



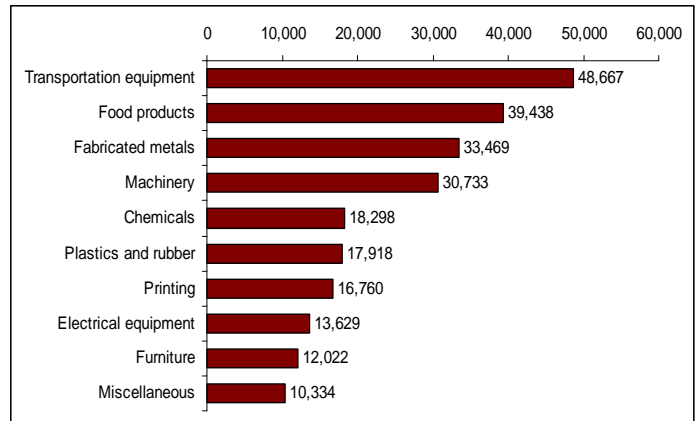
Missouri Economic Impact Brief MANUFACTURING INDUSTRIES

Manufacturing Industries

Manufacturing is a major component of Missouri's economy, contributing over \$30.1 billion towards the gross state product in 2007. Transportation equipment, food products, fabricated metals, machinery and chemicals are the leading manufacturing industries in Missouri.

Missouri is home to 7,535 manufacturing firms. Manufacturing employs over 300,000 workers across the state, accounting for over 13% of the total employment. Workers in the manufacturing sector are paid over \$14.9 billion in salaries.

Chart 1. Top 10 Employers in Manufacturing Industries, 2007



Source: Quarterly Census of Employment and Wages, 2007 2nd Quarter

Location Quotient measures the share of manufacturing industry's employment in the state to its share of total national employment. Eighty two (82) Missouri counties have a location quotient greater than 1 indicating that these counties are specialized in manufacturing and have a share of employees greater than the national average employment in the manufacturing sector.

Manufacturing Facts

Employment

302,219

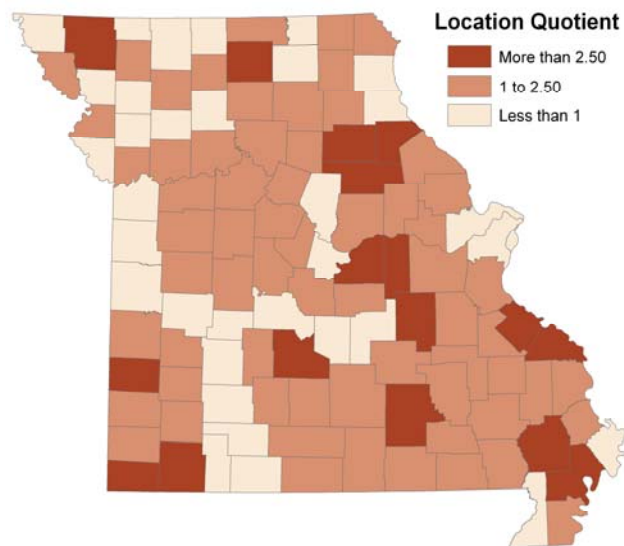
Percent Employment

13.1 Percent

Average Wage

\$45,376

Manufacturing Location Quotient



Economic Impacts

Manufacturing industries have a major economic influence on Missouri's economy. Direct impacts are due to employment in manufacturing firms in Missouri. Indirect impacts are due to industries that supply raw materials to the manufacturing sector and businesses that provide goods and services to those employees.

	Direct	Indirect	Total
Employment	302,219	404,781	707,000
Labor Income*	\$14.9 Billion	\$16.1 Billion	\$31 Billion
Gross State Product*	\$30.1 Billion	\$36.9 Billion	\$67 Billion

* All figures in 2007 Dollars

Employment Impacts

Manufacturing employed 302,219 workers in 2007, just over 13% of the total work force in Missouri. Industries and businesses that support manufacturing (indirect impacts) employed an additional 404,781 workers. Manufacturing and supporting industries together total 707,000 workers in Missouri. The employment multiplier for manufacturing is therefore 2.3.

Labor Income

Manufacturing workers are some of the highest paid employees in the state with an average annual salary of \$45,376. Manufacturing industries directly pay \$14.9 billion in worker salaries. Manufacturing and supporting industries pay a total of \$31 billion in salaries to workers.

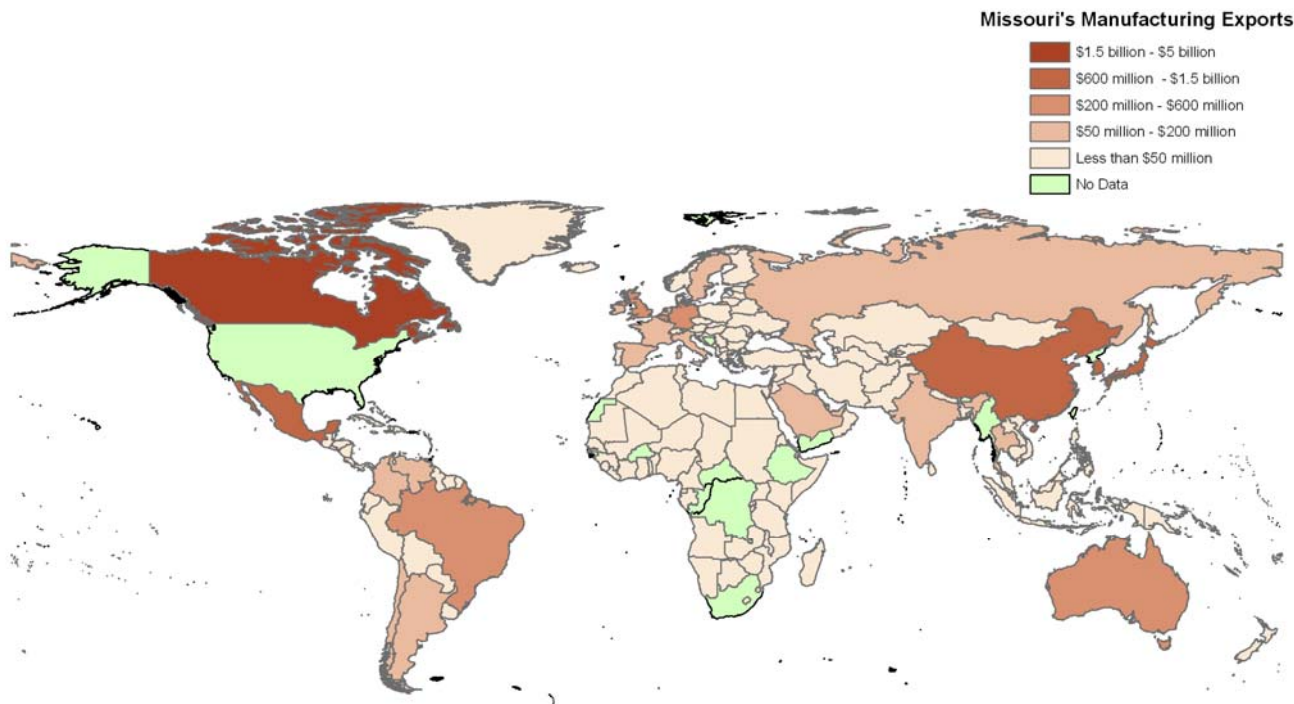
Gross State Product

Gross state product takes into account employee compensation, profits and indirect business taxes. Manufacturing industries in Missouri directly added \$30.1 billion towards the gross state product. Manufacturing and supporting industries together added \$67 billion, nearly 28% of the gross state product of Missouri.

In terms of value added per worker, each employee in manufacturing sector contributed \$91,985 towards the gross state product of Missouri.

Manufacturing Exports

Chart 2. Missouri Manufacturing Exports to the World in 2007



Missouri's manufacturing exports to the world exceeded \$13.4 billion in 2007. The top manufacturing export products were transportation equipment, chemicals, machinery, food products and electrical equipment. Canada and Mexico were the destinations for 47% of Missouri's manufacturing exports. South Korea, China and Japan were the other three major destinations for Missouri's manufacturing products.

Chart 3. Top Missouri Manufacturing Exports by Country, 2007

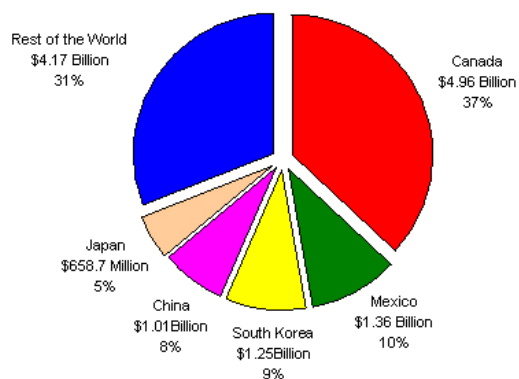
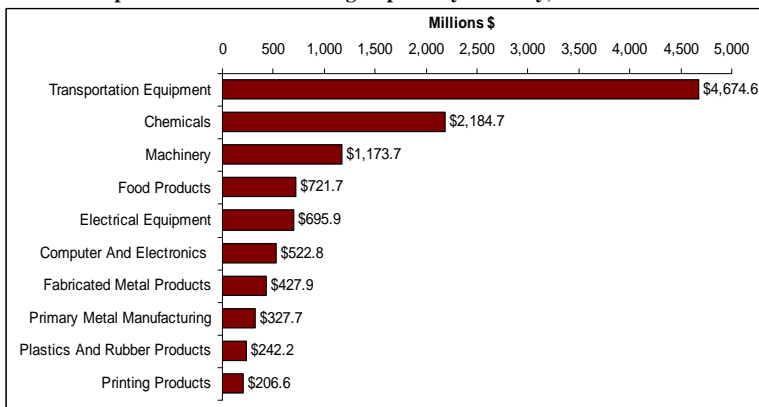


Chart 4. Top Missouri Manufacturing Exports by Industry, 2007



Source: Missouri Exports 2007 Annual Data, WISER Trade Database

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MANUFACTURING INDUSTRIES

Notes:

Employment numbers were obtained from Quarterly Census of Employment and Wages, FY 2007 Q2, Bureau of Labor Statistics.

Location Quotients were generated for manufacturing industries using Regional Data Analysis Tool, Bureau of Labor Statistics.

The location quotient compares the manufacturing industrial employment within Missouri to the nation. The location quotient map illustrates the counties where manufacturing is specialized relative to other counties in the state. The location quotient is calculated by the following equation:

$$\left(\frac{\text{State Employment}_{\text{INDUSTRY}}}{\text{State Employment}_{\text{TOTAL}}} \right) \div \left(\frac{\text{National Employment}_{\text{INDUSTRY}}}{\text{National Employment}_{\text{TOTAL}}} \right)$$

Impact analysis generated using REMI (Regional Economic Models, Incorporated) Policy Insight Model. Indirect effects include both intermediate and induced effects.

2007 Missouri manufacturing export data obtained from the World Institute for Strategic Economic Research (WISER) Trade database.

NAICS

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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