CHAPTER 4
ECONOMIC ANALYSIS

INTRODUCTION

The economy of Mifflin County is an important consideration for the Comprehensive Plan. The changes that occur in the structure of the local economy influence the quality of life as well as the standard of living in Mifflin County and will impact future population changes. When the economy prospers, residents and communities thrive and new residents are attracted to the County. When the economy falters, some residents—particularly young adults—may be tempted to move to other areas where they perceive that better employment opportunities exist. In addition, the business sector plays an important role in determining the type and quality of public services required and desired.

EMPLOYMENT

Data obtained from Local Employment Dynamics, a voluntary partnership between state labor market information agencies and the U.S. Census Bureau, Center for Economic Studies, was analyzed to quantify the changes in employment levels from 2002 to 2010 (Tables 4-1 and 4-2).

Job growth in the early 2000s was strong; the recession set the job growth back by at least three years.

From 2002 to 2006, Mifflin County saw its employment levels increase by almost 15.44 percent. This growth was much higher than growth in Pennsylvania (3.46 percent) and the surrounding region: Centre County (1.06 percent), Juniata County (1.15 percent), Snyder County (2.16 percent), and Union County (1.80 percent).

Table 4-1 Change in Employment 2002 to 2010

	Pennsylvania	Mifflin	Centre	Huntingdon	Juniata	Snyder	Union
All Jobs 2002	5,205,995	13,613	61,889	12,078	6,376	15,272	15,510
All Jobs 2003	5,138,985	14,477	59,991	11,418	6,382	15,572	16,020
All Jobs 2004	5,199,072	14,819	61,010	11,785	6,426	14,645	15,549
All Jobs 2005	5,280,926	15,520	62,748	12,484	6,465	15,049	14,657
All Jobs 2006	5,386,797	15,831	62,486	12,501	6,301	15,559	15,712
All Jobs 2007	5,458,610	15,610	63,301	12,548	6,279	14,739	15,836
All Jobs 2008	5,459,162	15,378	48,342	13,326	5,866	14,319	14,656
All Jobs 2009	5,318,588	14,521	59,097	12,041	5,562	13,600	14,979
All Jobs 2010	5,346,617	15,508	62,207	11,566	5,064	15,559	14,566

Source: Local Employment Dynamics, U.S. Census Bureau, Department of Commerce

Table 4-2 Percent Change in Employment 2002 to 2010

	Pennsylvania	Mifflin	Centre	Huntingdon	Juniata	Snyder	Union
All Jobs 2002-03	-1.28%	6.35%	-3.07%	-5.46%	0.09%	1.96%	3.29%
All Jobs 2003-04	1.17%	2.36%	1.70%	3.21%	0.69%	-5.95%	-2.94%
All Jobs 2004-05	1.57%	4.73%	2.85%	5.93%	0.61%	2.76%	-5.74%
All Jobs 2005-06	2.00%	2.00%	-0.42%	0.14%	-2.54%	3.39%	7.19%
All Jobs 2006-07	1.33%	-1.40%	1.30%	0.38%	-0.35%	-5.27%	0.79%
All Jobs 2007-08	0.01%	-1.49%	-23.63%	6.20%	-6.58%	-2.84%	-7.45%
All Jobs 2008-09	-2.58%	-5.57%	22.25%	-9.64%	-5.18%	-5.02%	2.20%
All Jobs 2009-10	1.33%	6.95%	5.50%	-3.94%	-8.66%	14.40%	7.66%

Source: Delta Development Group, Inc.

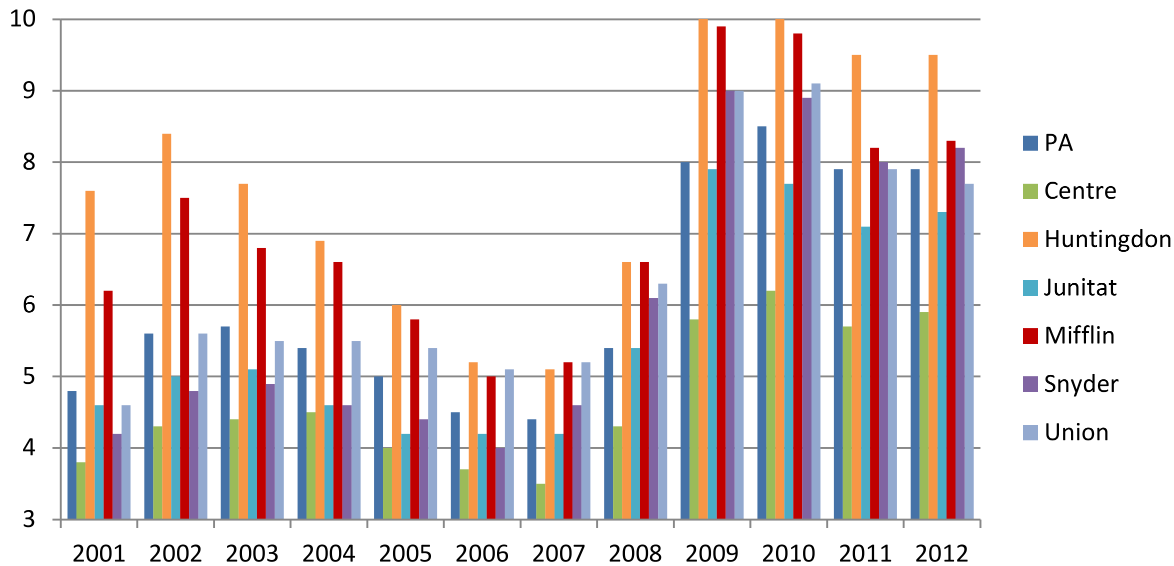
During the next three years (2007-2009), employment levels in Mifflin County decreased by 8.67 percent. The economic downturn in 2007 may have contributed to the loss in jobs. Pennsylvania (-1.24 percent) and all counties in the Region followed the same trend. Centre County had the smallest decrease in employment (-0.62 percent), followed by Huntingdon County (-2.82 percent). Union County lost 4.62 percent, while Juniata County and Snyder County suffered the greatest losses (-12.00 percent and -13.04 percent, respectively).

By 2010, employment in Pennsylvania and a few of the Region's counties began to rebound. Mifflin County's employment levels increased by 6.79 percent, and Union County by 7.66 percent, but were outpaced by Snyder County (14.40 percent). Huntingdon County and Juniata County continued to experience decreases in their employment levels.

UNEMPLOYMENT

Data from the Pennsylvania Department of Labor and Industry show slightly different figures but a similar comparative trend between the county and the state rates (Figure 4-1). The department reported annual unemployment rates of 8.3 percent for Mifflin County and 7.9 percent for Pennsylvania in 2012. Mifflin County rates have consistently been higher than the state rates since 2001. Only Huntingdon County has had higher annual employment rates in 11 of the past 12 years. By February 2014, unemployment in Mifflin County dropped to 7.4, compared to the state's 6.7 percent.

Figure 4-1 Annual Unemployment Rates (Not seasonally Adjusted), 2001-2012



Source: Pennsylvania Department of Labor and Industry

Mifflin County's unemployment rates have been consistently higher than the state and most regional rates since 2001.

MAJOR EMPLOYMENT INDUSTRIES

According to 2-digit North American Industry Classification System (NAICS) data from the Pennsylvania Department of Labor and Industry, manufacturing was the largest industry group in the County with 4,128 total jobs in 2010 (Table 4-4). This represented almost 27 percent of the total jobs in Mifflin County. The health care and social assistance industry group consisted of 2,902 jobs during this same time period. Other industry groups with more than 1,000 total jobs in the County in 2010 were retail trade (2,081 jobs), educational services (1,664 jobs), and accommodation and food services (1,168 jobs).

SECTORS OF ECONOMIC ACTIVITY

The following data was obtained from Local Employment Dynamics, U.S. Census Bureau, U.S. Department of Commerce, and represents data from 2006 (Table 4-3) to 2010 (Table 4-4). The trend is analyzed in Table 4-5.

In 2010, manufacturing remained the largest sector of economic activity representing 26.58 percentage of employment in Mifflin County. Manufacturing employment across the state totaled 10.69 percent of all employment. Although manufacturing employment declined in Mifflin County (-1.15 percent), it did not decline at the same rate as the state (-14.34 percent), and surrounding counties of Huntingdon (-38.87 percent), Juniata (-16.83 percent), and Union (-48.17 percent).

Success stories in the County's manufacturing sector include the addition of First Quality. Expansions include Asher's Chocolate, Pennsylvania Insulated Glass, Ram-Wood Custom Kitchens, United Chemical Technologies, Trinity Plastics Corporation, Rohrer Corporation (formerly Buckell Plastic Company), JRD Packaging, and Clayton Manufactured Homes.

GROWING EMPLOYMENT SECTORS

In percentage terms, the fastest growing employment sectors in the Mifflin County economy between 2006 and 2010 (Table 4-5) were:

- Administration and Support, Waste Management and Remediation (54.55 percent)
- Agriculture, Forestry, Fishing and Hunting (32.91 percent)
- Accommodation and Food Services (14.17 percent)

Smaller growth occurred in the health care and social assistance sector (5.18 percent), and the finance and insurance sector (4.98 percent). Growth in these sectors was not regional; changes in sector employment varied widely from growth to decline in other counties.

DECLINING EMPLOYMENT SECTORS

The information sector and wholesale trade sector both showed significant losses in employment levels from 2006 to 2010. The information sector experienced a 26.29 percent loss, and more significantly, the wholesale trade sector experienced a 34.99 percent reduction. Mifflin County's public administration sector also declined during the period of 2006 to 2010 by 11.01 percent. This decline was comparable to Centre County (14.80 percent) and much lower than Juniata County (25.29 percent), and Snyder

County (22.40 percent). Manufacturing declined by 1.15, ranking second to Snyder County's 0.06 percent gain and markedly better than Pennsylvania's 14.34 percent loss.

Table 4-5 highlights industry sectors that performed better in the County than the Commonwealth from 2006 (Table 4-3) to 2010 (Table 4-4):

- Agriculture, Forestry, Fishing and Hunting
- Manufacturing
- Finance and Insurance
- Administration & Support, Waste Management and Remediation
- Accommodation and Food Services
- Other Services (excluding Public Administration)

The County outperformed the state in six industry sectors from 2006 to 2010.

In other sectors, employment change declined in the County while it grew for the state:

- Construction
- Professional, Scientific, and Technical Services
- Arts, Entertainment, and Recreation

RECENT CHANGES IN LOCAL INDUSTRIES

Between 2012 and 2013, General Electric Energy Group, a part of General Electric Corporation, invested more than $10 million to expand its Inspection Technologies headquarters in Lewistown, Pennsylvania. The expansion project included a new global customer applications center, as well as a nondestructive-testing academy for GE employees and customers. The expansion added 52,000 square feet of floor space and approximately 60 employees once fully operational.

Sumitomo Metal Industries, Ltd., and Sumitomo Corporation purchased Standard Steel, LLC, in 2011. The transaction was valued at $340 million and has positioned the company for future expansion.

Table 4-3 – Sector Employment, 2006

Jobs by Industry Type (2-digit NAICS)	Pennsylvania	Mifflin	Centre	Huntingdon	Juniata	Snyder	Union
Agriculture, Forestry, Fishing and Hunting	21,800	79	143	169	105	99	54
Mining	19,497	0	96	77	0	36	9
Utilities	28,910	65	211	129	21	143	65
Construction	251,048	490	3,317	599	453	605	723
Manufacturing	667,298	4,176	4,287	2,166	2,288	3,427	2,848
Wholesale Trade	236,010	703	1,052	339	214	1,195	312
Retail Trade	633,748	2,212	7,169	1,262	631	2,621	1,792
Transportation and Warehousing	213,042	646	1,319	248	475	240	250
Information	108,667	213	1,113	124	36	134	95
Finance and Insurance	267,423	422	1,193	397	228	242	364
Real Estate and Rental and Leasing	66,842	77	928	64	25	119	136
Professional, Scientific, and Technical Services	311,630	167	3,538	188	39	218	379
Management of Companies and Enterprises	95,788	54	1,029	0	15	15	201
Administration & Support, Waste Management and Remediation	262,850	165	1,590	236	47	297	325
Educational Services	512,506	1,639	18,519	1,733	389	1,698	2,474
Health Care and Social Assistance	834,562	2,759	6,583	1,408	545	2,103	3,262
Arts, Entertainment, and Recreation	73,598	66	492	149	50	94	56
Accommodation and Food Services	397,569	1,023	5,530	834	388	1,485	1,743
Other Services (excluding Public Administration)	188,847	139	1,668	397	178	346	357
Public Administration	195,162	436	2,709	1,982	174	442	267
Total	5,386,797	15,831	62,486	12,501	6,301	15,559	15,712

Source: Local Employment Dynamics, U.S. Census Bureau

Table 4-4 – Sector Employment, 2010

Jobs by Industry Type (2-digit NAICS)	Pennsylvania	Mifflin	Centre	Huntingdon	Juniata	Snyder	Union
Agriculture, Forestry, Fishing and Hunting	21,238	105	120	204	135	174	83
Mining	24,587	0	300	79	0	30	9
Utilities	31,957	67	228	117	20	155	40
Construction	209,564	380	3,467	627	333	499	644
Manufacturing	571,623	4,128	3,928	1,324	1,903	3,429	1,476
Wholesale Trade	223,909	457	1,029	296	166	1,005	328
Retail Trade	611,496	2,081	6,639	1,178	541	2,693	1,649
Transportation and Warehousing	212,902	599	1,251	275	361	241	366
Information	103,042	157	1,052	96	32	117	96
Finance and Insurance	272,377	443	1,279	395	208	226	392
Real Estate and Rental and Leasing	57,909	53	872	67	21	85	147
Professional, Scientific, and Technical Services	315,765	149	3,458	202	26	297	363
Management of Companies and Enterprises	123,210	62	835	20	22	10	180
Administration & Support, Waste Management and Remediation	261,052	255	1,519	234	66	268	231
Educational Services	531,513	1,664	18,729	1,763	4	1,716	2,545
Health Care and Social Assistance	929,369	2,902	6,908	1,545	559	2,285	3,559
Arts, Entertainment, and Recreation	77,049	61	573	108	26	122	77
Accommodation and Food Services	408,640	1,168	5,891	876	352	1,544	1,803
Other Services (excluding Public Administration)	182,701	411	1,923	340	168	320	288
Public Administration	176,714	366	2,206	1,820	121	343	290
Total	5,346,617	15,508	6,207	11,566	5,064	15,559	14,566

Source: Local Employment Dynamics, U.S. Census Bureau

Table 4-5– Percent Change in Sector Employment, 2006 to 2010

Jobs by Industry Type (2-digit NAICS)	Pennsylvania	Mifflin	Centre	Huntingdon	Juniata	Snyder	Union
Agriculture, Forestry, Fishing and Hunting	**-2.58%**	**32.91%**	**-16.08%**	**20.71%**	**28.57%**	**75.76%**	**53.70%**
Mining	26.11%	0.00%	212.50%	2.60%	0.00%	-16.67%	0.00%
Utilities	10.54%	3.08%	8.06%	-9.30%	-4.76%	8.39%	38.46%
Construction	16.52%	-22.45%	4.52%	4.67%	-26.49%	-17.52%	-10.93%
Manufacturing	**-14.34**	**-1.15**	**-8.37**	**-38.87**	**-16.83**	**.06**	**-48.17**
Wholesale Trade	-5.13%	-34.99%	-2.19%	-12.68%	-22.43%	-15.90%	5.13%
Retail Trade	-3.51%	-5.92%	-7.39%	-6.66%	-14.26%	2.75%	-7.98%
Transportation and Warehousing	-0.07%	-7.28%	-5.16%	10.89%	-24.00%	0.42%	46.40%
Information	-5.18%	-26.29%	-5.48%	-22.58%	-11.11%	-12.69%	1.05%
Finance and Insurance	**1.85%**	**4.98%**	**7.21%**	**-0.50%**	**-8.77%**	**-6.61%**	**7.69%**
Real Estate and Rental and Leasing	-13.36%	-31.17%	-6.03%	4.69%	-16.00%	-28.57%	8.09%
Professional, Scientific, and Technical Services	1.33%	-10.78%	-2.26%	7.45%	-33.33%	36.24%	-4.22%
Management of Companies and Enterprises	28.63%	14.81%	-18.85%	0.00%	46.67%	-33.33%	-10.45%
Administration & Support, Waste Management and Remediation	**-0.68%**	**54.55%**	**-4.47%**	**-0.85%**	**40.43%**	**-9.76%**	**-28.92%**
Educational Services	3.71%	1.53%	1.13%	1.73%	-98.97%	1.06%	2.87%
Health Care and Social Assistance	11.36%	5.18%	4.94%	9.73%	2.57%	8.65%	9.10%
Arts, Entertainment, and Recreation	4.69%	-7.58%	16.46%	-27.52%	-48.00%	29.79%	37.50%
Accommodation and Food Services	**2.78%**	**14.17%**	**6.53%**	**5.04%**	**-9.28%**	**3.97%**	**3.44%**
Other Services (excluding Public Administration)	**-3.25%**	**195.68%**	**15.29%**	**-14.36%**	**-5.62%**	**-7.51%**	**-19.33%**
Public Administration	-9.45%	-16.06%	-18.57%	-8.17%	-30.46%	-22.40%	8.61%

Source: Local Employment Dynamics, U.S. Census Bureau; Delta Development Group

ECONOMIC BASE

The economic base of a given area includes all industries that produce at least part of their output for export, or consumption outside of the area. These industries are important because their sales determine the income available for growth and for the consumption of items not produced locally.

"Export" sales by local industries are determined by the concentration of that industry in the local area. This concentration is measured, somewhat crudely based on employment figures, by a ratio called the location quotient (LQ). To calculate the LQ for each industry, the percentage of local employment in a given industry is compared to the percentage of national employment in that industry by the ratio:

$$\mathbf{LQi} = \frac{\textbf{\% of total local employment in industry i}}{\textbf{\% of national employment in industry i}}$$

The economic base is the industry or industries that produce goods and service for export, resulting in incoming revenue to the community.

When the local industry employs the same percentage locally as nationally, the industry is said to be locally self-sufficient and the area neither imports nor exports the products of that industry and the LQ is exactly 1.0. When the LQ is below 1.0, the area must import some of the products of that industry that it consumes locally. If the LQ for an industry is 0.0, e.g. citrus production in central PA, all of the consumed product must be imported.

When the LQ is above 1.0, the portion above 1.0 is presumably exported to other parts of the national or global economy. These industries are considered part of the economic base and the portion of their employment above 1.0 is said to be "basic" employment. The assumption is that basic employment produces goods or services for sale to other areas and generates income for the area in proportion to the basic employment.

Depending on the mix of industries in the economic base, an area's economy may be healthy, stable, or declining. If a local area is highly concentrated in one industry, or just a few industries, its economy is highly dependent on that narrow economic base. When the area is heavily dependent on industries that are declining nationally (even if the local firms in those industries are stable or growing), it is "at risk" because decline could strike local firms at any time. If an area has several or many industries in its economic base, it is less dependent upon the fortunes of any one of those industries.

Jobs by 2-digit NAICS industry type (2010) for Mifflin County are listed in Table 4-6.

Table 4-6 Location Quotients of Mifflin County Industries, 2010

	Mifflin County		Pennsylvania		LQ
Jobs by Industry Type (2-digit NAICS)	Employment	% of Total	Employment	% of Total	
Agriculture, Forestry, Fishing and Hunting	105	0.68%	21,238	0.39%	1.7
Mining	-	0.0%	24,587	0.46%	0.0
Utilities	67	0.43%	31,957	0.59%	0.7
Construction	380	2.45%	209,564	3.89%	0.6
Manufacturing	4,128	26.58%	571,623	10.61%	2.5
Wholesale Trade	457	2.94%	223,909	4.15%	0.7
Retail Trade	2,081	13.40%	611,496	11.35%	1.2
Transportation and Warehousing	599	3.86%	212,902	3.95%	1.0
Information	157	1.01%	104,411	1.94%	0.5
Finance and Insurance	443	2.85%	272,635	5.06%	0.6
Real Estate and Rental and Leasing	53	0.34%	57,909	1.07%	0.3
Professional, Scientific, and Technical Services	149	0.96%	315,849	5.86%	0.2
Management of Companies and Enterprises	62	0.40%	123,210	2.29%	0.2
Administration & Support, Waste Management and Remediation	255	1.64%	261,052	4.84%	0.3
Educational Services	1,664	10.71%	531,513	9.86%	1.1
Health Care and Social Assistance	2,902	18.69%	941,184	17.46%	1.1
Arts, Entertainment, and Recreation	61	0.39%	77,890	1.45%	0.3
Accommodation and Food Services	1,168	7.52%	408,640	7.58%	1.0
Other Services (excluding Public Administration)	411	2.65%	182,745	3.39%	0.8
Public Administration	388	2.50%	205,104	3.81%	0.7

Source: Local Employment Dynamics, U.S. Census Bureau; Delta Development Group

The manufacturing sector and health care and social assistance sector are the largest sectors in Mifflin County. These two sectors account for approximately 45 percent of the industry base. These sectors are followed by the retail trade sector and the educational services sector, which comprise another 24 percent of the industry base. Together, these our sectors comprise 69 percent of employment in Mifflin County.

While these sectors may be the largest in the County based on the number of the employees, they do not necessarily comprise the economic base or drivers of the County's economy. Based on the LQs, the following industry sectors in the County are likely exporting goods and services and are key drivers of the Mifflin County economy:

- Manufacturing (LQ 2.5)
- Agriculture, Forestry, Fishing and Hunting (LQ 1.7)
- Retail Trade (LQ 1.2)
- Health Care and Social Assistance (LQ 1.1)
- Educational Services (LQ 1.1)

DIVERSITY IN THE MANUFACTURING SECTOR

Employment within Mifflin County's manufacturing sector is distributed among the following subsectors:

- Fabricated Metal Product (34.7%)
- Plastics and Rubber Products (29.2%)
- Wood Product (20.3%)
- Food (6.0%)
- Transportation Equipment (4.8%)
- Furniture and Related Product (1.0%)
- Nonmetallic Mineral Product (0.8%)
- Printing and Related Support Activities (0.5%)
- Miscellaneous (0.26%)

The County's manufacturing sector is diversified across more than 8 subsectors.

THE VALUE OF THE AGRicULTURAL SECTOR

Agriculture continues to play a very important role in the County's economy. Mifflin County covers an area of approximately 264,128 acres. Approximately 94,133 acres are in agricultural use on 1,024 farms according to the USDA 2007 Census of Agriculture. This represents about 36 percent of the County's total land area. In 2007, the total market value of agricultural production in Mifflin County was $86,818,000.

The agricultural sector has both economic and environmental value to the County.

The value of Mifflin County's farmland, however, goes well beyond its production value. Farmland plays a vital environmental role providing habitat for wildlife, aquifer recharge areas, and open space in an increasingly urbanizing county. Farmland gives Mifflin County its scenic character and contributes greatly to its quality of life. Development pressure within the County will continue to change the agricultural landscape in Mifflin County. Leaders will need to decide where growth potential makes sense without destroying this very important industry sector for the County.

TRENDS IN THE RETAIL SECTOR, 2005-2010

Figures 4-2 and 4-3 illustrate retail business locations in Mifflin County in 2005 and 2010, respectively. Comparison of the data reveals significant retail business opening and closings between 2005 and 2010, as shown in Table 4-7, resulting in a consistent number of retailers (19) in these clusters. With a net loss in the total number of businesses in these clusters, retail comprised a slightly higher percentage of all businesses.

The retail sector is the most volatile of the 3 leading industries.

Table 4-7 Trends in Retail Business Activity, 2005-2010

Community	Closings, 2005-10			Openings, 2005-10		
	Retail	Total	Retail as % of Total	Retail	Total	Retail as % of Total
Belleville	4	7	57.1%	4	9	44.4%
Burnham	6	15	40.0%	5	10	50.0%
Lewistown	5	19	26.3%	7	20	35.0%
McVeytown	2	2	100.0%	-	1	-
Milroy	2	6	33.3%	3	7	42.9%
Total	19	49	38.8%	19	47	40.4%

Source: Delta Development Group

Figure 4-2 Mifflin County Retail Business Clusters, 2005

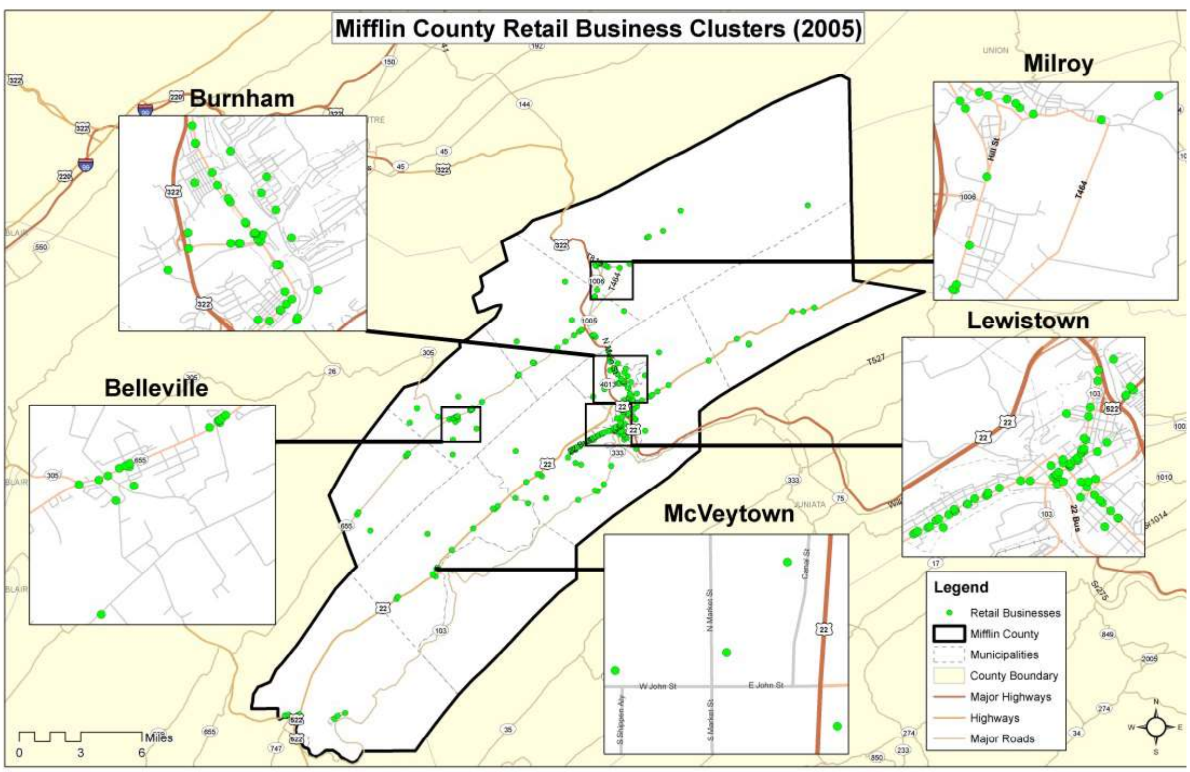
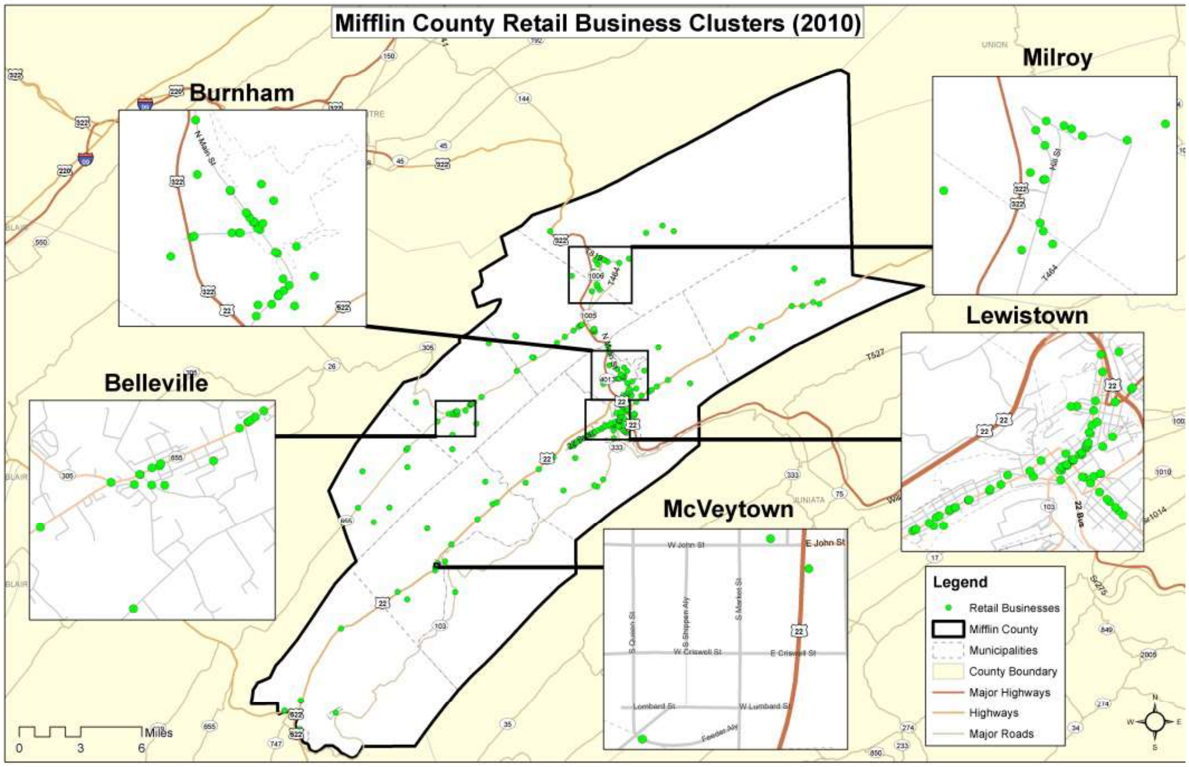


Figure 4-3 Mifflin County Retail Business Clusters, 2010



WORKFORCE ORIGIN-DESTINATION PATTERNS

Data was collected from Local Employment Dynamics and analyzed for 2002 (earliest available), 2006 and 2010 to demonstrate and enable comparison of trends prior to and after the recession (Table 4-8).

Table 4-8 Jobs in Mifflin County, 2002, 2006, and 2010

	2002		2006		2010		2002-2006 Change		2006-2010 Change	
	#	%	#	%	#	%	#	%	#	%
Total Jobs, Mifflin County	13,613		15,831		15,530		2,218	16.3%	-301	-1.9%
Primary Jobs	13,018	95.6%	14,967	94.5%	14,724	94.8%	1,949	15.0%	-243	-1.6%
Second/Other Jobs	595	4.4%	864	5.5%	806	5.2%	269	45.2%	-58	-6.7%

Source: Local Employment Dynamics, U.S. Census Bureau

TOTAL JOBS IN MIFFLIN COUNTY

In 2010, there were 15,530 total jobs in Mifflin County; specifically 14,724 primary jobs and 806 second and other jobs. Total jobs reflect all jobs held by the workers of the specified geography. A primary job is defined as the one job for each worker that provides the most earnings.

Of persons in the 15,530 total jobs, 9,360 (60.3 percent) lived and worked in Mifflin County and 6,170 (39.7 percent) were employed in Mifflin County, but lived elsewhere. Huntingdon, Juniata, and Centre County provided 16.1 percent of the total workforce employed in Mifflin County.

From 2006 to 2010, Mifflin County imported a greater percentage of its workforce. In 2006, 31 percent of those employed in Mifflin County did not reside in the County; as of 2010, this percentage increased to 39.7 percent. Although Mifflin County has continued a gradual pattern of increasing its non-resident workforce, the surrounding counties are depending on a much larger nonresident workforce. In fact, Snyder County and Union County imported almost 60 percent of their workforce.

TRENDS IN THE PRIMARY JOB WORKFORCE IN MIFFLIN COUNTY

After significant gains in primary jobs from 2002 to 2006, Mifflin County lost 243 primary jobs from 2006 to 2010. Table 4-9 presents data related to the following primary job trends.

- The distribution of jobs among County residents and nonresident workers remained stable – 69.0 percent and 31.0 percent, respectively – from 2002 to 2006. But from 2006 to 2010, employers in the County imported a greater percentage of the workforce each year, 2009 excepted. By 2010, 39.4 percent of the workforce commuted into the County for primary jobs.
- Throughout the decade, primary jobs shifted from young workers to older workers. Workers in primary jobs aged 55 and older increased by 41.2 percent from 2002 to 2006, while younger workers increased by less than 10 percent. From 2006 to 2010, the oldest age group was the only age group to increase its participation in the workforce. Workers age 30 to 54 remained the largest segment of the workforce at 56.3 percent, similar to the regional average of 56.8 percent.

In recent years, primary jobs (the job earning the most for each worker) have trended toward non-residents, older workers, and services industries.

- Primary jobs also steadily shifted from lower paying jobs to higher paying jobs. The number of primary job workers earning $15,000 or less per year fell by 747, while the number of workers earning $40,000 or more increased by 2,052—more than doubling. In addition, more of these higher paying jobs were held by non-residents in 2010 than in 2002 or 2006.
- Again, the largest percentage of the workforce, 47.7 percent, earned the middle value, between $15,000 and $40,000 per year. This was true regionally, expect for Centre County, where 40.0 percent earning $40,000 or more per year.

Table 4-9 Workforce in Primary Jobs in Mifflin County, 2002, 2006, and 2010

	2002		2006		2010		2002-2006 Change		2006-2010 Change	
	#	%	#	%	#	%	#	%	#	%
Employed in Mifflin County (MC)	13,018		14,967		14,724		1,949	15.0%	-243	-1.6%
Living in MC	*8,962*	*68.8%*	*10,332*	*69.0%*	*8,918*	*60.6%*	*1,370*	*15.3%*	*-1,414*	*-13.7%*
Living elsewhere	*4,056*	*31.2%*	*4,635*	*31.0%*	*5,806*	*39.4%*	*579*	*14.3%*	*1,171*	*25.3%*
Huntingdon County, PA	*596*	*4.6%*	*526*	*3.5%*	*967*	*6.6%*	*-70*	*-11.7%*	*441*	*83.8%*
Juniata County, PA	*488*	*3.7%*	*558*	*3.7%*	*772*	*5.2%*	*70*	*14.3%*	*214*	*38.4%*
Centre County, PA	*468*	*3.6%*	*576*	*3.8%*	*645*	*4.4%*	*108*	*23.1%*	*69*	*12.0%*
Snyder County, PA	*125*	*1.0%*	*219*	*1.5%*	*281*	*1.9%*	*94*	*75.2%*	*62*	*28.3%*
Cumberland County, PA	*83*	*0.6%*	*204*	*1.4%*	*266*	*1.8%*	*121*	*145.8%*	*62*	*30.4%*
York County, PA	*151*	*1.2%*	*153*	*1.0%*	*205*	*1.4%*	*2*	*1.3%*	*52*	*34.0%*
Blair County, PA	*156*	*1.2%*	*176*	*1.2%*	*176*	*1.2%*	*20*	*12.8%*	*0*	*0.0%*
Dauphin County, PA	*144*	*1.1%*	*141*	*0.9%*	*152*	*1.0%*	*-3*	*-2.1%*	*11*	*7.8%*
Perry County, PA	*75*	*0.6%*	*74*	*0.5%*	*127*	*0.9%*	*-1*	*-1.3%*	*53*	*71.6%*
All Other Locations	*1,770*	*13.6%*	*2,008*	*13.4%*	*2,215*	*15.0%*	*238*	*13.4%*	*207*	*10.3%*
Aged 29 or younger	2,954	22.7%	3,219	21.5%	3,018	20.5%	265	9.0%	-201	-6.2%
Living in MC	*1,866*	*63.2%*	*2,090*	*64.9%*	*1,710*	*56.7%*	*224*	*12.0%*	*-380*	*-18.2%*
Living elsewhere	*1,088*	*36.8%*	*1,129*	*35.1%*	*1,308*	*43.3%*	*41*	*3.8%*	*179*	*15.9%*
Aged 30 to 54	7,799	59.9%	8,549	57.1%	8,290	56.3%	750	9.6%	-259	-3.0%
Living in MC	*5,385*	*69.0%*	*5,954*	*69.6%*	*4,970*	*60.0%*	*569*	*10.6%*	*-984*	*-16.5%*
Living elsewhere	*2,414*	*31.0%*	*2,595*	*30.4%*	*3,320*	*40.0%*	*181*	*7.5%*	*725*	*27.9%*
Aged 55 and older	2,265	17.4%	3,199	21.4%	3,416	23.2%	934	41.2%	217	6.8%
Living in MC	*1,711*	*75.5%*	*2,288*	*71.5%*	*2,238*	*65.5%*	*577*	*33.7%*	*-50*	*-2.2%*
Living elsewhere	*554*	*24.5%*	*911*	*28.5%*	*1,178*	*34.5%*	*357*	*64.4%*	*267*	*29.3%*
Earning up to $15,000/year	4,325	33.2%	4,002	26.7%	3,578	24.3%	-323	-7.5%	-424	-10.6%
Living in MC	*2,921*	*67.5%*	*2,758*	*68.9%*	*2,134*	*59.6%*	*-163*	*-5.6%*	*-624*	*-22.6%*
Living elsewhere	*1,404*	*32.5%*	*1,244*	*31.1%*	*1,444*	*40.4%*	*-160*	*-11.4%*	*200*	*16.1%*
Earning $15,001 to $39,999/year	6,644	51.0%	7,208	48.2%	7,030	47.7%	564	8.5%	-178	-2.5%
Living in MC	*4,824*	*72.6%*	*5,152*	*71.5%*	*4,413*	*62.8%*	*328*	*6.8%*	*-739*	*-14.3%*
Living elsewhere	*1,820*	*27.4%*	*2,056*	*28.5%*	*2,617*	*37.2%*	*236*	*13.0%*	*561*	*27.3%*
Earning $40,000 or more/year	2,049	15.7%	3,757	25.1%	4,116	28.0%	1,708	83.4%	359	9.6%
Living in MC	*1,217*	*59.4%*	*2,422*	*64.5%*	*2,371*	*57.6%*	*1,205*	*99.0%*	*-51*	*-2.1%*
Living elsewhere	*832*	*40.6%*	*1,335*	*35.5%*	*1,745*	*42.4%*	*503*	*60.5%*	*410*	*30.7%*
In "Goods Producing" Industry Class	4,668	35.9%	4,686	31.3%	4,571	31.0%	18		-115	-2.5%
Living in MC	*3,758*	*80.5%*	*3,695*	*78.9%*	*3,314*	*72.5%*	*-63*	*-1.7%*	*-381*	*-10.3%*
Living elsewhere	*910*	*19.5%*	*991*	*21.1%*	*1,257*	*27.5%*	*81*	*8.9%*	*266*	*26.8%*
In "Trade, Transportation, and Utilities" Industry Class	2,921	22.4%	3,387	22.6%	3,015	20.5%	466	16.0%	-372	-11.0%
Living in MC	*1,491*	*51.0%*	*1,794*	*53.0%*	*1,316*	*43.6%*	*303*	*20.3%*	*-478*	*-26.6%*
Living elsewhere	*1,430*	*49.0%*	*1,593*	*47.0%*	*1,699*	*56.4%*	*163*	*11.4%*	*106*	*6.7%*
In "All Other Services" Industry Class	5,429	41.7%	6,894	46.1%	7,138	48.5%	1,465	27.0%	244	3.5%
Living in MC	*3,713*	*68.4%*	*4,843*	*70.2%*	*4,288*	*60.1%*	*1,130*	*30.4%*	*-555*	*-11.5%*
Living elsewhere	*1,716*	*31.6%*	*2,051*	*29.8%*	*2,850*	*39.9%*	*335*	*19.5%*	*799*	*39.0%*
Travel Distance to Work										
Less than 10 miles	7,997	61.4%	9,048	60.5%	7,980	54.2%	1,051	13.1%	-1,068	-11.8%
10 to 24 miles	2,380	18.3%	2,851	19.0%	3,141	21.3%	471	19.8%	290	10.2%
25 to 50 miles	945	7.3%	1,220	8.2%	1,577	10.7%	275	29.1%	357	29.3%
More than 50 miles	1,696	13.0%	1,848	12.3%	2,026	13.8%	152	9.0%	178	9.6%

Source: Local Employment Dynamics, U.S. Census Bureau

Table 4-10 Net Job (Worker) Outflow, 2002, 2006 and 2010

Primary Jobs	2002 #	2002 %	2006 #	2006 %	2010 #	2010 %	2002-2006 Change #	2002-2006 Change %	2006-2010 Change #	2006-2010 Change %
Employed in Mifflin County	13,018		14,967		14,724		1,949	15.0%	-243	-1.6%
Living Elsewhere	4,056		4,635		5,806		579	14.3%	1,171	25.3%
Living in Mifflin County	15,792		18,295		18,427		2,503	15.8%	132	0.7%
Employed Elsewhere	6,830		7,963		9,506		1,133	16.6%	1,543	19.4%
Net Job Inflow (+) or Outflow(-)	-2,774		-3,328		-3,703		-554		-375	

Source: Local Employment Dynamics, U.S. Census Bureau

- Primary jobs also shifted away from goods production, trade and distribution toward services, and imported workers increased their share of primary jobs in all industry types.
- Regardless of their place of residence, workers are traveling farther to primary jobs. Workers traveling to work 25 miles or more increased more than 38 percent in both the early and later years of the decade.

RESIDENTS WHO LEAVE MIFFLIN COUNTY FOR WORK

In addition to a growing imported workforce, the number of workers living in Mifflin County and commuting outside the County for work (net job outflow) is also growing (Table 4-10). These residents prefer to live in Mifflin County's small town and rural settings, while they seek to apply their professional skills and aspirations to employers in other locations.

TRAVEL AND TOURISM

The annual *Economic Impact of Pennsylvania's Travel and Tourism Industry* report provides state, regional, and county-level estimates that demonstrate the vital importance of the travel industry to Pennsylvania's overall economy. The report provides estimates of visitor spending, employment, and earnings derived from traveler spending, the contribution of the travel industry to the Pennsylvania's gross state product, and tax receipts derived from traveler spending.

Pennsylvania is divided into 11 multi-county tourism regions. Mifflin County, along with Bedford, Blair, Cambria, Centre, Fulton, Huntingdon, and Juniata Counties comprise the Alleghenies Region.

In its peak year, 2008, tourism generated an estimated $67 million in economic activity for Mifflin County.

In the Alleghenies Region, visitors spent 1.6 billion in 2010 (Table 4-11). Transportation accounted for the largest percentage of visitor spending (30 percent), followed by food and beverage (23 percent), shopping (18 percent), recreation (16 percent), and lodging (13 percent) (Figure 4-4).

Tourism peaked within the Alleghenies Region and Mifflin County in 2008. During this year, visitors spent $67.0 million, an increase of more than 10 percent from 2007. The economic downturn in 2008 impacted the tourism industry causing a decrease in 2009 revenues for the Alleghenies Region and Mifflin County in the amounts of 14.2 percent and 19 percent, respectively. The decining trend reversed in 2010, with tourism spending up 8.8 percent in the Alleghenies Region and up 8.0 percent in Mifflin Simiarly, from 2008 to 2009, Centre County experienced a 16% decrease in tourism spending; Huntington County and Juniata County both experienced a 12% decrease. From 2009 to 2010, spending in Centre County increased by 10%, Huntingdon County increased by 12% and Juniata County increased by 7%.

Figure 4-4 Tourism Spending in the Alleghenies Region, 2010

Source: Tourism Economics

Table 4-12 provides information on employment impacts related to the tourism industry. During the period of 2008 to 2010, Huntingdon County fared the best with respect to the tourism industry. Although Huntingdon County experienced a 2% decrease in tourism spending from 2008 to 2010, there was a 2% growth in tourism related jobs during this same time period. Centre County experienced a 2% decrease in employment impacts, Juniata experienced a 13% decrease and Mifflin County experienced a 4% decrease in employment impacts.

Table 4-11 Tourism Industry Spending in the Alleghenies Region, 2005-2010

	Annual Spending in Millions of Dollars					
County	2005	2006	2007	2008	2009	2010
Bedford	244.2	243.5	259.6	286.0	239.0	263.0
Blair	257.8	260.4	278.1	296.8	249.3	271.2
Cambria	235.2	232.3	244.3	280.9	238.5	257.6
Centre	298.7	511.2	531.4	616.4	545.6	588.7
Fulton	18.8	19.2	20.4	22.4	17.4	19.3
Huntingdon	129.5	125.7	135.3	146.6	129.1	144.1
Juniata	28.0	28.6	30.3	33.4	28.5	31.0
Mifflin	57.6	58.4	60.8	67.0	54.4	58.9
Total – The Alleghenies Region	**1,469.8**	**1,479.2**	**1,560.1**	**1,749.6**	**1,501.9**	**1,633.9**
Annual Percent Change – The Alleghenies Region		0.6%	5.5%	12.1%	-14.2%	8.8%
Annual Percent Change – Mifflin County		1.0%	4.0%	10.0%	-19.0%	8.0%

Source: Tourism Economics

Table 4-12 Tourism Industry Employment Impacts, 2005-2010

County	2005	2006	2007	2008	2009	2010
Bedford	1,993	2,044	2,113	2,151	1,977	2,026
Blair	2,389	2,449	2,512	2,582	2,446	2,499
Cambria	2,190	2,173	2,155	2,109	2,021	2,005
Centre	4,701	4,635	4,657	4,782	4,641	4,705
Fulton	146	148	152	154	143	152
Huntingdon	1,168	1,209	1,224	1,244	1,221	1,273
Juniata	237	240	247	251	239	218
Mifflin	577	588	599	610	567	583
Total – The Alleghenies Region	**13,400**	**13,486**	**13,658**	**13,883**	**13,254**	**13,460**
Annual Percent Change – The Alleghenies Region		0.6%	1.3%	1.6%	-4.5%	1.6%
Annual Percent Change – Mifflin County		2.0%	1.0%	2.0%	5.0%	2.0%

Source: Tourism Economics

Mifflin County's hotel tax has generated $70,000 to $80,000 per year in County revenue over the past 10 years.

ECONOMIC DEVELOPMENT AGENCIES

Mifflin County has several active economic development organizations.

- Mifflin County Industrial Development Corporation (MCIDC), the most active countywide organization in industrial recruitment and business retention.
- Downtown Lewistown Inc.
- The Juniata Valley Chamber, which also provides staff supporting the Mifflin County Tourist Promotion Agency.
- The SEDA-Council of Governments, which provides business financing, business retention, and export assistance.
- The Mifflin County Planning and Development Department administers two revolving loan programs that provide gap financing for economic development projects. These are financed through the CDBG micro-enterprise program and a Revolving Loan Fund from the USDA.
- Penn State Small Business Development Center provides free, confidential consulting services to individuals looking to start or grow a small business. In addition, the SBDC offers a full roster of specialized educational programs covering many business topics.

In addition, Focus Central Pennsylvania provides a centralized location for detailed and up-to-date information and market research on the region. Information on their website includes: site selection data, business resources, regional information, major industry clusters.

ECONOMIC PARTNERSHIPS

The MCIDC and Downtown Lewistown Inc. have partnered to improve the delivery of economic services to Mifflin County. In August of 2012, an application was filed with the Commonwealth of Pennsylvania to request the County be designated as a Keystone Community. This designation, if awarded by the Commonwealth, would give the County an inside track to the Department of Community and Economic Development funding for all future projects. It provides another tool to secure funds to aid economic development projects throughout the County.

CITIZEN AND STAKEHOLDER PERSPECTIVES

CITIZEN PERSPECTIVES AND PERCEPTIONS

The 2011 Quality of Life survey asked residents about their perceptions of the economy and employment opportunities in the County. At 88 percent, unemployment was among the top three social concerns of respondents. Most respondents rated employment opportunities in their township or borough as poor (54 percent), and similarly employment opportunities countywide as poor (52 percent).

Correspondingly, economic development was ranked the most important community development activity for maintaining the quality of life alongside education. Among the 15 specific economic development activities listed in the survey, increasing employment opportunities (96 percent), small and large business development (92 percent), and workforce training and retraining (87 percent) were the top three priorities for the next five years. These activities and their top ranking have not changed since 1998. Support for family farms, cooperation between municipalities, and community college/university development also sustained their ranks as moderate to high priorities at somewhat smaller majorities. Support for marketing of the area and improving the downtown fell since 1998 but was still considered a moderate to high priority by a majority of respondents.

In response to a separate question, respondents ranked these economic development activities as most important: helping local business expand and stay in the county (86 percent), attracting new industry from outside the county (79 percent), and enhancing small business opportunities (74 percent). As indicated by the survey, resident support for industrial (60 percent), agricultural (58 percent), and commercial/retail (41 percent) land uses in the County increased since 1998, while support for office/professional uses declined slightly (12 percent, down from 15 percent in 1998).

STAKEHOLDER PERSPECTIVES AND PERCEPTIONS

The planning team conducted stakeholder interviews with economic development agencies serving the County and professionals who work in influential sectors of the economy to provide local perspectives on the economy and perceptions of economic development efforts.

The following is a summary of the stakeholders' perceptions of the current economic climate in Mifflin County.

PERCEPTIONS OF ECONOMIC STRENGTHS AND COMPETITIVENESS

Mifflin County is the regional leader in manufacturing, with this sector being the County's greatest strength. Although some manufacturing plants have closed, the County has an adequate workforce for this industry. Mifflin County's agricultural sector also plays a significant role in the regional economy. The County's proximity and highway access to State

College and Harrisburg, its rural landscape and natural resources, and the Lewistown Hospital, Mifflin County School District, and the educational foundation were also noted as strengths or assets.

"If competitive means being the "best" at something on a globally visible level, then in what is Mifflin County competitive?

- Ultrasonic technology, which started in 1965
- Steel, specifically forged steel rail wheels and axles
- Manufacturing
- Workforce with a good work ethic
- Competitive wage work force
- Service industry, education and healthcare

PERCEPTIONS OF ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT

Other than the Chamber and MCIDC, stakeholders were not aware of or familiar with any local programs or efforts to strengthen small businesses and encourage entrepreneurship, including the Penn State Small Business Development Center. At least one stakeholder noted that students are interested in entrepreneurship and small business starts.

PERCEPTIONS OF OBSTACLES FOR GROWTH

Stakeholders identified the following obstacles:

- The remaining two-lane section of Route 322 , "the missing link," in Centre County from Potter's Mills to Boalsburg
- Lack of parcels of various sizes and appropriate zoning districts for development
- Fragmented economic development efforts; lack of leadership to comprehensively and strategically plan for a common future
- Sufficient, self-interest and "no change, no tax increase" mentalities of municipal officials
- Lack of cooperation and collaboration
- Lack of infrastructure to support economic development efforts
- Focused education, training, and re-training of workforce
- Poor social, economic and cultural perceptions of the County
- Lack of resources to bring in new business

Stakeholders Interviewed

Robert P. Postal, President, Mifflin County Industrial Development Authority

James Zubler, Executive Director, Downtown Lewistown, Inc.

John Prendergast, Plant Manager, GE Inspection Technology

Dan Patterson, Standard Steel Corp

Kay A. Hamilton, RN, MS, President & CEO, Lewistown Hospital

Dr. James A. Estep, Superintendent, Mifflin County School District

Daniel Potutschinig, Mifflin-Juniata Career & Technology

Stakeholders Interviewed continued

Richard Daubert, Executive Director, Tuscarora Intermediate Unit 11

Richard Smeltz, Smeltz & Aumiller Real Estate

Christian Aumiller, Commercial Appraiser

PERCEPTIONS OF THE ROLE OF INSTITUTIONS IN BUILDING FUTURE ECONOMY

The Lewistown Hospital and the school district have played a key role in strengthening the health care and education systems in Mifflin County. They should continue to look at ways to educate and retain residents, while providing quality healthcare. The educational institutions should collaborate with businesses to tailor training or curriculum for workers; businesses should support the community through participation on local boards, providing financial support and granting internships.

PERCEPTIONS OF INVESTMENTS NEEDED TO STRENGTHEN THE COUNTY'S APPEAL

Investments needed to strengthen the appeal of Mifflin County for new business and industry, residents and tourists include:

- Improvements to roads and infrastructure
- More, varied education opportunities
- Marketing of natural resources for tourism
- New housing options, notably for professionals
- Shovel-ready industrial sites and parks
- Additional cultural activities
- Higher quality shopping and dining venues
- Beautification in towns
- Better curriculum and higher performance from the school district, on par with State College and other local school districts
- Enforcement and/or incentives for property maintenance

PERCEPTIONS OF OPPORTUNITIES FOR REGIONAL COLLABORATION

Stakeholders identified the following opportunities:

- Leverage common and complementary strengths to create economic opportunities
- Create a community college
- Work together to grow and retain people and workforce
- Leverage local natural resources and amenities to attract people and businesses

PERCEPTIONS OF PRIORITIES FOR FUTURE INVESTMENT

Developing a skilled workforce to attract new business and industry is a clearly the highest priority. This includes better training for skilled, technical jobs, expanded business and nursing programs, a local community college, and partnership with regional institutions for technology and science programs. Workforce investment is followed by:

- Business development/funding assistance and incentives, including expansion of the Keystone Opportunity Zone (KOZ)
- Infrastructure
- Highways; additional linkages and improvements
- Broadband
- Natural resource promotion for recreation and tourism
- Improving the image of the County, which could feature
  - A heritage of industrial support for war and peace time
  - The County's centrality to the state; proximity to Harrisburg and State College
  - A quality workforce
  - Rural qualities of life, e.g. low traffic, outdoor recreation, scenic natural beauty
  - Welcoming technology and innovation
- Identify land for industrial/commercial development; prepare shovel-ready sites
- Better hotels and restaurants serving visitors and professionals
- Understanding successful models for building reuse and redevelopment, e.g. the Hawley Silk Mill, and culturally relevant business, e.g. farm and craft markets. The County should obtain a Rural Business Enterprise Grant (RBEG) to study how successful models can be replicated in Mifflin County.

THE HAWLEY SILK MILL

The Hawley Silk Mill, LLC is an investment group of local people of Hawley, Pennsylvania, located at the north end of Lake Wallenpaupack in the Lake Region of the Pocono Mountains and the Upper Delaware River Corridor. The mission of the team is to make the Hawley Silk Mill a viable and successful location to conduct business while preserving the historic character of the building.

Originally the Bellemonte Silk Mill, the Hawley Silk Mill was built by the Dexter, Lambert & Company in 1880 and operated as a silk mill from 1880 until 1956. It was the first large scale silk factory in northeastern Pennsylvania. To this day, it is still the largest laid bluestone building in the world, and has a rich history of alternative energy use, once being powered by the water of the Paupack Creek behind the building. The mill has always been, and now continues to be, an important regional economic and historic resource to the northeastern Pennsylvania region. The Hawley Silk Mill has recently been added to the National Register of Historic Places.

Source: www.hawleysilkmill.com.

ECONOMIC ANALYSIS FINDINGS

1. Manufacturing continues to be a leading industry sector for the County. Industrial parks are nearly built out and occupied. More industrial sites are needed.

2. Agriculture continues to play an important role in the County's economy and its scenic, open space environment.

3. The retail sector in Mifflin County is strong with an LQ of 1.2. Based on this strong employment and rural character, the County could potentially support boutique retail that features an authentic Mifflin County experience and locally made products.

4. Peachey's in Belleville represented this concept prior to its closure. Kitchen Kettle Village in Intercourse, PA, provides a good example of a consortium of retail shops that offer authentic Pennsylvania Dutch gifts and local merchandise, made on-site, alongside restaurants and a bed and breakfast.

5. The accommodation/food services sector added jobs during the period of 2006 to 2010, and tourism spending in 2010 increased, post-recession. The Juniata River is a key asset that can be used to strengthen the retail and arts, entertainment, and recreation industry sectors. Areas adjacent to the river should be studied further to determine the economic market and feasibility for:

   - Water-recreation stores and services, such as fish tackle, an outfitter, and canoe and raft livery services.
   - Outdoor cafes and restaurants

6. The health care sector is growing. The merger with Geisinger brings new service and employment opportunities to the County.

7. Based on high unemployment and an increasing percentage of jobs going to workers from surrounding counties, residents aren't competing successfully for local jobs. Education, training and re-training may be needed.