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# Economic & Workforce Brief

Information You Can Use About Pennsylvania Economic & Workforce Development

## *Role of Securities, Commodity Contracts, & Investments in the Economy of Northeast Pennsylvania*

Research reported in this brief was prepared by Penn State's Office for Economic and Workforce Development (OEWD), a unit in Penn State Outreach.

OEWD advances the economic well-being of Pennsylvania by serving as a catalyst, facilitator, and collaborator for using the resources, expertise, and intellectual assets of Penn State to help create and retain jobs in the Commonwealth and enhance the skills of its workforce (see <http://www.oewd.psu.edu/>).

Analysis of Pennsylvania economic and workforce opportunities and issues are conducted in OEWD by its Workforce Assessment Center in collaboration with the Institute for Research in Training and Development, a unit in Penn State's College of Education.

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The securities, commodity contracts, and investments industry is an important part of the history and economy of northeast Pennsylvania counties (includes Berks, Carbon, Lackawanna, Lehigh, Luzerne, Monroe, Northampton, Pike, and Wayne counties). The industry creates jobs and compensation for workers throughout these counties and influences tax revenues in the counties.

The impact of jobs in securities, commodity contracts, and investments in northeast Pennsylvania counties:

- *For every 100 jobs* — Due to the need to supply the securities, commodity contracts, and investments industry, other industries in northeast Pennsylvania employ an additional 43 workers. Spending of income earned by securities, commodity contracts, and investments employees and by workers in northeast Pennsylvania industries that supply firms engaged in securities, commodity contracts, and investments on such items as housing, food, health care, and other retail goods and services creates an additional 51 jobs in northeast Pennsylvania. In short, every 100 jobs in the northeast Pennsylvania securities, commodity contracts, and investments industry are associated with 194 total jobs in the nine-county region.
- *For every 100 jobs* — The securities, commodity contracts, and investments industry generates \$3.6 million compensation for its own northeast Pennsylvania employees and \$1.4 million compensation for employees whose jobs are created because their northeast Pennsylvania firms supply the securities, commodity contracts, and investments industry in the region. Spending of income by securities, commodity contracts, and investments employees and workers in supplying industries generates an additional \$1.4 million compensation for other northeast Pennsylvania workers. In this way, the securities, commodity contracts, and investments industry is responsible for generating \$6.4 million annual compensation for every 100 securities, commodity contracts, and investments workers employed in northeast Pennsylvania.
- *For every 100 jobs* — Business activity by the securities, commodity contracts, and investments industry, the industry's impact on northeast Pennsylvania industries that supply it, and the effect of spending by workers employed in the securities, commodity contracts, and investments industry and its supplying industries generate \$200,000 in property taxes that are paid annually by businesses and individuals in northeast Pennsylvania to local governments.

*This Brief contains an analysis of activity of establishments primarily engaged in the securities, commodity contracts, and investments industry in North American Industry Classification System code 523. Information provided in this Economic & Workforce Brief was calculated using IMPLAN, a macroeconomic model applied by Penn State's Office of Economic and Workforce Development to identify the impact of economic activity on Pennsylvania and its counties. For more information, contact Rose M. Baker ([rmb194@psu.edu](mailto:rmb194@psu.edu); 814.865.9919) or David L. Passmore ([dlp+irttd@psu.edu](mailto:dlp+irttd@psu.edu); 814.863.2583). Dollar values are expressed as year 2002 dollars.*