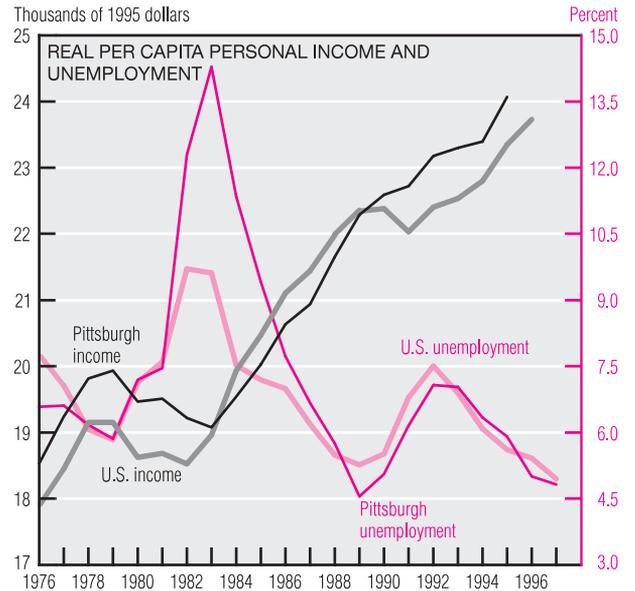


# Regional Update: Pittsburgh

Industry Share of Total Nonfarm Employment (Percent)	Pittsburgh MSA		U.S.	
	1997	1979	1997	1979
	Mining	0.4	1.4	0.5
Construction	4.6	5.1	4.6	5.0
Manufacturing	12.8	24.6	15.2	23.4
Durables	9.1	19.8	8.9	14.2
Nondurables	3.7	4.8	6.2	9.3
TPU <sup>a</sup>	6.1	6.4	5.3	5.7
Trade	23.9	22.3	23.5	22.5
FIRE <sup>b</sup>	5.8	4.9	5.8	5.5
Services	34.6	22.6	29.1	19.1
Government	11.7	12.8	16.1	17.8



Largest Employers in Pittsburgh MSA <sup>c</sup>					
1997		1979			
Share of MSA employment (percent)	Industry	Share of MSA employment (percent)	Industry		
University of Pittsburgh Medical Center	1.1	Services	United States Steel	4.4	Durables mfg.
US Airways	1.1	TPU <sup>a</sup>	Westinghouse	3.1	Durables mfg.
Allegheny Health, Education and Research Foundation	0.9	Services	Jones and Laughlin Steel	2.4	Durables mfg.
University of Pittsburgh	0.8	Government	Allegheny Ludlum Steel	0.7	Durables mfg.
Mellon Bank Corp.	0.8	FIRE <sup>b</sup>	Bell Telephone Co.	0.7	TPU <sup>a</sup>
Westinghouse Electric Corp.	0.7	Services	Crucible Steel	0.7	Durables mfg.
PNC Bank Corp.	0.6	FIRE <sup>b</sup>	Babcock and Wilcox	0.6	Durables mfg.
USX Corp.	0.6	Durables mfg.	University of Pittsburgh	0.6	Government
McDonald's Corp.	0.5	Services	PPG Industries, Inc.	0.5	Durables mfg.
Eat 'n Park Restaurants, Inc.	0.5	Services	Wheeling-Pittsburgh Steel	0.5	Durables mfg.

a. Transportation and public utilities.  
 b. Finance, insurance, and real estate.  
 c. Excludes local education and unspecified local, state, and federal government employment.  
 SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Department of Labor, Bureau of Labor Statistics; Pennsylvania Department of Labor and Industry; and "50 Largest Pittsburgh-area Employers," *Pittsburgh Business Times*, 1998 Book of Lists, December 30, 1997, p. 72.

Nationally, the proportion of workers in the manufacturing sector is declining, while employment in the service industries is on the upswing. Nowhere is this trend more apparent than in the Pittsburgh metropolitan statistical area (MSA).

In 1979, the MSA's unemployment rate was low at 5.8%; its per capita personal income exceeded the national rate by 4%. A quarter of the workforce was engaged in manufacturing, and eight of the metropolitan area's 10 largest employers were manufacturers of

durable goods. The top two utilized 7.5% of the area's total workforce—a considerable share. The health of Pittsburgh's economy was heavily dependent on steel production.

During the early 1980s, its formerly prosperous economy faltered, primarily because of shocks to the steel industry and competition from more efficient mills elsewhere. In 1983, the jobless rate for the MSA reached a historical high of 14.3% (compared to 9.6% for the U.S.) and its real per capita personal income declined 4.3% from four years earlier

(compared to the U.S. drop of 0.3%).

Over the last 18 years, Pittsburgh has been transformed. Employment in manufacturing has decreased almost 12 percentage points, with service industry jobs increasing by the same amount. The MSA's unemployment rate is currently lower than the nation's, and since 1983, its real per capita income growth has topped the U.S. average. Nine of the area's 10 largest employers are currently service producers, and there is no dominant employer.