



Missouri Economic Indicator Brief: Manufacturing Industries

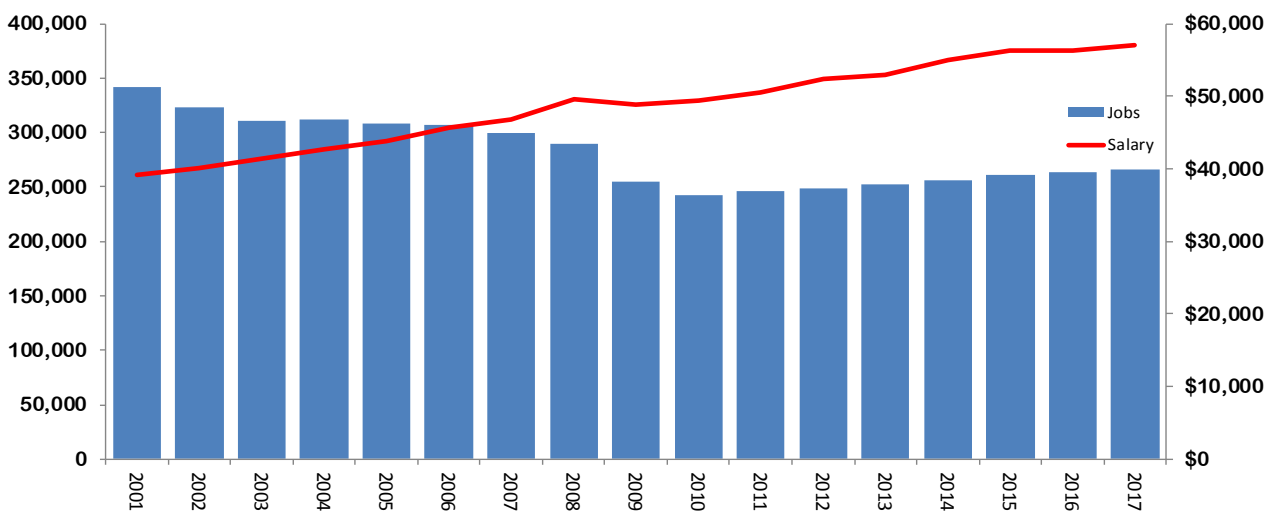
Manufacturing is a major component of Missouri's \$304.9 billion economy. It represents 13.2 percent (\$40.4 billion) of the 2017 Gross State Product (GSP). Nationally, manufacturing contributed 11.7 percent to GDP. Change over the past five years in Missouri's GSP averaged 2.6 percent growth; nationally, average growth was 2.5 percent.

Manufacturing accounts for 11.2 percent of the state's private sector employment: 265,863 jobs across 6,636 establishments. The industry has added 17,324 jobs since 2012, growing 1.4 percent per year over five years compared to the nation's 0.8 percent growth rate over the same period.

Manufacturing wages continue to grow, statewide and nationally. Missouri's 2017 manufacturing payroll totaled \$15.2 billion, a \$57,139 average wage. This is higher than the state's \$47,800 average private sector wage.

Employment
265,863
GSP Share
13.2 Percent
Average Wage
\$57,139

**Missouri Manufacturing Employment and Wages
2001 - 2017**

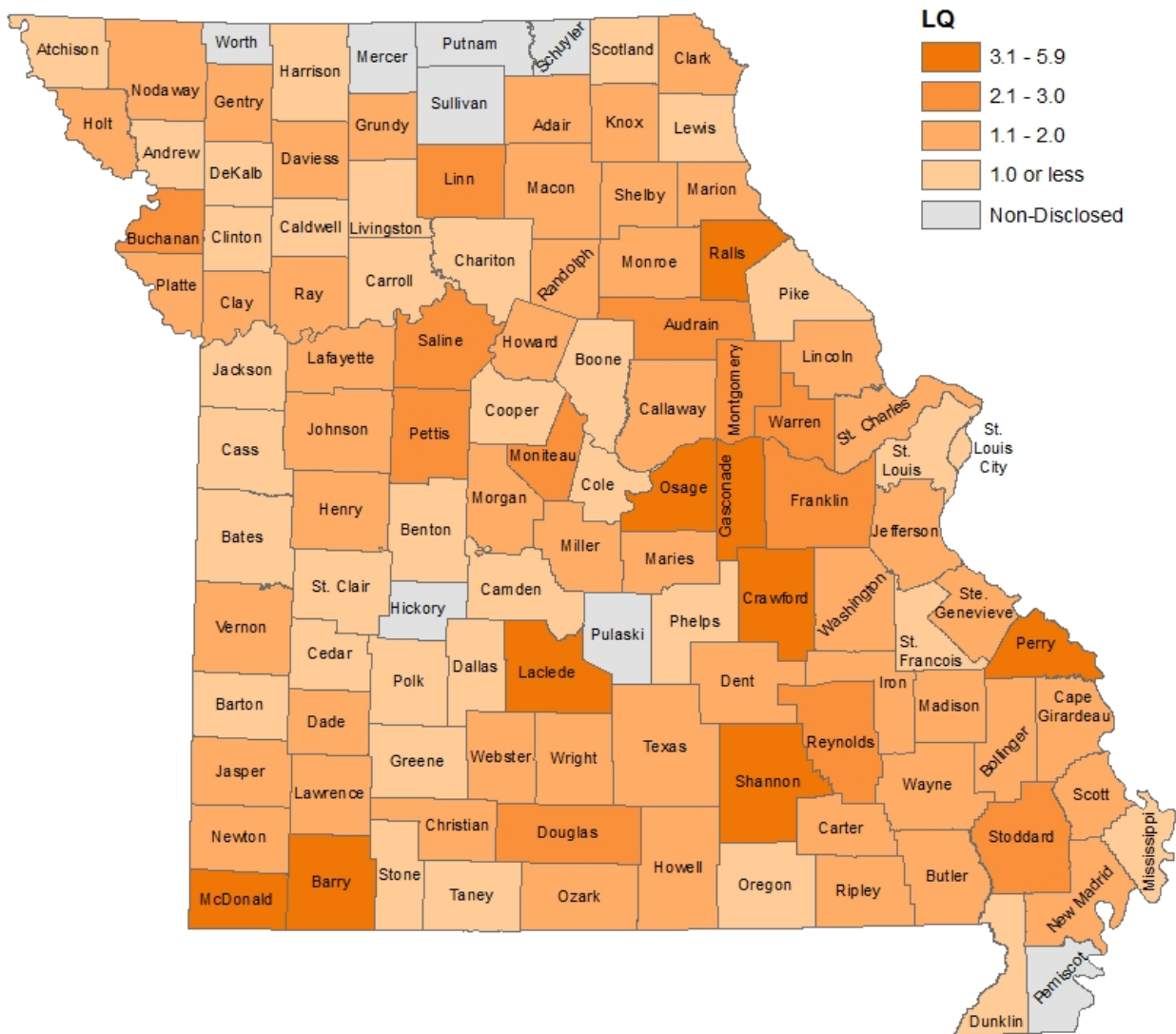


MANUFACTURING INDUSTRIES

Location Quotient Analysis

Location Quotient (LQ) compares the regional share of an industry to the national share so that a LQ over 1 indicates sectors of employment concentration. Missouri, with a LQ of 1.11, has a greater share of its workers employed in the manufacturing sector than the nation as a whole. **About 62.6 percent, or 72 out of Missouri's 115 counties, have a LQ over one, which demonstrates a greater specialization in manufacturing compared to the nation.**

2017 Manufacturing LQ by County



MANUFACTURING INDUSTRIES

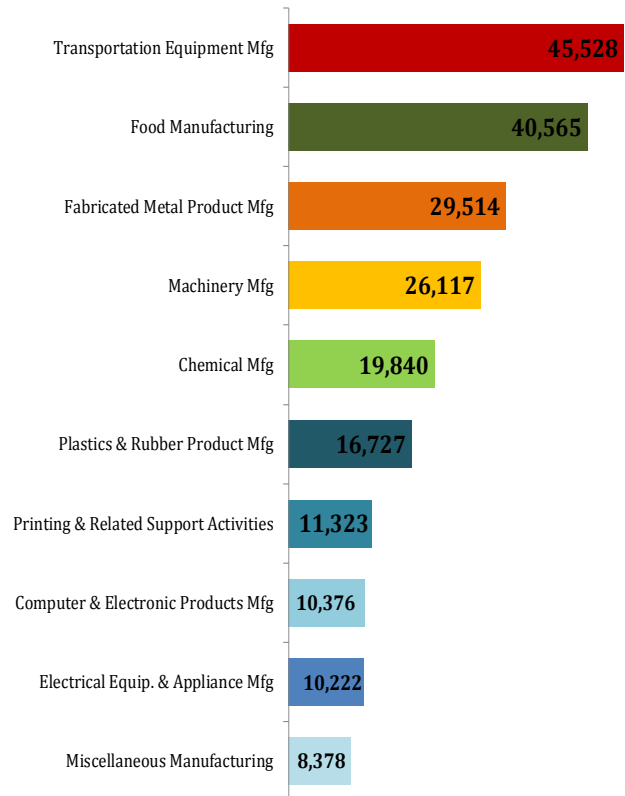
Economic Contribution

Manufacturing industries make a significant contribution to the Missouri economy, directly and indirectly. Direct contributions come from employment in manufacturing firms and the compensation paid to industry workers. Indirect benefits come from business-to-business transactions and from workers who spend their earnings on consumer goods and services.

Manufacturing's contribution to the Missouri economy is measured in terms of jobs created, incomes earned and value-added. Value-added, a measure of industry sales minus production costs refers to an industry's share of Gross State Product (GSP).

Multipliers are a summary statistic indicating the magnitude of an industry's impact on the economy. For example, a multiplier of 2.0 means that for every \$1 in value-added generated by manufacturing, the state's GSP increases an additional \$1.

TOP TEN MANUFACTURING INDUSTRIES Direct Employment



ECONOMIC IMPACT OF MANUFACTURING

	Direct	Indirect	Total	Multiplier
Employment	265,863	467,405	733,268	2.7
Labor Income	\$20.9 Billion	\$24.6 Billion	\$45.6 Billion	2.2
Value-Added	\$40.4 Billion	\$41.2 Billion	\$82.1 Billion	2.0

Missouri had an estimated 6,636 manufacturing establishments in 2017 that directly employed 265,863 workers, paid \$20.9 billion in labor income, and contributed \$40.4 billion to the gross state product. The impact resulted in an increase of \$41.2 billion in additional economic activity.

Manufacturing's total impact— direct and indirect effects— on the state economy was \$82.1 billion. Manufacturing industries and indirect industries employed 733,268 workers paying about \$45.6 billion in salaries.

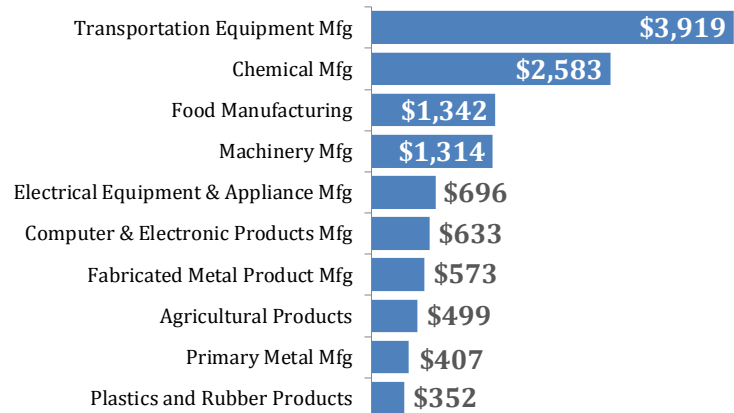
MANUFACTURING INDUSTRIES

2017 Exports

Manufacturing exports totaled nearly \$12.3 billion dollars. This is up slightly from roughly \$12.2 billion in 2016. Missouri's highest valued industry exports were *Transportation Equipment* and *Chemicals*. The largest gain was in *Primary Metal Mfg.*, which rose 27.6 percent in 2017 to \$407 million. *Transportation Equipment Mfg.* had the greatest decline at 5.4 percent, from \$4,142 million to \$3,919 million.

TOP TEN MANUFACTURING EXPORTS

in millions



International Markets

Over \$14.2 billion worth of manufactured product and other commodities were shipped to other countries through Missouri ports. The top export destinations were Canada and Mexico followed by China, Belgium, Japan, Germany, United Kingdom, Australia, France, and the Republic of Korea. In 2017, Missouri's high-value shipment to Canada, Belgium, and Australia was *Transportation Equipment*; to Mexico, Japan, and Korea was *Food Products*; and to the United Kingdom, China, Germany and France was *Chemicals*.

2017 Annual Missouri Exports Top Ten Destinations & Export Product		
Country	Export Value	Primary Export
Canada	\$5,179,943,843	Transportation Equipment
Mexico	\$2,564,510,692	Food and Kindred Products
China	\$929,361,243	Chemicals
Belgium	\$576,411,171	Transportation Equipment
Japan	\$554,510,600	Food and Kindred Products
Germany	\$459,299,399	Chemicals
United Kingdom	\$334,691,506	Chemicals
Australia	\$300,098,776	Transportation Equipment
France	\$280,152,776	Chemicals
Korea, Republic Of	\$267,571,703	Food and Kindred Products

MANUFACTURING INDUSTRIES

Notes:

Gross State Product data was obtained from the Bureau of Economic Analysis.

Employment numbers were obtained from the Quarterly Census of Employment and Wages (QCEW), Bureau of Labor Statistics. Industries are classified according to North American Industry Classification System (NAICS).

Location quotients were generated for manufacturing industries using 2017 annual Bureau of Labor Statistics data.

The economic contribution analysis was developed using the IMPLAN Group LLC economic model.

2017 Missouri manufacturing export data were obtained from the World Institute for Strategic Economic Research (WISER) Trade database.

NAICS Industry Description

311	Food Products
312	Beverage and Tobacco Products
313	Textile Mills
314	Textile Product Mills
315	Apparel
316	Leather and Allied Products
321	Wood Products
322	Paper
323	Printing
324	Petroleum and Coal Products
325	Chemicals
326	Plastics and Rubber Products
327	Nonmetallic Mineral Products
331	Primary Metal
332	Fabricated Metal Products
333	Machinery
334	Computer and Electronic Products
335	Electrical Equipment
336	Transportation Equipment
337	Furniture
339	Miscellaneous

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