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Economic & Workforce Brief

Information You Can Use About Pennsylvania Economic & Workforce Development

Role of Hospitals in the Economy of Butler County

The **hospital industry** is an important part of the history and economy of Butler County in Pennsylvania. The industry creates jobs and compensation for workers throughout this County and influences tax revenues in the County.

The impact of jobs in hospitals in Butler County:

- *For every 100 jobs* — Due to the need to supply the hospital industry, other industries in Butler County employ an additional 25 workers. Spending of income earned by hospital employees and by workers in Butler County industries that supply hospitals on such items as housing, food, health care, and other retail goods and services creates an additional 34 jobs in Butler County. In short, every 100 jobs in the Butler hospital industry are associated with 159 total jobs in the County.
- *For every 100 jobs* — The hospital industry generates \$4.5 million compensation (wages, pensions, income of proprietors) for its own Butler County employees and \$794,000 compensation for employees whose jobs are created because their Butler County firms supply the hospital industry in the County. Spending of income by hospital employees and workers in supplying industries generates an additional \$867,000 compensation for other Butler County workers. In this way, the hospital industry is responsible for generating \$6.2 million annual compensation for every 100 hospital workers employed in Butler County.
- *For every 100 jobs* — Business activity by the hospital industry, the industry's impact on Butler County industries that supply it, and the effect of spending by workers employed in the hospital industry and its supplying industries generate \$160,000 in property taxes that are paid annually by businesses and individuals in Butler County to local governments.

Research reported in this *Brief* was prepared by Penn State's Workforce Education & Development Initiative, a collaboration between Penn State Outreach and Penn State's College of Education.

This *Brief* results from analysis of Pennsylvania economic and workforce opportunities and issues conducted by the Workforce Assessment Center in Penn State Outreach in collaboration with the Institute for Research in Training and Development, a research unit in Penn State's College of Education.

Contact Rose M. Baker, Program Manager of the Workforce Assessment Center, at rmb194@psu.edu, 814.865.9919 (voice), or 814.865.3589 (fax) for information about additional services available to help plan and evaluate economic and workforce development in the Commonwealth.



This Brief contains an analysis of activity of establishments primarily engaged as hospitals in North American Industry Classification System code 622. 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; 814.865.9919) or David L. Passmore (dlp+irtld@psu.edu; 814.863.2583). Dollar values are expressed as year 2006 dollars.