Ohio’s Steel Industry – By the Numbers

Take a close look at the numbers quantifying the overall economic impact of Ohio’s steel industry and you reach this inevitable conclusion: **Ohio is steel strong.**

In 2012, the Ohio Steel Council commissioned the Center for Economic Development at Cleveland State University’s Maxine Goodman Levin College of Urban Affairs to conduct an economic impact analysis of the steel industry in Ohio.

Looking at both raw steel production and fabricated metal product manufacturing, the report notes that Ohio’s steel industry is the foundation for a number of supply chains that are critical sources of income and job opportunities for the state’s residents, in industries ranging from auto and aircraft parts to energy production and appliances.

In the words of the report’s authors, **“The steel industry [in Ohio] is a load-bearing beam in the state’s economic structure and props up many other Ohio industries, including some seen as critical to a more ‘knowledge-based’ economy.”** (p.61)

Consider these selected impact measures from the Cleveland State report:

- Raw steel producers employ nearly 18,000 people in Ohio who pay taxes – revenues that support schools, infrastructure and other state programs.
- On average, raw steel producer employees in Ohio earn about $69,000 per year – a wage that significantly contributes to Ohio’s middle class.
- Payroll for raw steel producer employees in Ohio totals about $1.2 billion – income that drives consumer spending and supports local economies.
- Ohio ranks second among all states in total raw steel production (measured as thousands of net tons) – second only to Indiana.
- Raw steel producers in Ohio generate about $2 billion in Gross Domestic Product – or just under 9 percent of the industry’s national contribution to GDP.
- Ohio’s raw steel producers and fabricated metal product manufacturers sell about $8.6 billion worth of product to in-state customers – products those companies need to operate and serve their customers.
- Ohio’s raw steel producers and fabricated metal product manufacturers purchase about $10.2 billion of goods and services produced in Ohio.
In 2010, in the wake of the Great Recession, Ohio's total steel industry – raw steel producers and fabricated metal product manufacturers – generated $13.1 billion in Gross Domestic Product, which represents about 8.2 percent of the industry's national contribution to GDP.

The Ohio steel industry invests heavily in plants and equipment located throughout Ohio. In 2012, Ohio steelmakers announced combined capital investments of $1.5 billion in Ohio.

Any way you look at the data, it all adds up: Ohio is steel strong. Or, as the CSU report puts it, “The steel industry’s outsized contribution to Ohio’s GSP [Gross State Product] and employment indicates how the state’s industrial past continues to forge and shape its economic future.” (p. 61)

A full copy of the Cleveland State report can be downloaded from the Ohio Steel Council website, www.ohiosteelcouncil.org.