



Research Brief

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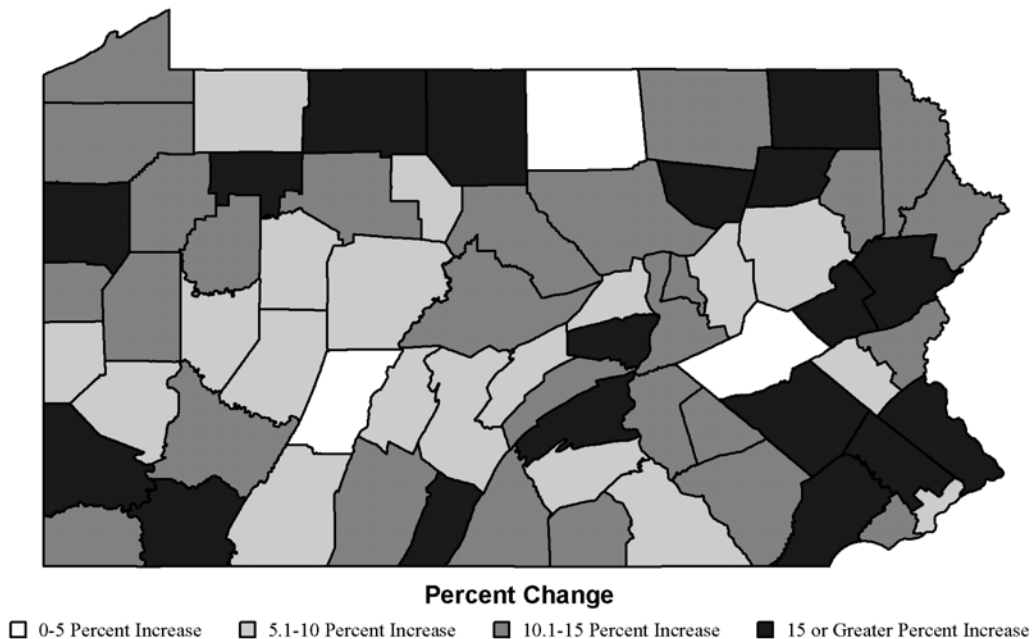
July 17, 2002

1997-2001 Industry Trends Report Now Available

MIDDLETOWN, Pa – The number of businesses in Pennsylvania continues to increase, according to the report *Pennsylvania County Industry Trends 1997-2001* produced by the Pennsylvania State Data Center at Penn State Harrisburg. This report was produced in partnership with Penn State University's Technical Assistance Program (PENNTAP), the Center for Workforce Information and Analysis, and Verizon.

The data in this report show the number of business establishments in Pennsylvania in the second quarter 2001 stood at 328,996. Between 1997 and 2001, the number of business establishments in the state increased by 41,945, an increase of 14.6 percent.

Percent Change in Number of Establishments for Pennsylvania Counties: 1997-01



Eight counties, Forest (29.5 percent), Bucks (27.8 percent), Sullivan (22.0 percent), Fayette (21.8 percent), Mercer (21.4 percent), Chester (21.0 percent), Fulton (20.7 percent) and Washington (20.7 percent) saw their number of establishments rise by at least 20 percent. A total of nine counties experienced a growth of more than 1,000 new establishments. Bucks County had the highest increase with 4,277 new establishments. Montgomery County was second with 4,000 new establishments. No county in Pennsylvania experienced a decline in the number of business establishments from 1997-2001. Schuylkill County has the smallest percent increase in the number of establishments at 2.3 percent while Cameron County had the smallest increase in raw numbers with 11 new establishments.

Seven counties in Pennsylvania had over 10,000 establishments each, accounting for over 45 percent of the total business establishments in Pennsylvania in 2001. The top three counties in Pennsylvania in terms of total business establishments in 2001 were Allegheny (35,622), Montgomery (28,434) and Philadelphia (27,428). The three counties with the smallest business establishments in Pennsylvania in 2001 were Forest (167), Cameron (170) and Sullivan (222).

While the total number of business establishments increased by 14.6 percent in Pennsylvania between the second quarters of 1997 and 2001, total employment increased by 5.9 percent. In 2001, Pennsylvania employment totaled 5,598,728 persons or an increase of 314,137 employees from 1997. Montgomery County showed the largest increase in employment numbers with a gain of 39,605 jobs, followed by Allegheny (36,316) and then Chester (24,106). Overall, seven counties had an employment increase of over 10,000 persons. Three counties, Potter (37.2), Monroe (17.0) and Forest (16.6), saw employment increase by more than 15 percent. Seven counties in Pennsylvania experienced a decrease in employment between 1997 and 2001 with Elk County showing the largest drop of -3.6 percent or 599 jobs.

The growth in the number of business establishments in Pennsylvania in the 1997-2001 periods was not shared equally among industrial sectors. For example, the mining sector gained only 49 business establishments between 1997 and 2001, while the service industry gained 20,259 establishments.

The service industry had the largest increase with a growth of 20,259 establishments between 1997 and 2001 followed by the retail trade industry with an increase of 5,278 establishments. As far as employment, two of the ten major industry sectors showed a decrease in employment in the 1997 to 2001 period. These were: manufacturing (-41,699) and mining (-1,567). The industries showing the largest gains in employment in Pennsylvania in the 1997 to 2001 period were: services (203,745), retail trade (53,453) and construction (35,758). Six sectors saw increases of over 10,000 employees and two sectors saw increases of less than 5,000 employees during this time period.

The economy in Pennsylvania is becoming more reliant upon jobs in service. In 60 counties in Pennsylvania in 2001, 1 of every 4 employed persons was working in the

service industry. In 31 counties, 1 of every 3 persons had a job in the service industry. In Montour County, 1 of every 2 jobs is in the service industry.

Number of Establishments and Employees by Pennsylvania County: 1997-2001

	Number of Establishments			Number of Employees		
	1997	2001	Percent Change	1997	2001	Percent Change
Pennsylvania	287,051	328,996	14.6	5,284,591	5,598,728	5.9
Adams	1,696	1,881	10.9	29,242	31,557	7.9
Allegheny	33,468	35,622	6.4	681,039	717,355	5.3
Armstrong	1,409	1,487	5.5	18,795	19,369	3.1
Beaver	3,325	3,589	7.9	55,591	57,589	3.6
Bedford	1,067	1,180	10.6	15,534	16,590	6.8
Berks	7,826	9,089	16.1	162,807	166,382	2.2
Blair	3,089	3,385	9.6	56,077	58,412	4.2
Bradford	1,300	1,441	10.8	21,719	23,055	6.2
Bucks	15,393	19,670	27.8	228,150	249,209	9.2
Butler	3,861	4,414	14.3	61,595	69,311	12.5
Cambria	3,536	3,688	4.3	58,244	58,060	-0.3
Cameron	159	170	6.9	2,577	2,665	3.4
Carbon	1,087	1,264	16.3	16,258	16,821	3.5
Centre	2,883	3,254	12.9	60,217	63,800	6.0
Chester	11,844	14,332	21.0	194,718	218,824	12.4
Clarion	997	1,142	14.5	13,743	14,799	7.7
Clearfield	2,041	2,218	8.7	31,784	32,039	0.8
Clinton	758	869	14.6	11,783	12,703	7.8
Columbia	1,460	1,557	6.6	24,706	24,579	-0.5
Crawford	2,085	2,377	14.0	31,077	32,280	3.9
Cumberland	4,897	5,377	9.8	122,677	123,667	0.8
Dauphin	6,168	6,866	11.3	167,391	175,193	4.7
Delaware	12,554	14,116	12.4	213,182	215,156	0.9
Elk	942	1,065	13.1	16,791	16,192	-3.6
Erie	6,356	7,265	14.3	124,406	129,850	4.4
Fayette	2,673	3,257	21.8	36,554	39,830	9.0
Forest	129	167	29.5	1,425	1,662	16.6
Franklin	2,635	2,900	10.1	48,941	48,254	-1.4
Fulton	271	327	20.7	5,038	5,354	6.3
Greene	713	786	10.2	11,332	11,704	3.3
Huntingdon	881	946	7.4	12,558	13,067	4.1
Indiana	1,943	2,095	7.8	29,328	31,225	6.5
Jefferson	1,169	1,269	8.6	15,391	14,909	-3.1
Juniata	442	506	14.5	5,557	6,031	8.5
Lackawanna	5,063	5,669	12.0	96,357	99,149	2.9
Lancaster	10,082	11,469	13.8	208,169	220,084	5.7

	Number of Establishments			Number of Employees		
	1997	2001	Percent Change	1997	2001	Percent Change
Lawrence	2,057	2,304	12.0	31,737	32,080	1.1
Lebanon	2,325	2,602	11.9	40,435	43,951	8.7
Lehigh	7,270	7,993	9.9	158,741	174,524	9.9
Luzerne	7,283	7,805	7.2	136,856	143,691	5.0
Lycoming	2,784	3,177	14.1	51,781	54,099	4.5
McKean	1,126	1,337	18.7	17,737	18,423	3.9
Mercer	2,686	3,262	21.4	45,493	49,394	8.6
Mifflin	923	1,006	9.0	16,185	15,862	-2.0
Monroe	3,029	3,606	19.0	42,683	49,950	17.0
Montgomery	24,434	28,434	16.4	449,322	488,927	8.8
Montour	361	414	14.7	10,988	12,300	11.9
Northampton	5,227	5,761	10.2	82,620	89,489	8.3
Northumberland	1,855	2,119	14.2	30,914	30,983	0.2
Perry	723	850	17.6	7,570	8,262	9.1
Philadelphia	25,711	27,428	6.7	642,114	662,775	3.2
Pike	807	902	11.8	7,711	8,419	9.2
Potter	430	509	18.4	5,725	7,857	37.2
Schuylkill	3,057	3,128	2.3	49,247	49,408	0.3
Snyder	808	942	16.6	14,574	16,628	14.1
Somerset	1,866	2,021	8.3	26,017	26,890	3.4
Sullivan	182	222	22.0	1,754	1,731	-1.3
Susquehanna	771	893	15.8	8,291	8,687	4.8
Tioga	889	931	4.7	12,625	13,245	4.9
Union	826	897	8.6	16,707	17,976	7.6
Venango	1,255	1,391	10.8	20,926	21,781	4.1
Warren	968	1,028	6.2	16,893	16,973	0.5
Washington	4,463	5,385	20.7	68,061	74,486	9.4
Wayne	1,236	1,420	14.9	12,330	13,681	11.0
Westmoreland	8,523	9,684	13.6	131,893	136,019	3.1
Wyoming	614	711	15.8	9,672	10,056	4.0
York	7,560	8,299	9.8	160,629	167,042	4.0

The Pennsylvania State Data Center is the commonwealth's official source of population and economic statistics. 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 the Pennsylvania State Data Center's State Capital Office at 717.772.2710 or for faculty comment on this topic, contact Penn State Harrisburg's Public Information Office at 717.948.6029. Jack Gido, Director of PENNTAP, may be reached at 814.865.0427.

The report *Pennsylvania Industry Trends 1997-2001* contains detailed state and county tables presenting establishments and employees by SIC code for the second quarter of each year 1997-2001. A copy of the report and/or data on CD-ROM are available from the Pennsylvania State Data Center. This report was produced by PENNTAP and the Pennsylvania State Data Center, located within the Institute of State and Regional Affairs at Penn State Harrisburg. The report was published with the cooperation and support of Verizon. The information in this report is based on data collected by the Pennsylvania Department of Labor and Industry as part of the Commonwealth's Unemployment Compensation Law.

Source: ES202 data collected by the Pennsylvania Department of Labor and Industry.