



Research Brief

* THE COMMONWEALTH'S OFFICIAL SOURCE OF POPULATION AND ECONOMIC STATISTICS *

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Educational Services Industry: A New Industry Sector for 1997

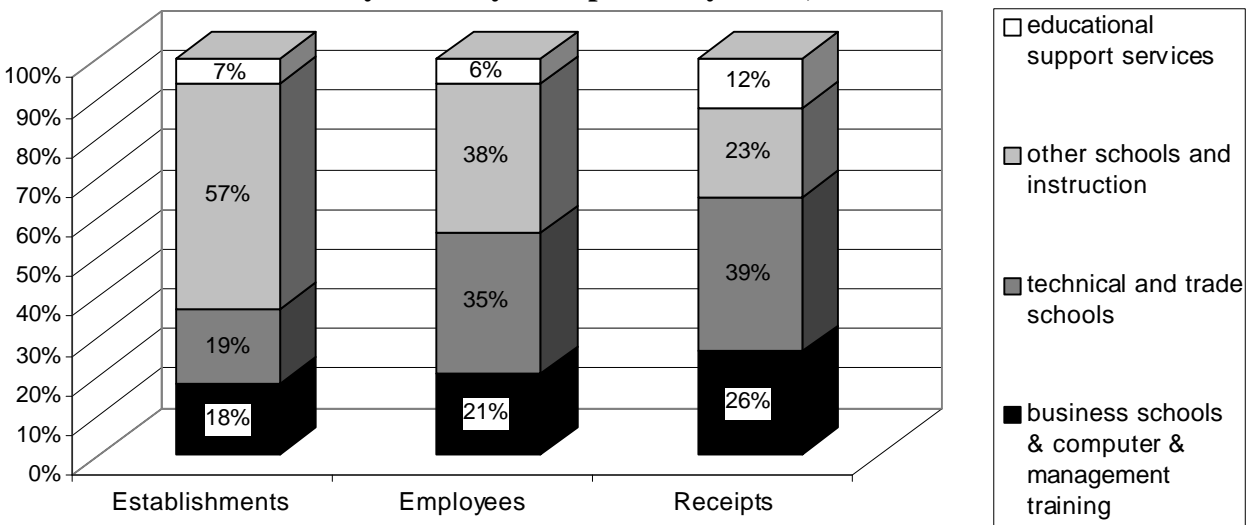
MIDDLETOWN, Pa— The U.S. Census Bureau's 1997 Economic Census introduced data for a number of newly defined sectors, including the educational services sector.

The Pennsylvania State Data Center at Penn State Harrisburg reports that the Commonwealth had more than 1,500 establishments in educational services in 1997 employing nearly 17,000 people. This sector brought the state \$1.1 billion in receipts.

There are four industry groups in this sector. The largest, other schools and instruction, includes fine arts schools, sports and recreation instruction, and language schools among others. This industry group encompassed 57 percent of all educational services establishments and 38 percent of employees but only 23 percent of receipts. The technical and trade schools industry group led in receipts with 39 percent of the total. Educational support services was the smallest industry group.

Share of Establishments, Employees, and Receipts of Educational Services

by Industry Group: Pennsylvania, 1997



The vast majority (80 percent) of educational services establishments were firms subject to federal income tax. The 20 percent that were tax-exempt brought in 22 percent of receipts and accounted for 22 percent of the employment. Proportions of taxable and tax exempt firms differed by industry group.

**Share of Establishments, Employment, and Receipts in Educational Services that are
Exempt from Federal Income Tax by Industry Group: Pennsylvania, 1997**

<u>Industry Group</u>	<u>Percent of Total Educational Services</u>		
	<u>Establishments</u>	<u>Employment</u>	<u>Receipts</u>
Business schools & computer & management training	8%	4%	6%
Technical and trade schools	24%	13%	9%
Other schools and instruction	21%	31%	29%
Educational support services	30%	74%	84%
Total Educational Services	20%	22%	22%

Among Pennsylvania's counties, there was great disparity in the location of educational services. More than one-third of all establishments in this industry were in three counties. Allegheny had the greatest number with 17 followed by Montgomery (145) and Philadelphia (115). More than half of the counties (34 of 67) had fewer than ten educational services establishments, 11 of these counties having only one. Employment and receipts were concentrated in the same counties to the same extent.

The Pennsylvania State Data Center is the Commonwealth's official source of population and economic statistics and services. It is based at Penn State Harrisburg's Institute of State and Regional Affairs. The Pennsylvania State Data Center is part of the U.S. Census Bureau's national State Data Center Program.

Editors: For additional data, contact Amy Jonas at the Data Center's State Capital Office, (717) 772-2710, or for faculty comment on this topic contact the Penn State Harrisburg's Public Information Office, (717) 948-6029.

Source of Information: U.S. Census Bureau, 1997 Economic Census