



Manufacturing in Indiana

How Work Sharing Benefits the Manufacturing Sector

Manufacturing plays a vital role in the U.S. economy. According to the U.S. Department of Commerce (DOC), manufacturing contributed more than 25 percent of the overall growth in the U.S. gross domestic product (GDP) between 2009 and 2011. Jobs in manufacturing tend to pay higher wages and offer better benefits than jobs in the rest of the economy. A recent DOC 2013 study found that new hires in the manufacturing sector tend to earn about 38 percent more than new hires in other sectors.

Work sharing programs—which provide employers with an alternative to layoffs during a business slowdown—tend to be most intensively used in the manufacturing sector. For example, 55 percent of Oregon companies with work sharing arrangements in 2009 were in manufacturing, according to the Upjohn Institute for Employment Research. Work sharing can help employers preserve jobs and be prepared to compete when business rebounds.

Manufacturing's Economic Contribution

Manufacturing Output	Manufacturing's Share of Total Gross State Product
\$84.2 billion	28.2%

Source: National Association of Manufacturers, "US Manufacturing Statistics— Manufacturing & Trade Data by State," 2012.

Manufacturing Supports Indiana's Economy

Indiana's manufacturing output accounts for about 28 percent of total gross state product, compared to a national average of 12 percent. With more than 8,600 manufacturing establishments, the sector plays an important role in the state's economy.

Indiana's manufacturing sector accounts for a significant share of state employment.

States and regions where manufacturing represents a substantial share of employment tend to be concentrated in the Midwest and the South. In 2012, Indiana had 496,325 manufacturing jobs amounting to about 16 percent of the state workforce.

Manufacturing employed **496,325** people in 2012. This accounts for approximately **16 percent** of state employment.

Source: CLASP calculations based on private, non-farm employment data from the U.S. Bureau of Economic Analysis, "Total Full-time and Part-time Employment by Industry," 2012.

States that adopt work sharing programs can preserve vital jobs in manufacturing.