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

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<tr>
<th>Manufacturing Output</th>
<th>Manufacturing’s Share of Total Gross State Product</th>
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<td>$84.2 billion</td>
<td>28.2%</td>
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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.


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