Key Findings

Overview

• Over the last three years, metro area manufacturing employment has expanded by an average annual rate of 1.7%. Energy intensive industry, in particular has been a key component in manufacturing expansion.
• The report forecast that through 2020, energy intensive manufacturing employment will expand by more than 1% annually nationwide with 72% of those jobs going to U.S. metro areas.
• From 2010 to 2012, energy intensive manufacturing sectors added over 196,000 jobs and increased real sales by $124 billion in the nation’s metro areas.
• In 2011 and 2012, demand from the burgeoning shale plays for new pipelines and mining equipment ignited the nation’s steel, iron, fabricated metals, and machinery manufacturing industries. In US metro areas, these sectors saw real sales and employment jump by 17% and 9.7% respectively.
• The profusion of available natural gas and oil resulted in a surge in plastic, rubber, resin and chemical manufacturing due to lower costs and increased refining volume; as a result these industries saw a combined employment increase of 2.6% across all metropolitan areas (2011-2012).
• In 2012, metro areas accounted for greater than 78% of the total employment and 82% of the real sales in energy intensive manufacturing industries.
• Fabricated metals led the sector with 1.14 million jobs in 2012, a 9.8% increase during the period 2010-2012.
• The machinery sector employed 848,695 in 2012, a 9.5% increase for the period 2010-2012.
• Plastics and Rubber employed 491,345 with a 2.8% increase over the same period.
• Iron and steel mills employed 89,305 in 2012, and experienced a 10.7% increase in employment 2010-2012.

Select Sectors

• Chicago metro leads the Fabricated Metals sector with 64,536 jobs in 2012, projected to reach 75,757 jobs in 2020—a 2.0% average annual percent change. Nationally, the sector will see average annual growth of 1.9% in jobs and 2.8% in sales 2012-2020. (See Table 3)
• In the Machinery sector, Houston metro leads in jobs with 53,377 projected to reach 69,591 in 2020—a 3.4% average annual increase. The sector nationally is projected to increase its jobs by 1.0% and its sales by 3.7% average annual rate 2012-2020. (See Table 4)
• Employment in the Plastic and Rubber Manufacturing sector is led, again, by Chicago, with 29,468 jobs in 2012, with a 0.3% average annual growth through 2020 to a level of 30,182 jobs. Nationally the sector will see average annual rate increases through 2020 of 0.4% in jobs and 2.9% in sales. (See Table 7)
• The Iron and Steel sector is led by Chicago metro with 18,911 jobs in 2012, growing to 19,890 in 2020. The sector nationally is expected to see a 0.7% average annual increase in jobs, but a 3.5% average annual increase in sales (2012-2020). (See Table 2)