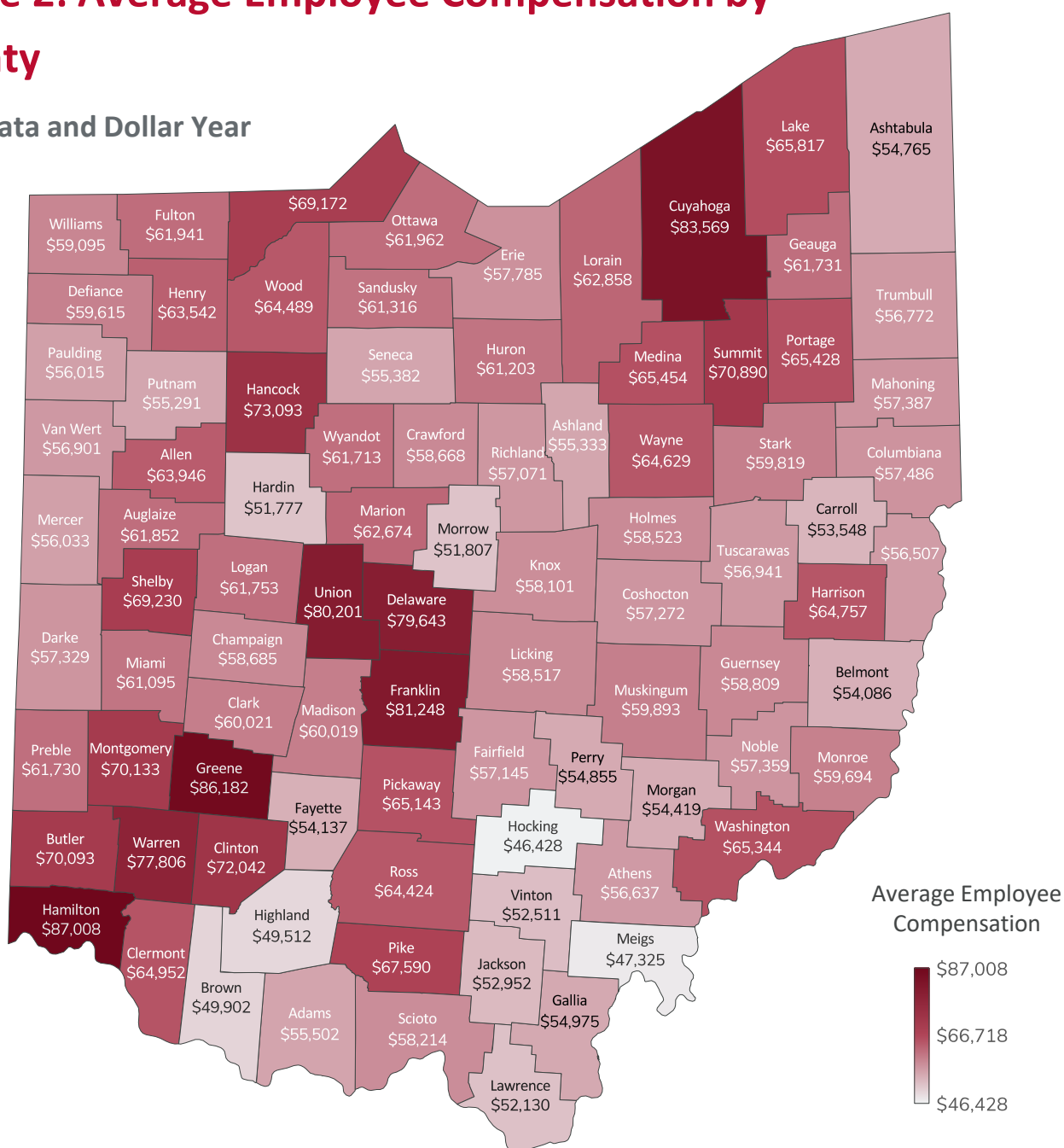


Image 2 illustrates the average employee compensation by county for 2021. Employee Compensation is the total payroll cost of an employee including wages and salaries, all benefits, and payroll taxes. The average employee compensation is calculated as Employee Compensation divided by wage and salary Employment. 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 per worker, which was a 4% increase compared to 2020. Of the counties in Area 23, Pike County had the highest average employee compensation of \$67,590, ranking 15<sup>th</sup> highest in Ohio. The next highest average employee compensation in Area 23 was Scioto County at \$58,214, followed by Jackson County \$52,952, and Lawrence County \$52,130.



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