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## Downtown Cleveland's Economic Base, 1989-1996

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# **Downtown Cleveland's Economic Base, 1989-1996**

Prepared for:

***Cleveland Tomorrow  
and  
The Greater Cleveland Growth Association***

by:

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and  
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Economic Development Program

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# TABLE OF CONTENTS

Executive Summary	i
I. Introduction	1
II. Data and Methodology	2
III. Employment Trends in Downtown Cleveland	5
A. Overall Trends	5
B. Major Industry Sectors	6
C. Contribution to Employment Growth	11
D. Industry Subsectors	13
E. Downtown Gainers and Losers	18
F. Downtown Establishments by Employment Size	20
G. Downtown Cleveland by Zip Code	22
IV. Total Payroll Trends in Downtown Cleveland	24
V. Payroll Per Capita Trends in Downtown Cleveland	27
A. Overall Trends	27
B. Major Industry Sectors	28
C. Industry Subsectors	30
D. Downtown Gainers and Losers	34
E. Downtown Cleveland by Zip Code	36
VI. Trends in Total Employment Versus Total Payroll	37
VII. Downtown Cleveland Compared to Cuyahoga County and the Cleveland PMSA	39
A. Employment	39
B. Payroll Per Capita	44
VIII. Public Versus Private Sector Employment in Downtown Cleveland	48
IX. Conclusions	51
Appendix	53



## **EXECUTIVE SUMMARY**

This report describes the results of a study of Downtown Cleveland's economic base. The study measures changes in employment and payroll per capita that occurred between 1989 and 1996 and compares Downtown trends to changes in Cuyahoga County and the Cleveland Metropolitan Area. The Cleveland Metropolitan Area consists of six counties including Cuyahoga, Geauga, Lake, Lorain, Medina, and Ashtabula. Downtown Cleveland is defined as the geographic area covered by zip code numbers 44113, 44114, and 44115 (Map 1).

A unique longitudinal database was developed for this project with quarterly information on each company's name, address, zip code, city, county, industrial classification, employment, and payroll. Confidentiality rules protect company-level information and restrict data presentation.

### **MAJOR FINDINGS**

- Businesses and other employers located in Downtown Cleveland provide jobs for almost 138,000 people. Downtown employment rose by 4.8%, or 6,269, from 131,711 in 1989:Q1 to 137,979 in 1996:Q1 (Table 1).
- The Downtown employment growth rate (4.8%) was similar to that in the Cleveland Metropolitan Area (5%), but much faster than the 0.9% job growth in Cuyahoga County over the same period (Table 1).
- Downtown employment accounted for almost 13% of the Cleveland Metropolitan Area jobs in both 1989 and 1996. However, Downtown jobs as a proportion of Cuyahoga County jobs grew from 17.1% in 1989:Q1 to 17.9% in 1996:Q1 (Figure 1).



- The Services sector accounted for more than four out of ten jobs in Downtown Cleveland (41%) in 1996:Q1. The Services sector includes a diverse group of industries such as hotels, business services, auto repair and parking, amusement and recreation, health services, legal services, educational services, social services, membership organizations, and engineering and management services (Figure 2).
- The Finance, Insurance, and Real Estate (FIRE) sector was the second largest in the Downtown economy in 1996:Q1, accounting for 16% of all jobs, while Government was the third largest employer in Downtown Cleveland.
- All the growth in Downtown employment occurred in four major sectors: Services (which added 7,824 jobs), FIRE (2,920), Government (1,941), and Retail Trade (1,486) (Table 2). Growth rates in Downtown Retail Trade and Services jobs were significantly higher than those in the County and the Metropolitan Area. Employment growth rates in Government and FIRE jobs were similar in the Downtown, County, and Metropolitan Area economies.
- Downtown, Cuyahoga County, and the Cleveland Metropolitan Area all lost employment in Durable and Nondurable Manufacturing and in Transportation, Communication, and Public Utilities (TCPU), although the rates of decline were larger in Downtown (Figure 5). Job losses in Communication and Public Utilities were mainly due to well-publicized relocations and downsizing at Ohio Bell, Cleveland Electric Illuminating Company, and East Ohio Gas, consistent with nationwide restructuring in these industries during the period. Wholesale Trade declined by the same rate in Downtown and the County, but rose in the Metropolitan Area.
- Analysis of more detailed industries reveals that four industries added more than 1,000 jobs each to the Downtown economy between 1989:Q1 and 1996:Q1. These

include Business Services<sup>1</sup> (+5,506); Commercial Banks and Savings Institutions (+2,334); Educational Services (1,644); and Administration of Human Resources, including educational, public health, social, and veterans' programs (1,056). Two industries lost more than 1,000 employees each: Communications (-1,242) and Electric, Gas, and Sanitary Services (-1,169).

- In Downtown Cleveland, as in the broader economy, the majority of businesses are small. In 1996:Q1, 77% of establishments located Downtown had fewer than 20 employees. The major part of total employment, however, is accounted for by larger establishments. Businesses with at least 100 employees accounted for 67% of Downtown jobs, although they accounted for only 6% of all establishments.
- Downtown has a higher concentration of large establishments than do Cuyahoga County and the Cleveland Metropolitan Area. In the Downtown area, large establishments with more than 500 employees account for 1.3% of all establishments and 40% of all jobs. In the Metropolitan Area as a whole, large establishments account for only 0.4% of all establishments and a quarter of all jobs. In the County, they account for only 0.5% of establishments and 29% of employment.
- Analysis of Downtown employment trends for every year between 1989 and 1996 reveals that employment declined in the early 1990s and began to increase again between 1993 and 1994. More specifically, employment declined by 2.6% between 1990:Q1 and 1991:Q1, remained stable for the next year, fell slightly more between 1992:1Q and 1993:Q1, then increased every year until 1996:Q1, the latest data available. Some of these trends can be attributed to the recession.

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<sup>1</sup>Business Services include industries such as Advertising, Credit Reporting and Collection; Mailing, Reproduction, and Commercial Art; Employment Agencies; and Computer and Data Processing Services.

- Average annual payroll per capita in Downtown Cleveland was \$35,998 in 1996. Total payroll reached nearly \$5 billion. Downtown payroll per capita was consistently higher during the study period than that of Cuyahoga County (\$30,526 in 1996) or the Cleveland Metropolitan Area (\$28,943 in 1996).
- Payroll per capita in Downtown Cleveland between 1989 and 1996 increased 2.2% (adjusted for inflation and measured in real terms). Payroll per capita increased 1.0% in Cuyahoga County and 1.9% in the Cleveland Metropolitan Area.
- Downtown payroll per capita rose in five major sectors including Durable Manufacturing (25.3%), FIRE (19.2%), Government (13.1%), Non-Durable Manufacturing (10.9%), and Wholesale Trade (6.9%). The sizable increases in the two Manufacturing sectors are interesting, given that both showed large employment losses over the period. One explanation is that some large manufacturers laid off employees or moved employment out of the Downtown area and kept a portion of the higher-paying jobs Downtown. Another possible explanation is that the establishments that closed or left Downtown had lower payroll on average.
- Downtown payroll per capita in two growing sectors, Retail Trade and Services, declined over the period by 6.5% and 2.5%, respectively. In other words, employment in these two sectors increased by a greater percentage than did total payroll, resulting in declining payroll per capita over the period. For Retail Trade, this may indicate an increase in part-time employment relative to full-time employment. For Services, the decline in payroll per capita is most likely due to a substantial increase in temporary employment, which tends to be lower-wage and/or part-time employment. Nationally, both the Retail and Services sectors are characterized by high percentages of part-time workers; part-time workers account for 35% of all Retail Trade workers and 23% of all jobs in the Services sector.

- Government and FIRE are the two major sectors that increased both employment and payroll per capita over the period. In other words, total payroll increased by a much higher percentage than did total employment, resulting in increased payroll per capita. Payroll per capita rose by 19.2% in FIRE and by 13.1% in Government between 1989 and 1996, measured in real terms.

## CONCLUSIONS

The various employment and payroll trends over the past seven years lead to the following conclusions:

1. Downtown Cleveland's economy is based primarily on service-producing industries. This is not surprising, but the results underscore the extent to which the Downtown area is a center for these industries. All of the employment growth over the study period occurred in major service sectors (Services, FIRE, Government, and Retail Trade). These employment gains more than offset job losses in all goods-producing industries and in TCPU and Wholesale Trade.<sup>2</sup>
2. Downtown employment growth was the main contributor to Cuyahoga County's job growth. The addition of close to 6,300 jobs in Downtown accounted for 90% of the net job growth in the County as a whole.
3. Downtown has a greater proportion of large establishments than Cuyahoga County and the Cleveland Metropolitan Area, reflecting the large presence of corporate headquarters and divisions of nonlocal companies located in Downtown Cleveland. This may imply that policy makers should pay attention to large establishments

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<sup>2</sup> Goods-producing industries include the Construction and Manufacturing sectors, while service-producing industries consist of the following sectors: Transportation, Communication, and Public Utilities; Wholesale Trade; Retail Trade; Finance, Insurance, and Real Estate; Services; and Government.

because the successful retention or unfortunate loss of a single large establishment could significantly affect Downtown Cleveland's economic base.

4. Downtown Cleveland has benefitted thus far from mergers and consolidations in the banking sector. For example, the merger of Society Bank with KeyCorp brought the combined company headquarters into Society's new building in Downtown Cleveland. However, with strong expectations for continued consolidations in the banking industry, the concentration of banks Downtown may be a vulnerability; in future consolidations, local banks could be acquired by banks outside the Cleveland area, which might consolidate their operations elsewhere.
5. Payroll per capita in Downtown Cleveland is higher than payroll per capita in Cuyahoga County and in the Cleveland Metropolitan Area. This suggests that Downtown jobs are, on average, higher paying jobs, which means that Downtown companies are an important source of tax revenues to the City of Cleveland.

## **I. INTRODUCTION**

This report represents the results of a study of Downtown Cleveland's economic base, measured in terms of trends in employment and payroll. The study analyzes the changes that occurred over the past seven-year period, 1989 to 1996, in total employment and payroll per capita in Downtown Cleveland, as well as trends in the area's major industrial sectors and more detailed industries. The following analysis is based on a newly-developed Downtown database, as well as on employment and payroll data (ES202 data base) for Cuyahoga County and the Cleveland metropolitan area (PMSA) for comparison purposes. The Cleveland PMSA consists of six counties including Cuyahoga, Geauga, Lake, Lorain, Medina, and Ashtabula.

The study was conducted for Cleveland Tomorrow and The Greater Cleveland Growth Association in support of the efforts to update the Cleveland Civic Vision 2000 Downtown Plan. Knowledge about the economic base of the Downtown area should serve as a basis for decision-making by community leaders for continued improvements and developments in the area. This study was conducted by The Urban Center's Economic Development Program at Cleveland State University's Levin College of Urban Affairs.

## II. DATA AND METHODOLOGY

For this project, a unique Downtown Cleveland database was developed by the Economic Development Program at Cleveland State University's Levin College of Urban Affairs. For the purposes of this study, Downtown Cleveland has been defined as the geographic area covered by zip codes 44113, 44114, and 44115, and the database was developed to include all companies in this cumulative area. The database includes quarterly information for the period 1989:Q1 to 1996:Q1. Importantly, this is the only longitudinal database which provides accurate company-level employment and payroll information by geographic location.

The Downtown database is a subset of the Ohio Economic Development Information database, a database developed from the Ohio ES202 data by the Economic Development Program. The ES202 data are based on quarterly unemployment compensation reports collected by each state under federal mandate; nearly all employers with paid employees are required to file unemployment reports to their respective states. It is estimated that 99% of paid employees and 90% of all employees are covered in this database.<sup>1</sup> Created by the Ohio Bureau of Employment Services (OBES) for tax collection purposes, the ES202 database is being transformed by the Economic Development Program from an administrative database into one which is useful for research. The data includes quarterly information on each company's name, address, zip code, county, industrial classification, employment, and payroll. It should be noted that confidentiality restrictions limit the presentation of the data.

In the development of the Downtown database, ES202 data records with employment of 50 or more in at least one quarter over the study period were checked using telephone

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<sup>1</sup> White, Sammis B., et. al., ES202: The Data Base for Local Employment Analysis, Economic Development Quarterly, Vol. 4, No. 3., pp.240-253.

books, industrial directories, and by making numerous phone calls. Incorrect addresses and industrial classifications were changed. Companies with multiple locations that reported from only one location were split into the correct geographic locations, and employment and payroll was allocated among the individual locations. Among companies with at least 50 employees, only those with confirmed location and correct address are included in the Downtown database.<sup>2</sup>

Several caveats in the ES202 data should be noted. First, the database includes the number of jobs for each establishment based on its location. This describes the actual place of work for workers in most industries. However, for employers such as construction companies and temporary employment agencies, most of the jobs are not located at the company's address and employees are being sent to other locations. Thus, caution is required when interpreting employment trends in these industries.

Second, the data does not distinguish between full-time and part-time employees. Comparison of employment among industrial sectors may be distorted when there is a greater proportion of part-time workers in some sectors than in others. Further, industries with greater proportions of part-time workers will have lower average payroll per employee because total payroll is divided into more employees. According to national data from the Bureau of Labor Statistics, the sectors with the highest proportions of part-time employment are Retail Trade, where 35% of the workforce is part-time, and Services, where part-time employees account for 23% of total employment. These two sectors are most affected by this caveat. However, it should be emphasized that many well known and widely-used employment and payroll data bases suffer from this limitation.

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<sup>2</sup> Companies with less than 50 employees in all quarters that reported from the three zip codes were included in the Downtown data base without address checking and verification. However, they accounted for only 19.4% of total Downtown employment.



Third, the ES202 covers only those employers required to file unemployment compensation reports with their states; companies without paid employees are excluded from the data base. The data also do not include sole proprietorships, small farms, domestics, church workers, and those working for family businesses without pay. Finally, some government units, such as state, county, and city governments, report from central locations, even though some jobs are actually located elsewhere. The data "cleaning" and verification process cannot always assign the correct geographic locations for these government jobs because phone directories many times do not provide individual addresses for these agencies.

### **III. EMPLOYMENT TRENDS IN DOWNTOWN CLEVELAND**

This section describes the trends in employment in Downtown Cleveland over the period 1989:Q1 to 1996:Q1 and compares them to overall trends in Cuyahoga County and the Cleveland Metropolitan Area (Cleveland PMSA).<sup>3</sup>

#### **A. OVERALL TRENDS**

Employers located in Downtown Cleveland provide jobs for nearly 138,000 people. Total employment in Downtown Cleveland, as defined in this study, was 137,979 in the first quarter of 1996 (see Table 1). This represents a total gain of 6,269 jobs over 1989:Q1, a 4.8% increase.<sup>4</sup> The growth rate in employment in Downtown Cleveland over the study period is comparable to that of the Cleveland PMSA, 5.0%. However, employment grew considerably faster in Downtown Cleveland than in Cuyahoga County as a whole, which experienced only a slight increase in employment of 0.9%. Excluding Downtown, Cuyahoga County's employment remained fairly stable, increasing by only 0.1%.<sup>5</sup>

In 1996:Q1, Downtown Cleveland accounted for about 13% of the total employment of the PMSA, and almost 18% of the total for Cuyahoga County (see Figure 1). The relative importance of the Downtown economic base for Cuyahoga County has grown slightly over the past seven years, from 17.1% in 1989:Q1, to 17.8% in 1996:Q1.

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<sup>3</sup> In this study, Downtown Cleveland is compared to Cuyahoga County and the Cleveland PMSA as a whole and not to these geographic areas excluding the Downtown.

<sup>4</sup> It should be noted that in using 1989:Q1 and 1996:Q1 figures, this is essentially a peak-to-peak analysis which does not examine trends involving the economic recession in the interim.

<sup>5</sup> These trends illustrate that the employment growth in the PMSA over the period is mainly due to the contributions of the suburban counties.

<b>Table 1</b> <b>Total Employment in the Cleveland Area</b>				
<b>Region</b>	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Downtown Cleveland	131,711	137,979	6,269	4.8
Cuyahoga County	766,036	773,045	7,009	0.9
Cleveland PMSA	1,019,422	1,070,544	51,122	5.0
Note: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

## **B. MAJOR INDUSTRY SECTORS**

The major industry sectors differ substantially in their relative size, and therefore, significance to Downtown Cleveland (see Figure 2). In 1996:Q1, the Services sector accounted for the largest portion of total Downtown employment, with 41.1%. The Financial, Insurance and Real Estate sector (FIRE) followed, with 15.9% of total Downtown employment. Government was the third largest employer in Downtown Cleveland.<sup>6</sup>

The smallest sectors in terms of employment were quite small; the Agriculture & Mining sector accounted for just 0.1% of Downtown employment, and second Construction, with 1.8%.<sup>7</sup> It must be noted that the figures for the Construction sector include employees who work for Construction companies located Downtown; importantly these employees are not necessarily working Downtown. In fact, most of the construction jobs associated with large projects in Downtown Cleveland are done by workers of companies located

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<sup>6</sup> Some of the City of Cleveland and Cuyahoga County public sector jobs that are reported from Downtown addresses may actually be located outside the Downtown area.

<sup>7</sup> Since Agriculture and Mining is such a small sector in the Downtown Cleveland economy, the rest of the descriptive analysis excludes this sector, although it continues to appear in the tables.

outside Downtown. Thus, according to the database, the Downtown Construction industry is small and relatively insignificant to the Downtown economy, even though many construction employees are working on construction projects in Downtown Cleveland.

Trends in Downtown employment by major sector also differ substantially, but largely followed the pattern one would expect for the period 1989:Q1 to 1996:Q1 (see Table 2). Over this time, Downtown employment in all goods-producing industries declined, while Downtown employment in most service-producing industries increased. Goods-producing industries include the Construction and Manufacturing sectors, while service-producing industries consist of the following sectors: Transportation, Communication, and Public Utilities; Wholesale Trade; Retail Trade; Finance, Insurance, and Real Estate; Services; and Government.

<b>Table 2</b> <b>Downtown Employment by Major Sector</b> <b>Sorted by Total Change</b>				
	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Services	48,794	56,618	7,824	16.0
FIRE	18,983	21,903	2,920	15.4
Government	15,374	17,316	1,941	12.6
Retail Trade	7,383	8,869	1,486	20.1
Agriculture & Mining	176	81	-95	-54.0
Wholesale Trade	8,234	7,977	-257	-3.1
Construction	2,715	2,450	-265	-9.8
TCPU	12,104	10,028	-2,076	-17.0
Durable Manufacturing	8,458	6,024	-2,435	-29.0
Non-Durable Manufacturing	9,473	6,612	-2,812	-30.0
Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Sum of major sectors does not equal Downtown employment total since some establishments are not classified by SIC. Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

Figure 1

## Employment in the Cleveland Area 1996: Q1

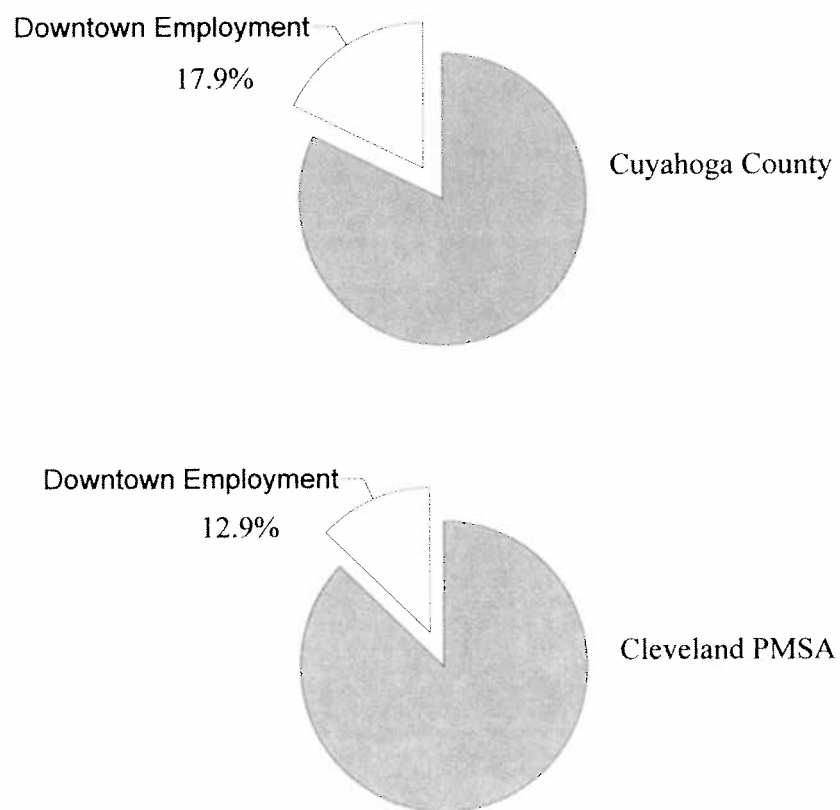
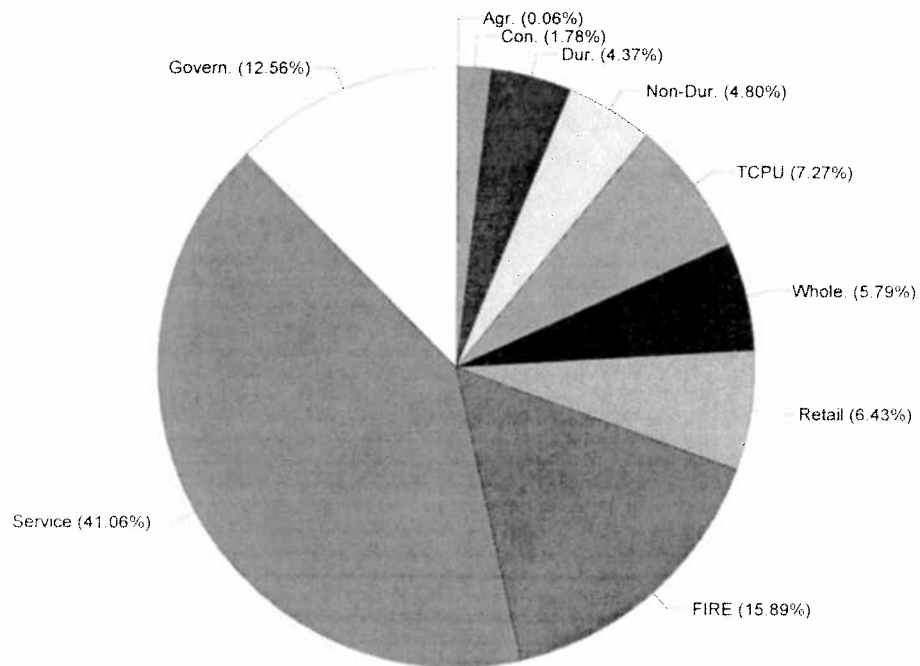


Figure 2

## Downtown Employment by Major Sector 1996: Q1



**Total Downtown Employment = 137,979**

While the Transportation, Communications and Public Utilities (TCPU) and Wholesale Trade sectors showed declines in Downtown employment for the period, the remaining four service sectors all experienced increases in employment in Downtown Cleveland. Importantly, the growth in these sectors, Retail Trade, FIRE, Services and Government, more than offset the declines in the others, resulting in the overall Downtown employment growth of 4.8%. Of all the major industry sectors, Services posted the greatest increase in the number of jobs over the period, with Downtown employment increasing by 7,824. The FIRE and Government sectors ranked second and third in terms of increased employment in Downtown Cleveland, adding 2,920 and 1,941 jobs, respectively. The increased employment in FIRE illustrates the benefits to Downtown Cleveland of the considerable consolidation in financial services over the study period. Retail Trade also gained a considerable number of Downtown jobs, 1,486.

The Manufacturing sectors showed the largest Downtown employment losses for the period. Non-Durable Manufacturing had the highest number of Downtown jobs lost, at 2,812, while Durable Manufacturing ranked second, with a loss of 2,435 Downtown jobs. A substantial part of these losses is attributed to the consolidation and layoffs of British Petroleum, once one of the largest employers in Downtown Cleveland. TCPU also lost a substantial amount of Downtown employment, 2,076.

The ranking of the sectors in terms of percentage change over the period is slightly different; the difference in the rankings reflects that the major sectors differ in employment size, so that large percentage changes for smaller sectors do not necessarily imply large changes in the number of jobs. For example, the Retail Trade sector had the highest percentage increase in Downtown employment, with a growth rate of 20.1% for the period; however, since the sector is relatively smaller in employment size than Services, FIRE and Government, it ranks only fourth in actual jobs gained.

The increase in the Retail Trade sector reflects the resurgence of retailing in Downtown Cleveland. The Tower City Center, an upscale shopping area opened in 1992, accounts for a large part of the increase, as well as new souvenir and specialty apparel stores spurred by Jacobs Field, Gund Arena and the Rock & Roll Hall of Fame. The new and increased employment at these establishments offset the loss of a major department store in Downtown during the period. Services and FIRE rank second and third in percentage change in Downtown employment, with increases of 16.0% and 15.4%, respectively.

Analyzing Downtown employment trends by year between 1989 and 1996 reveals that employment declined in the early 1990s and began to increase again between 1993 and 1994 (see Table A.1 in the Appendix). More specifically, employment declined by 2.6% between 1990:Q1 and 1991:Q1, remained stable for the next year, fell slightly more between 1992:1Q and 1993:Q1, and then started to increase each year until 1996:Q1, the latest data available. Some of these trends can be attributed to the national recession.

### **C. CONTRIBUTION TO EMPLOYMENT GROWTH**

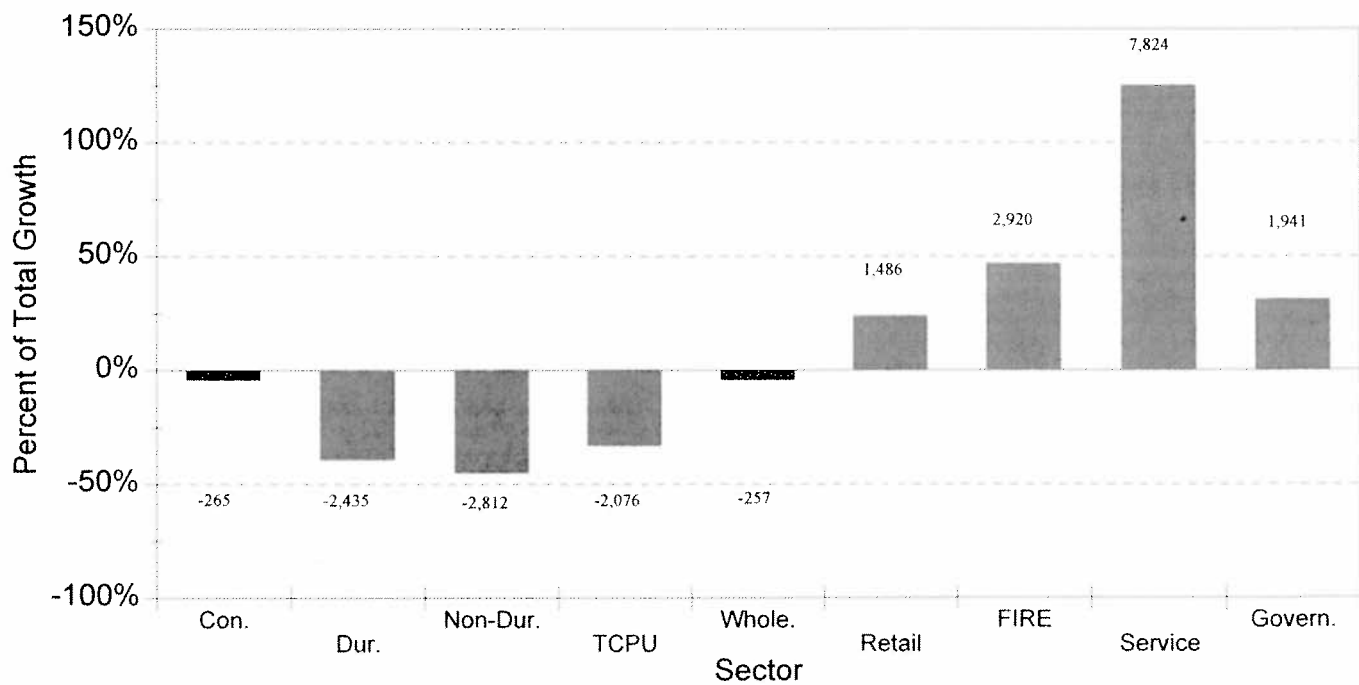
Overall employment in Downtown Cleveland grew by almost 6,270 jobs over the period. However, there was a clear divergence in trends between the goods-producing and service-producing sectors (see Figure 3). The Services sector contributed the most to the overall increase in Downtown employment, with Services growing by 7,824 jobs. The strong growth in Services and the Retail Trade, FIRE and Government sectors was offset by sizable declines in the Durable and Non-Durable Manufacturing sectors, as well as in TCPU. Together, the Manufacturing sectors lost 5,247 jobs in Downtown Cleveland over the period.



Figure 3

## Contribution to Employment Growth

Downtown Cleveland 1989: Q1 - 1996: Q1



Total Employment Growth = 6,270

## D. INDUSTRY SUBSECTORS

Trends in major industry sectors can often mask significant trends in industry subsectors; therefore, this section considers trends in employment in Downtown Cleveland at the detailed industry level, that is, by two-digit SIC (see Table 3).<sup>8</sup> In the Construction sector, General Building Contractors had an increase in Downtown jobs of 30.2%, or 216. This increase was offset by declines in both Heavy Construction, Except Building, of 23.2%, or 108 jobs, and Special Trade Contractors, of 24.3%, or 373 jobs.

A look by detailed industry further illustrates the downward trend in Downtown employment in the goods-producing sectors. Employment in all subsectors in Durable and Non-Durable Manufacturing declined with the exception of two, Instruments & Related Products, and Chemicals & Allied Products, which accounted for a small number of increased Downtown jobs.

The largest total Downtown employment losses in the Manufacturing sectors occurred in Printing & Publishing, with 773 jobs lost over the period, Primary Metal Industries, with 681 lost, and Industrial Machinery & Equipment, with 632 lost. It was well covered by the media that during this period, the local daily newspaper, The Plain Dealer, moved many of its workers to a new facility outside the City of Cleveland. The largest percentage declines in Downtown employment were in Food & Kindred Products, with a decline of 66.4%, Primary Metal Industries, 54.2%, and the small Rubber & Miscellaneous Plastics Products subsector, 51.0%.

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<sup>8</sup> Some SIC categories do not appear due to data suppression required by confidentiality rules imposed by the Bureau of Labor Statistics and the Ohio Bureau of Employment Services.

In TCPU, the only subsector to post a sizable increase in employment was Trucking & Warehousing, with an increase in Downtown jobs of 37.6%, or 246. However, this was completely offset by substantial losses in Communications, with a decline of 29.3%, or 1,242 Downtown jobs, and Public Utilities, with a decline of 23.2%, or 1,169. It is well known that local utility companies, following national trends, have been downsizing over the past several years. Wholesale Trade experienced small declines in Downtown jobs across the board.

In Retail Trade, substantial increases in Downtown Cleveland employment occurred in the following subsectors: Miscellaneous Retail, Food Stores, and Apparel & Accessory Stores. Miscellaneous Retail, which includes such establishments as drug stores, sporting goods stores, book stores, and gift, novelty and souvenir shops, added 714 Downtown jobs over the period, for an increase of 56.9%. Food Stores increased by 415 jobs, or 50.3%, while Apparel & Accessory Stores increased by 214 jobs, or 38.6%. Eating & Drinking Places, while showing a smaller percentage increase of 18.7%, gained a considerable number of Downtown jobs, 615. Some of these employment gains were offset by large declines in General Merchandise stores, with a decline of 38.9%, or 281 jobs, and Furniture & Home Furnishings, which fell by 37.2%, or 127 jobs. The decline in General Merchandise Stores partly reflects the loss of a major department store in Downtown Cleveland during the period.

In the FIRE sector, every two-digit SIC gained Downtown employment with the exception of Non-Depository Institutions (including personal and business credit institutions, mortgage bankers and brokers, etc.), which fell by 43.2%, or 205 jobs. Subsectors with substantial increases included the large subsector, Depository Institutions (commercial banks, savings institutions, credit unions, Federal Reserve banks, etc.), which gained 2,334 Downtown jobs for an increase of 23.4%, and the much smaller subsector, Holding & Other Investment Offices (holding companies, bank holding companies, trusts, etc.), which increased by 205 jobs, or 55.9%.

The Downtown job gains in commercial banks occurred due to mergers and consolidation in the banking sector, especially between local banks and out-of-market banks. Importantly, mergers between two local banks will usually reduce headquarter employment as well as back-office jobs and branch employment. However, a merger between a local bank and a bank from outside the market will increase employment where the combined company's headquarters is located and reduce employment in the other bank's past headquarters location. Examples of mergers contributing to Downtown Cleveland's employment growth include the merger between Society Bank and Toledo Trust that consolidated headquarters activities in Downtown Cleveland and the well-publicized merger between Society Bank and KeyCorp which moved the headquarters of the combined company (KeyCorp) to Society Bank's new headquarters in Downtown Cleveland.

These examples indicate that Downtown banking jobs are vulnerable because national mergers and consolidations in this industry are expected to continue and future deals might not benefit Cleveland as they did during the studied period. With banks accounting for 9% of Downtown's total employment, and a large proportion of headquarters activities, the Downtown economy is sensitive to continued restructuring in the banking industry.

The large gain in Downtown employment in the Services sector was mostly driven by the increase in jobs in Business Services; this subsector gained 5,506 Downtown jobs, for an increase of 60.8%. This subsector includes a wide variety of establishments, including advertising agencies, photocopying and duplicating services, commercial art and graphic design, building maintenance services, employment agencies, computer and data processing services, and security services. In Downtown Cleveland, however, personnel supply and temporary employment agencies account for about 57% of the total employment in this subsector; moreover, increased employment by these agencies contributed about 85% of the total employment gained by Business Services over the period. Therefore, an important caveat must be understood; while these establishments

are located in Downtown Cleveland, and the temporary employment originates there, the actual jobs may be performed anywhere in the agencies' service areas.

Another subsector to gain a substantial number of jobs in Downtown Cleveland was Educational Services, which increased by 1,644 jobs, or 19.9%. Also, hotel employment grew by 276 jobs, or 15.8%. No detailed industry within the Services sector experienced a sizable decline in Downtown employment over the period.

As for Government, the two subsectors with the largest increases in Downtown employment were Administration of Human Resources, which increased by 44.1%, or 1,056 jobs, and Justice, Public Order & Safety, which increased by 13.1%, a job gain of 905. These two industries grew by similar growth rates in the county and the metropolitan area. Most of the growth occurred in the County government, mainly in the administration of social and manpower programs and some in the courts and public order and safety. The smaller category National Security & International Affairs had the largest percentage decline in Downtown government employment, falling 19.5%, by 204 jobs, even though the community was successful in its efforts to increase the number of jobs at the Navy Finance Center, which is included in this industry.

## **E. DOWNTOWN GAINERS AND LOSERS**

This section considers the biggest Downtown employment gainers and losers, respectively, by two-digit SIC; first by actual employment change, and then by percentage change (see Tables 4 and 5). The subsector with the largest gain in Downtown employment over the period was Business Services, followed by Depository Institutions, and Educational Services. On a percentage change basis, the largest gains occurred in the very small subsector Instruments & Related Products, followed by Business Services, and Miscellaneous Retail. It is interesting to note that all of the 'biggest gainers' of Downtown employment over the period were service-producing industries.

<b>Table 4</b>					
<b>Biggest Gainers by Two-Digit SIC</b>					
<b>Largest Increases in Downtown Employment</b>					
	<b>SIC</b>	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Business Services	73	9,055	14,561	<b>5,506</b>	60.8
Depository Institutions	60	9,955	12,289	<b>2,334</b>	23.4
Educational Services	82	8,253	9,897	<b>1,644</b>	19.9
Administration of Human Resources	94	2,395	3,451	<b>1,056</b>	44.1
Justice, Public Order, & Safety	92	6,922	7,828	<b>905</b>	13.1
Miscellaneous Retail	59	1,255	1,969	<b>714</b>	56.9
Eating & Drinking Places	58	3,288	3,903	<b>615</b>	18.7
<b>Largest Percent Increases in Downtown Employment</b>					
	<b>SIC</b>	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Instruments & Related Products	38	69	136	67	<b>97.1</b>
Business Services	73	9,055	14,561	5,506	<b>60.8</b>
Miscellaneous Retail	59	1,255	1,969	714	<b>56.9</b>
Holding & Other Investment Offices	67	367	572	205	<b>55.9</b>
Food Stores	54	823	1,237	415	<b>50.3</b>
Administration of Human Resources	94	2,395	3,451	1,056	<b>44.1</b>
Apparel & Accessory Stores	56	554	768	214	<b>38.6</b>

<b>Table 5</b>					
<b>Biggest Losers by Two-Digit SIC</b>					
<b>Largest Decreases in Downtown Employment</b>					
	<b>SIC</b>	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Communications	48	4,234	2,992	<b>-1,242</b>	-29.3
Miscellaneous TCPU	49	5,043	3,874	<b>-1,169</b>	-23.2
Printing & Publishing	27	3,295	2,522	<b>-773</b>	-23.5
Primary Metal Industries	33	1,257	576	<b>-681</b>	-54.2
Industrial Machinery & Equipment	35	2,058	1,426	<b>-632</b>	-30.7
Electronic & Other Electric Equipment	36	1,385	881	<b>-505</b>	-36.4
Food & Kindred Products	20	648	218	<b>-430</b>	-66.4
<b>Largest Percent Decreases in Downtown Employment</b>					
	<b>SIC</b>	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Food & Kindred Products	20	648	218	-430	<b>-66.4</b>
Primary Metal Industries	33	1,257	576	-681	<b>-54.2</b>
Rubber & Miscellaneous Plastics Products	30	153	75	-78	<b>-51.0</b>
Non-Depository Institutions	61	475	270	-205	<b>-43.2</b>
General Merchandise Stores	53	723	442	-281	<b>-38.9</b>
Services, N.E.C.	89	93	58	-35	<b>-37.6</b>
Furniture & Home Furnishings	57	344	216	-127	<b>-37.2</b>
Note: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.					
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.					

The largest declines in total Downtown employment occurred in Communications; Electric, Gas, & Sanitary Services; and Printing & Publishing. The largest percentage declines in Downtown employment were all in Manufacturing industries: Food & Kindred Products, followed by Primary Metal Industries and the quite small Rubber & Miscellaneous Plastics Products subsector.

#### **F. DOWNTOWN ESTABLISHMENTS BY EMPLOYMENT SIZE**

In Downtown Cleveland, as in the broader economy, the majority of businesses are small in terms of the number of people they employ (see Table 6). In 1996:Q1, 76.8% of the establishments located in Downtown Cleveland had fewer than 20 employees, and 60.9% had fewer than 10. Establishments with 100 or more employees accounted for only 6.1% of the total number of Downtown businesses. The majority of total employment, however, is accounted for by relatively large business establishments. In 1996:Q1, establishments with 100 or more employees accounted for two-thirds (67.4%) of the jobs in Downtown Cleveland. Businesses with 250 or more employees accounted for over half of total jobs, with 51.5%.

As would be expected of an urban center, large business establishments account for a larger proportion of total employment in Downtown Cleveland than in Cuyahoga County or the PMSA. In Downtown Cleveland, 67.4% of jobs were in businesses with 100 or more employees (55.1% in Cuyahoga County and 52.3% in the PMSA), and 51.5% was accounted for by businesses with 250 or more (38.1% in the County and 34.7% in the PMSA). This may suggest that policy makers should pay more attention to large companies that are major employers in Downtown Cleveland; the analysis indicates that the loss of a large Downtown employer could significantly affect the Downtown economic base.

**Table 6**  
**Establishments by Employment Size**  
**1996: Q1**

<b>Downtown Cleveland</b>				
<b>Size</b>	<b>Establishments</b>	<b>% of Total</b>	<b>Employment</b>	<b>% of Total</b>
1-4	1,651	42.7	3,604	2.6
5-9	705	18.2	4,860	3.5
10-19	615	15.9	8,511	6.2
20-49	471	12.2	14,805	10.7
50-99	183	4.7	13,090	9.5
100-249	141	3.6	21,905	15.9
250-499	48	1.2	16,347	11.8
500-999	31	0.8	22,253	16.1
1000+	20	0.5	32,604	23.6
<b>Total</b>	<b>3,865</b>	<b>100.0</b>	<b>137,979</b>	<b>100.0</b>
<b>Cuyahoga County</b>				
<b>Size</b>	<b>Establishments</b>	<b>% of Total</b>	<b>Employment</b>	<b>% of Total</b>
1-4	17,375	49.8	36,965	4.8
5-9	6,952	19.9	47,590	6.2
10-19	4,671	13.4	64,088	8.3
20-49	3,275	9.4	102,227	13.2
50-99	1,389	4.0	96,951	12.5
100-249	859	2.5	131,426	17.0
250-499	209	0.6	70,812	9.2
500-999	99	0.3	68,671	8.9
1000+	63	0.2	154,315	20.0
<b>Total</b>	<b>34,892</b>	<b>100.0</b>	<b>773,045</b>	<b>100.0</b>
<b>Cleveland PMSA</b>				
<b>Size</b>	<b>Establishments</b>	<b>% of Total</b>	<b>Employment</b>	<b>% of Total</b>
1-4	26,130	50.0	55,958	5.2
5-9	10,723	20.5	73,145	6.8
10-19	6,878	13.2	94,457	8.8
20-49	4,760	9.1	148,375	13.9
50-99	1,984	3.8	137,756	12.9
100-249	1,244	2.4	188,764	17.6
250-499	303	0.6	102,225	9.5
500-999	126	0.2	87,075	8.1
1000+	81	0.2	182,790	17.1
<b>Total</b>	<b>52,229</b>	<b>100.0</b>	<b>1,070,545</b>	<b>100.0</b>
Note: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.				
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				



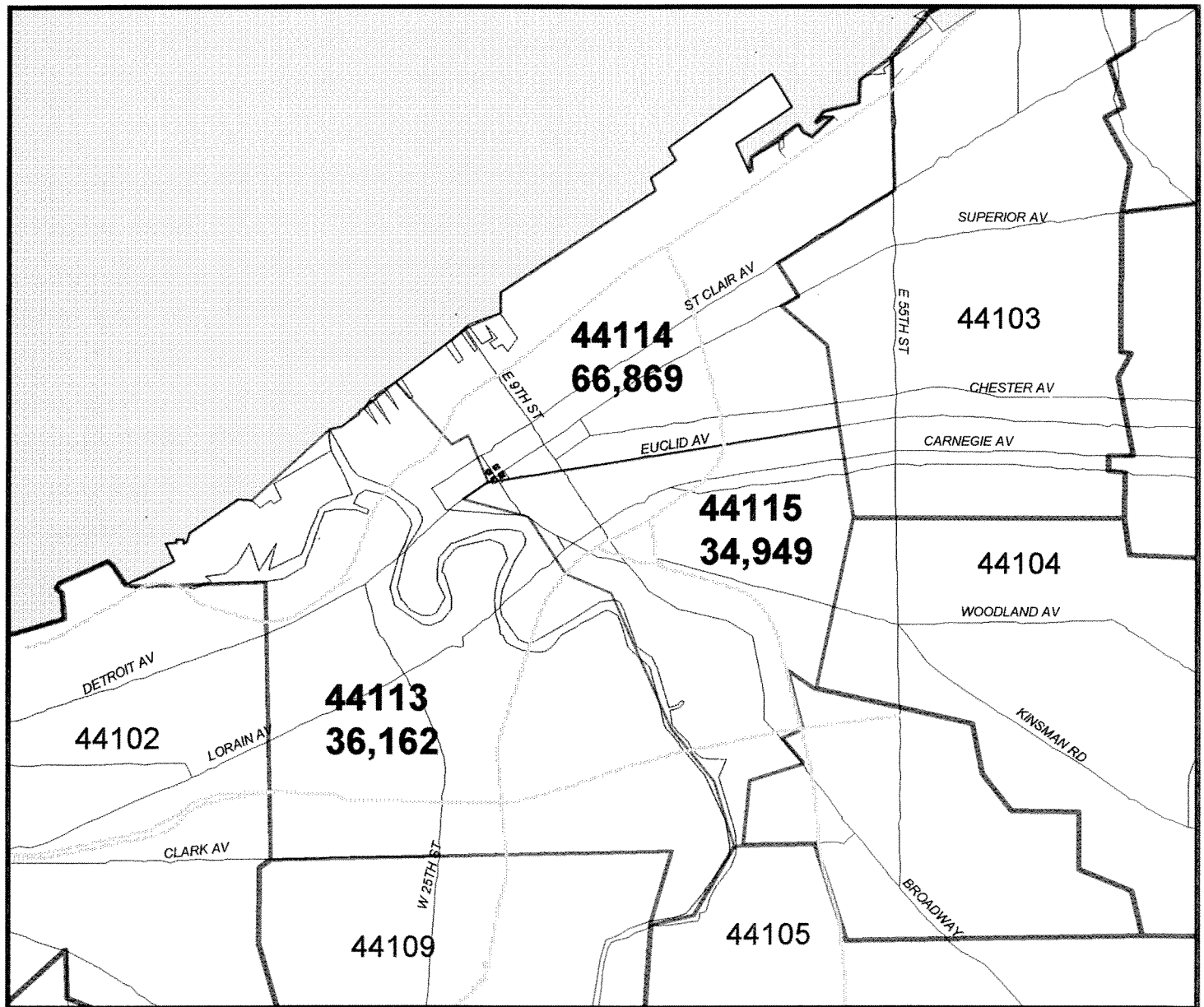
## G. DOWNTOWN CLEVELAND BY ZIP CODE

Employment trends in Downtown Cleveland can be broken down by the three zip codes which define the area: 44113, 44114 and 44115. Zip code 44113 covers the south and west areas of Downtown, 44114 the northeast portion, and 44115, the southeast area (see Map 1). Over the period, employment increased substantially in the 44113 zip code area, by 17.7%, or 5,429 jobs (see Table 7). Employment growth in this zip code largely results from job gains in FIRE, Government and Retail. As explained earlier, retail jobs in particular increased in this area because of Tower City Center, a new upscale shopping mall in a renovated train station. Zip code 44115 experienced a smaller increase, 9.0%, or 2,884 jobs. Job growth in this area was dominated by the Services sector. Employment declined slightly in the 44114 zip code area, by 3.0%, or 2,045 jobs. Here, job gains in Services and FIRE were not large enough to offset declining employment in Durable and Nondurable Manufacturing. Since the 44114 area is so much larger in employment size relative to the other two, the decline in employment in the area held Downtown's overall job gain to a 4.8% increase. It is important to note that these figures reflect not only moves of establishments in and out of Downtown Cleveland, but also the movement of establishments between the three zip codes, and therefore, *within* Downtown Cleveland over the period.

<b>Table 7</b>				
<b>Downtown Employment by Zip Code</b>				
<b>Region</b>	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
Downtown Cleveland	131,711	137,979	6,269	4.8
Zip 44113	30,732	36,162	5,429	17.7
Zip 44114	68,913	66,869	-2,045	-3.0
Zip 44115	32,065	34,949	2,884	9.0
Note: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.				
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

# Map 1

## Downtown Cleveland Employment by Zip Code, 1996:Q1



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#### IV. TOTAL PAYROLL TRENDS IN DOWNTOWN CLEVELAND

This section briefly describes trends in total annual payroll in Downtown Cleveland, Cuyahoga County, and the entire Cleveland Metropolitan Area. Total payroll is shown for two time periods, 1989 and 1996, and is measured in terms of 1996:Q1 dollars. The next section describes trends in average payroll per capita.

Total annual payroll received by Downtown workers reached almost \$5 billion in 1996, growing by 7.1% since 1989, after accounting for inflation (See Table 8). As was found with employment, the growth rate of total payroll in the Downtown area was similar to that in the Cleveland Metropolitan Area as a whole (7%), and much larger than that in Cuyahoga County (1.9%). Payroll in Cuyahoga County, excluding Downtown, grew by only 0.7%.

<b>Table 8</b> <b>Total Payroll in the Cleveland Area</b> <b>1996:Q1 Dollars (millions)</b>				
<b>Region</b>	<b>1989</b>	<b>1996</b>	<b>Change</b>	<b>% Change</b>
Downtown Cleveland	\$4,638.9	\$4,966.9	\$327.9	7.1
Cuyahoga County	23,384.0	23,837.6	453.6	1.9
Cleveland PMSA	29,505.1	31,572.4	2,067.3	7.0
Notes: Downtown Cleveland includes Zip Codes 44113, 4114, & 44115. Figures shown are annualized based on first quarter data.				
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

The major sectors that contributed most to increased total payroll were FIRE, where total payroll grew by 37.5% over the period, Government, with payroll growth of 27.4%, Services, and Retail Trade (See Table 9). Importantly, these are the same sectors that

exhibited employment growth over the period. These sectors are important to the Downtown economy and to the City of Cleveland because changes in these industries have significant impacts on the City's revenue stream.

<b>Table 9</b> <b>Downtown Total Payroll by Major Sector</b> <b>Sorted by Percent Change</b> <b>1996:Q1 Dollars (millions)</b>				
	<b>1989</b>	<b>1996</b>	<b>Change</b>	<b>% Change</b>
Total	\$4,638.9	\$4,966.9	\$327.9	7.1
Agriculture & Mining	13.8	3.2	- 10.6	-76.7
Non-Durable Manufacturing	447.7	346.6	- 101.0	-22.6
TCPU	563.1	449.1	- 114.0	-20.2
Construction	111.5	97.6	- 13.8	-12.5
Durable Manufacturing	355.9	317.5	- 38.4	-10.8
Wholesale Trade	340.5	333.0	- 7.5	-2.2
Retail Trade	110.6	124.3	13.6	12.4
Services	1,491.3	1,686.4	195.0	13.1
Government	472.7	602.2	129.4	27.4
FIRE	731.0	1,005.3	274.2	37.5
Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Figures shown are annualized based on first quarter data.  Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

Among FIRE industries, total payroll rose by most dollars and by the highest growth rate in Depository Institutions, which is not surprising given the significant local job growth in this industry. In the Services sector, total payroll rose by most dollars in Business Services, followed by Engineering and Management Services, Educational Services, and Amusement and Recreation Services. The number of jobs also increased in three out of

these four industries, while jobs remained stable in Engineering and Management Services. The increase in both employment and payroll in Amusement and Recreation Services is partially due to relocation of the Cleveland Cavaliers to Downtown Cleveland.

In Retail Trade, the industries that posted the largest levels of growth and the highest growth rates in total payroll are Eating and Drinking Places, Miscellaneous Retail, and Food Stores. These three industries also added the most jobs among Retail industries in Downtown Cleveland.

## V. PAYROLL PER CAPITA TRENDS IN DOWNTOWN CLEVELAND

This section describes the trends in payroll per capita in Downtown Cleveland over the period 1989:Q1 to 1996:Q1. Payroll figures are shown as annual averages based on the first quarter, and are measured in 1996:Q1 dollars.

### A. OVERALL TRENDS

Payroll per capita in Downtown Cleveland was \$35,998 in 1996:Q1; this represents a slight increase of 2.2%, or \$777 over 1989:Q1 payroll per capita of \$35,221 (see Table 10). This increase is comparable to that of payroll per capita in the Cleveland PMSA of 1.9%, and higher than the increase for Cuyahoga County as a whole, 1.0%.

<b>Table 10</b> <b>Payroll Per Capita in the Cleveland Area</b> <b>1996:Q1 Dollars</b>				
<b>Region</b>	<b>1989</b>	<b>1996</b>	<b>Change</b>	<b>% Change</b>
Downtown Cleveland	\$35,221	\$35,998	\$777	2.2
Cuyahoga County	30,526	30,836	310	1.0
Cleveland PMSA	28,943	29,492	549	1.9
Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Figures shown are annualized based on first quarter data.				
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

A significant finding of this study is that Downtown payroll per capita is higher than that of both Cuyahoga County and the Cleveland PMSA: 16.7% higher and 22.1% higher, respectively.

## B. MAJOR INDUSTRY SECTORS

This section considers the trends in Downtown payroll per capita by major sector. It is interesting to note that, in general, the trends in payroll per capita for the study period did not necessarily follow the same pattern as those in employment (see Table 11).

<b>Table 11</b> <b>Downtown Payroll Per Capita by Major Sector</b> <b>Sorted by Total Change</b> <b>1996:Q1 Dollars</b>				
	<b>1989</b>	<b>1996</b>	<b>Change</b>	<b>% Change</b>
Durable Manufacturing	\$42,086	\$52,711	\$10,625	25.3
FIRE	38,513	45,902	7,389	19.2
Government	30,750	34,780	4,030	13.1
Non-Durable Manufacturing	47,262	52,429	5,166	10.9
Wholesale Trade	41,799	44,672	2,872	6.9
Services	30,564	29,786	-777	-2.5
Retail Trade	14,991	14,022	-968	-6.5
Construction	41,090	39,862	-1,229	-3.0
TCPU	46,526	44,789	-1,736	-3.7
Agriculture & Mining	78,883	39,853	-39,030	-49.5
Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Figures shown are annualized based on first quarter data.				
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				

The largest increases in Downtown payroll per capita occurred in Durable Manufacturing, FIRE, and Government. Average Downtown payroll per capita in Durable Manufacturing increased by 25.3%, while FIRE and Government showed increases of 19.2% and 13.1%, respectively.



The Non-Durable Manufacturing sector showed an increase in Downtown payroll per capita as well, an increase of 10.9%. The sizable increases in the two Manufacturing sectors are interesting, given that both showed large Downtown employment losses over the period. The difference in trends may indicate that establishments in these sectors moved employment out of the Downtown area, but kept a portion of their higher-paying, perhaps professional jobs in Downtown. Another possible explanation is that the establishments that closed or left Downtown during the period had different wage structures, that is, lower payroll on average.

Downtown payroll per capita in the Retail Trade and Services sectors fell, by 6.5% and 2.5%, respectively, while there were substantial increases in Downtown employment in both sectors. The decline in payroll per capita in the Services sector over the period is most likely due to the substantial increase in temporary employment, which tends to be lower-wage and/or part-time employment. In Retail Trade, this may indicate an increase in the proportion of part-time employment over the period. The industries within the Retail sector that contributed most to employment growth in Downtown Cleveland (Apparel & Accessory Stores and Eating & Drinking Places) are those that are characterized by larger proportions of part-time employees. For example, nationally, part-time workers account for about 43% of total employment at Eating & Drinking Places. At the same time, those industries within the Retail sector which lost a substantial number of Downtown jobs (General Merchandise Stores, including department stores) may be more likely than other Retail industries to employ full-time salespeople, and therefore, may have lower proportions of part-time employment. This changing mix of Retail industries in Downtown Cleveland over the period likely accounts for the decline in average payroll per capita in Retail Trade.

## C. INDUSTRY SUBSECTORS

This section considers the change in average payroll per capita over the period by industry subsector, or two-digit SIC code (see Table 12).<sup>9</sup> First, average payroll per capita in the Construction sector saw little change over the period, with the exception of Special Trade Contractors, in which payroll per capita declined by 8.8%.

In the Durable Manufacturing sector, only one subsector experienced a decline in Downtown payroll per capita over the period; Instruments & Related Products showed a decline of 27.0%. The largest increase in Downtown payroll per capita occurred in Primary Metal Industries, in which payroll per capita increased by 76.3%. Furniture & Fixtures and Electronic & Other Electronic Equipment followed, with increases of 24.7% and 18.9%, respectively.

In Non-Durable Manufacturing, Food & Kindred Products showed a significant decline in payroll per capita of 30.9%. The only sizable increase in Downtown payroll per capita was in Rubber & Miscellaneous Plastics Products; however, this subsector is quite small, and therefore, this change is difficult to interpret.

As for TCPU, the only category to show a decline in average payroll per capita was Communications, which fell by 21.2% over the period. Strong increases in Downtown payroll per capita occurred in Water Transportation, 21.8%, Transportation Services, 18.4%, and Trucking & Warehousing, 17.1%. Wholesale Trade was flat for the period; Durable Goods had a small 4.1% increase in Downtown payroll per capita, and Non-Durable Goods, a small decline of 2.5%.

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<sup>9</sup> Some SIC categories do not appear due to data suppression required by confidentiality rules imposed by the Bureau of Labor Statistics and the Ohio Bureau of Employment Services.

**Table 12**  
**Downtown Payroll Per Capita by Two-Digit SIC**  
**1996:Q1 Dollars**

	SIC	1989	1996	Change	% Change
<b>Agriculture &amp; Mining</b>		\$78,883	\$39,853	-\$39,030	-49.5
<b>Construction</b>		41,090	39,862	-1,229	-3.0
General Building Contractors	15	41,516	42,182	667	1.6
Heavy Construction, except building	16	34,124	35,895	1,770	5.2
Special Trade Contractors	17	43,007	39,226	-3,782	-8.8
<b>Durable Manufacturing</b>		42,086	52,711	10,625	25.3
Furniture & Fixtures	25	70,673	53,243	-17,430	-24.7
Stone, Clay, & Glass Products	32	40,388	47,778	7,390	18.3
Primary Metal Industries	33	51,365	90,539	39,174	76.3
Fabricated Metal Products	34	29,993	30,297	303	1.0
Industrial Machinery & Equipment	35	34,622	36,814	2,192	6.3
Electronic & Other Electric Equipment	36	25,905	30,788	4,882	18.9
Instruments & Related Products	38	71,999	52,541	-19,457	-27.0
Miscellaneous Manufacturing Industries	39	39,375	35,680	-3,695	-9.4
<b>Non-Durable Manufacturing</b>		47,262	52,429	5,166	10.9
Food & Kindred Products	20	40,284	27,824	-12,460	-30.9
Apparel & Other Textile Products	23	17,890	17,395	-495	-2.8
Paper & Allied Products	26	34,464	33,587	-877	-2.5
Printing & Publishing	27	39,698	43,096	3,398	8.6
Chemicals & Allied Products	28	58,335	63,518	5,183	8.9
Rubber & Miscellaneous Plastics Products	30	25,291	29,740	4,449	17.6
<b>TCPU</b>		46,526	44,789	-1,736	-3.7
Trucking & Warehousing	42	26,371	30,878	4,507	17.1
Water Transportation	44	69,362	84,456	15,095	21.8
Transportation Services	47	24,696	29,233	4,538	18.4
Communications	48	58,613	46,175	-12,437	-21.2
Miscellaneous TCPU	49	41,799	44,672	2,872	6.9
<b>Wholesale Trade</b>		41,361	41,750	389	0.9
Wholesale Trade - Durable Goods	50	44,046	45,852	1,805	4.1
Wholesale Trade - Non-Durable Goods	51	38,874	37,909	-965	-2.5
<b>Retail Trade</b>		14,991	14,022	-968	-6.5
Building Materials & Garden Supplies	52	25,415	23,606	-1,809	-7.1
General Merchandise Stores	53	21,785	21,515	-270	-1.2
Food Stores	54	12,642	13,519	877	6.9
Automotive Dealers & Service Stations	55	27,991	31,538	3,547	12.7
Apparel & Accessory Stores	56	15,062	12,613	-2,449	-16.3
Furniture & Home Furnishings	57	22,413	22,822	409	1.8
Eating & Drinking Places	58	9,858	10,675	817	8.3
Miscellaneous Retail	59	20,121	16,262	-3,859	-19.2
<b>FIRE</b>		38,513	45,902	7,389	19.2
Depository Institutions	60	34,661	44,524	9,864	28.5
Non-Depository Institutions	61	35,765	40,950	5,184	14.5
Security & Commodity Brokers	62	67,913	87,506	19,593	28.9
Insurance Carriers	63	38,312	41,309	2,997	7.8
Insurance Agents, Brokers, & Service	64	49,580	51,754	2,174	4.4
Real Estate	65	28,913	29,868	955	3.3
Holding & Other Investment Offices	67	55,831	42,422	-13,409	-24.0

<b>Table 12 Continued</b> <b>Downtown Payroll Per Capita by Two-Digit SIC</b>					
	SIC	1989	1996	Change	% Change
<b>Services</b>		\$30,564	\$29,786	-\$777	-2.5
Hotels & Other Lodging Places	70	15,046	13,837	-1,209	-8.0
Personal Services	72	19,313	18,362	-952	-4.9
Business Services	73	24,821	19,441	-5,379	-21.7
Auto Repair, Services, & Parking	75	18,583	19,455	872	4.7
Miscellaneous Repair Services	76	25,984	21,173	-4,811	-18.5
Amusement & Recreation Services	79	28,175	36,857	8,682	30.8
Health Services	80	30,910	29,275	-1,635	-5.3
Legal Services	81	40,797	44,718	3,921	9.6
Educational Services	82	25,278	24,929	-349	-1.4
Social Services	83	23,448	23,784	335	1.4
Membership Organizations	86	21,795	23,104	1,309	6.0
Engineering & Management Services	87	46,612	51,680	5,068	10.9
Private Households	88	14,308	18,166	3,858	27.0
Services, N.E.C.	89	31,518	35,598	4,080	13.0
<b>Government</b>		30,750	34,780	4,030	13.1
Executive, Legislative, & General	91	31,747	37,727	5,980	18.8
Justice, Public Order, & Safety	92	31,238	38,871	7,633	24.4
Finance, Taxation, & Monetary Policy	93	30,748	32,918	2,170	7.1
Administration of Human Resources	94	30,702	28,485	-2,217	-7.2
Environmental Quality & Housing	95	29,033	31,216	2,183	7.5
Administration of Economic Programs	96	31,291	38,602	7,311	23.4
National Security & International Affairs	97	29,555	29,408	-146	-0.5
Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.					
Some two-digit level data is not shown, due to required data suppression.					
Figures shown are annualized based on first quarter data.					
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.					

In Retail Trade, appreciable declines in Downtown payroll per capita occurred in the Miscellaneous Retail subsector, with a 19.2% decline, and Apparel & Accessory Stores, with a 16.3% decline; as mentioned above, much of these declines were likely due to higher part-time employment, and hence, lower per-capita wages overall. These two industries include clothing, shoe, and accessory stores as well as drug, liquor, sporting goods, book, and jewelry stores. They are characterized by employment growth over the period and low levels of payroll per capita, an indication of a large proportion of part-time employment. Eating and Drinking Places is another industry with growing employment in Downtown Cleveland and high percentage of part-time employment; however, payroll per capita increased by 8.3% in that industry over the period. The only other sizable increase in Downtown payroll per capita was in the Automotive Dealers & Service Stations subsector, which showed an increase of 12.7%.

In FIRE, the only subsector to experience a decline in average Downtown payroll per capita over the period was Holding & Other Investment Offices, which fell by 24.0%. Security & Commodity Brokers had the highest increase over the period, 28.9%, followed by Depository Institutions, increasing by 28.5%, and Non-Depository Institutions, with a 14.5% increase.

As for Services, the Business Services subsector had the largest decline in Downtown payroll per capita, falling by 21.7%; again, this decline is presumably due to the increase in temporary employment in the Downtown area. Miscellaneous Repair Services also declined measurably, by 18.5%. Amusement & Recreation Services, including theatrical producers, professional sports clubs and promoters, and physical fitness facilities, among other things, had a significant increase in Downtown payroll per capita of 30.8% over the period.

In the Government sector, there was a decline in Downtown payroll per capita of 7.2% in the Administration of Human Resources category. Downtown payroll per capita

increased substantially in the following subsectors: Justice, Public Order & Safety, increasing by 24.4%; Administration of Human Resources, by 23.4%; and Executive, Legislative & General, by 18.8%.

#### **D. DOWNTOWN GAINERS AND LOSERS**

This section considers the biggest Downtown payroll per capita gainers and losers, respectively, by two-digit SIC; first by actual dollar change, and then by percentage change (see Tables 13 and 14). The subsector with the largest increase in Downtown payroll per capita, both on a dollar and percentage change basis, was Primary Metal Industries; in this category, Downtown payroll per capita increased by 76.3%, or \$39,174. As discussed above, since this subsector lost a considerable amount of Downtown employment over the period, this large increase in payroll per capita may be explained in either of two ways. First, establishments in this subsector moved employment out of the Downtown area, but kept a portion of their higher-paying, perhaps professional jobs in Downtown. Another possible explanation is that the establishments that closed or left Downtown during the period had different wage structures, that is, lower payroll on average.

The Security & Commodity Brokers and Water Transportation subsectors ranked second and third on a dollar increase basis, with increases in Downtown payroll per capita of \$19,593 and \$15,095, respectively. Agricultural Services and Amusement & Recreation Services ranked second and third on a percentage increase basis, with gains of 36.1% and 30.1%, respectively.

The largest decline in Downtown payroll per capita on a dollar basis occurred in Instruments & Related Products, with a decrease of \$19,457, followed by Furniture & Fixtures with a \$17,403 decline, and Holding & Other Investment Offices, with a \$13,409

<b>Table 13</b> <b>Biggest Gainers by Two-Digit SIC</b>					
Largest Increases in Downtown Payroll Per Capita					
	SIC	1989	1996	Change	% Change
Primary Metal Industries	33	\$51,365	\$90,539	<b>\$39,174</b>	76.3
Security & Commodity Brokers	62	67,913	87,506	<b>19,593</b>	28.9
Water Transportation	44	69,362	84,456	<b>15,095</b>	21.8
Depository Institutions	60	34,661	44,524	<b>9,864</b>	28.5
Agricultural Services	7	26,782	36,453	<b>9,670</b>	36.1
Amusement & Recreation Services	79	28,175	36,857	<b>8,682</b>	30.8
Justice, Public Order, & Safety	92	31,238	38,871	<b>7,633</b>	24.4
Largest Percent Increases in Downtown Payroll Per Capita					
	SIC	1989	1996	Change	% Change
Primary Metal Industries	33	\$51,365	\$90,539	\$39,174	<b>76.3</b>
Agricultural Services	7	26,782	36,453	9,670	<b>36.1</b>
Amusement & Recreation Services	79	28,175	36,857	8,682	<b>30.8</b>
Security & Commodity Brokers	62	67,913	87,506	19,593	<b>28.9</b>
Depository Institutions	60	34,661	44,524	9,864	<b>28.5</b>
Private Households	88	14,308	18,166	3,858	<b>27.0</b>
Justice, Public Order, & Safety	92	31,238	38,871	7,633	<b>24.4</b>

<b>Table 14</b> <b>Biggest Losers by Two-Digit SIC</b>					
Largest Decreases in Downtown Payroll Per Capita					
	SIC	1989	1996	Change	% Change
Instruments & Related Products	38	\$71,999	\$52,541	<b>-\$19,457</b>	-27.0
Furniture & Fixtures	25	70,673	53,243	<b>-17,430</b>	-24.7
Holding & Other Investment Offices	67	55,831	42,422	<b>-13,409</b>	-24.0
Food & Kindred Products	20	40,284	27,824	<b>-12,460</b>	-30.9
Communications	48	58,613	46,175	<b>-12,437</b>	-21.2
Business Services	73	24,821	19,441	<b>-5,379</b>	-21.7
Miscellaneous Retail	59	20,121	16,262	<b>-3,859</b>	-19.2
Largest Percent Decreases in Downtown Payroll Per Capita					
	SIC	1989	1996	Change	% Change
Food & Kindred Products	20	\$40,284	\$27,824	-\$12,460	<b>-30.9</b>
Instruments & Related Products	38	71,999	52,541	-19,457	<b>-27.0</b>
Furniture & Fixtures	25	70,673	53,243	-17,430	<b>-24.7</b>
Holding & Other Investment Offices	67	55,831	42,422	-13,409	<b>-24.0</b>
Business Services	73	24,821	19,441	-5,379	<b>-21.7</b>
Communications	48	58,613	46,175	-12,437	<b>-21.2</b>
Miscellaneous Retail	59	20,121	16,262	-3,859	<b>-19.2</b>
Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.					
Figures shown are annualized based on first quarter data.					
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.					

decline. On a percentage change basis, the largest decline was in Food & Kindred products, in which Downtown payroll per capita fell by 30.9%. Second and third were Instruments & Related Products, with a 27.0% decline, and Furniture & Fixtures, with a 24.7% decline.

#### **E. DOWNTOWN CLEVELAND BY ZIP CODE**

Trends in payroll per capita in Downtown Cleveland can also be broken down by the three zip codes which define the area (see Table 15). Interestingly, payroll per capita trends by zip code are exactly the reverse of those of employment. While employment in both zip codes 44113 and 44115 gained employment over the period, both experienced declines in payroll per capita; 44115 by 7.8% and 44113 by 2.4%. Zip code 44114, which experienced a small decline in employment, had a sizable 10.5% increase in payroll per capita. These increases and declines offset each other to result in Downtown Cleveland's 2.2% overall increase in payroll per capita for the period.

<b>Table 15</b> <b>Downtown Employment by Zip Code</b> <b>1996:Q1 Dollars</b>				
<b>Region</b>	<b>1989</b>	<b>1996</b>	<b>Change</b>	<b>% Change</b>
Downtown Cleveland	\$35,221	\$35,998	\$777	2.2
Zip 44113	28,619	27,927	-693	-2.4
Zip 44114	38,637	42,694	4,057	10.5
Zip 44115	34,205	31,539	-2,667	-7.8
Note: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Figures shown are annualized based on first quarter data.				
Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.				



## **VI. TRENDS IN TOTAL EMPLOYMENT VERSUS TOTAL PAYROLL**

This section compares the trends in total Downtown employment by major sector to the trends in total Downtown payroll (not payroll per capita) by major sector (see Figure 4). Employment in both Durable and Non-Durable Manufacturing fell by a larger percentage over the period than did total payroll, resulting in higher payroll per capita in these sectors; this pattern is especially apparent in the Durable Manufacturing sector.<sup>10</sup> As discussed above, this may indicate that establishments in these sectors moved employment out of the Downtown area, but kept a portion of their higher-paying, perhaps professional jobs in Downtown. Another possible explanation is that the establishments that closed or left Downtown during the period had different wage structures, that is, lower payroll on average.

In the Retail Trade and Service sectors, employment increased by a greater percentage than did total payroll, resulting in declining payroll per capita over the period. As discussed earlier, this is most likely due to a substantial increase in part-time and temporary employment, which tends to be lower-wage, over the period.

In the FIRE and Government sectors, on the other hand, total payroll increased by a much higher percentage than did total employment, resulting in increased payroll per capita.

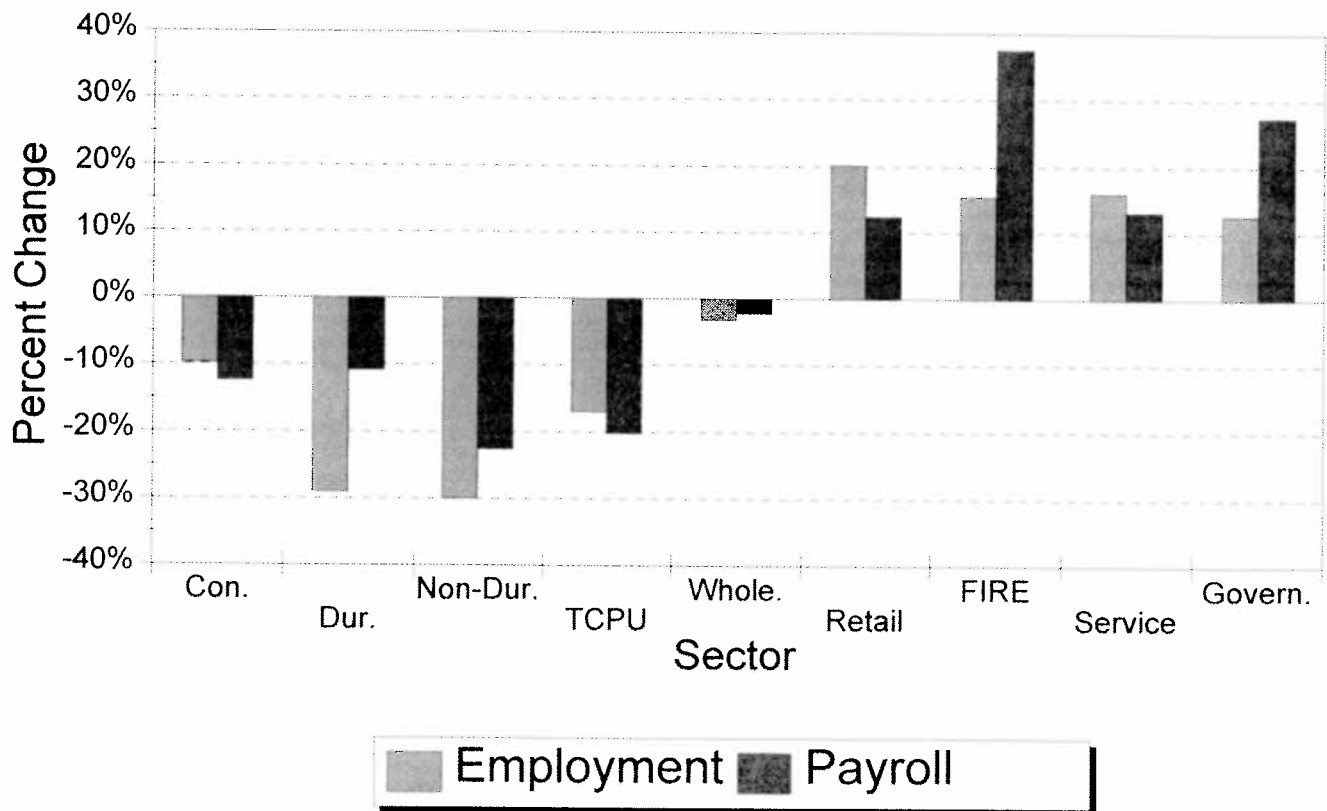
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<sup>7</sup> It is interesting to note that the pattern of declining employment and increasing payroll per capita in Durable Manufacturing is also true of Cuyahoga County (found in a separate analysis).

Figure 4

# Downtown Total Employment & Payroll

Percent Change 1989: Q1 - 1996: Q1



## **VII. DOWNTOWN CLEVELAND COMPARED TO CUYAHOGA COUNTY AND THE CLEVELAND PMSA**

This section compares the employment and payroll trends by major sector for Downtown Cleveland, Cuyahoga County as a whole, and the Cleveland PMSA. For a comparison by detailed industries see Tables A.2-A.5 in the Appendix.

### **A. EMPLOYMENT**

In the Agriculture & Mining sector, employment in Downtown Cleveland fell while the County and PMSA experienced job growth. Jobs in the Construction sector in Downtown Cleveland fell by 9.8% over the period, while the County and PMSA experienced increases in Construction sector employment of 7.8% and 11.3%, respectively (see Table 16).

In each of the remaining major sectors, the direction of employment change was the same for Downtown Cleveland and Cuyahoga County, and with one exception, the same for the PMSA as well. Employment in the Manufacturing sectors fell by substantial percentages in both Downtown and the County, but by less so in the PMSA. This presumably reflects the national trend over the study period of declining employment in the Manufacturing sectors. However, Downtown Cleveland lost a much greater percentage of jobs in the Durable and Non-Durable Manufacturing than the County and PMSA; this likely reflects the trend over the period towards moving manufacturing jobs out of urban and into suburban locations (see Figures 5 and 6).

In TCPU, all three areas lost employment, with Downtown Cleveland declining by the greatest percentage, and the PMSA by the smallest. In Wholesale Trade, Downtown Cleveland and Cuyahoga County had the same percentage decrease in employment, while the PMSA gained slightly.

**Table 16**  
**Change in Employment in the Cleveland Area**  
**1989:Q1 - 1996:Q1**

	SIC	Percent Change		
		Downtown	County	PMSA
<b>Total</b>		4.8	0.9	5.0
<b>Agriculture &amp; Mining</b>		-54.0	26.9	28.1
<b>Construction</b>		-9.8	7.8	11.3
General Building Contractors	15	30.2	0.6	12.6
Heavy Construction, Except Building	16	-23.1	12.2	-6.2
Special Trade Contractors	17	-24.3	9.3	14.9
<b>Durable Manufacturing</b>		-28.8	-17.5	-7.6
Lumber & Wood Products	24	na	-24.4	42.0
Furniture & Fixtures	25	-15.8	-46.4	-25.1
Stone, Clay, & Glass Products	32	1.0	-12.5	-11.4
Primary Metal Industries	33	-54.2	-22.8	-17.7
Fabricated Metal Products	34	-13.3	-9.5	-3.5
Industrial Machinery & Equipment	35	-30.7	-12.4	-3.6
Electronic & Other Electric Equipment	36	-36.4	-20.7	-6.1
Transportation Equipment	37	na	-32.0	-19.7
Instruments & Related Products	38	97.1	3.4	9.3
Miscellaneous Manufacturing Industries	39	-13.6	-7.2	13.1
<b>Non-Durable Manufacturing</b>		-30.2	-14.3	-7.6
Food & Kindred Products	20	-66.4	-18.0	-16.8
Textile Mill Products	22	na	-60.2	-59.7
Apparel & Other Textile Products	23	-30.2	-63.1	-60.1
Paper & Allied Products	26	-13.6	-4.3	9.2
Printing & Publishing	27	-23.5	-0.3	3.7
Chemicals & Allied Products	28	9.2	3.3	2.5
Petroleum & Coal Products	29	na	-39.5	-37.4
Rubber & Miscellaneous Plastics Products	30	-51.1	-36.2	-9.9
<b>TCPU</b>		-17.2	-13.2	-8.4
Local & Interurban Passenger Transit	41	na	32.2	36.9
Trucking & Warehousing	42	37.6	-22.2	-14.1
U.S. Postal Service	43	na	-8.4	-6.8
Water Transportation	44	5.5	-30.3	-24.4
Transportation by Air	45	na	58.0	60.0
Transportation Services	47	-28.2	0.3	6.9
Communications	48	-29.3	-17.4	-17.4
Electric, Gas & Sanitary Services	49	-23.2	-49.6	-34.2
<b>Wholesale Trade</b>		-3.1	-3.1	1.2
Wholesale Trade - Durable Goods	50	-2.6	-1.0	3.5
Wholesale Trade - Non-Durable Goods	51	-3.6	-7.7	-3.6
<b>Retail Trade</b>		20.1	2.5	6.6
Building Materials & Garden Supplies	52	-23.8	9.0	24.5
General Merchandise Stores	53	-38.9	-25.4	-10.4
Food Stores	54	50.4	-1.3	1.0
Automotive Dealers & Service Stations	55	-12.6	0.3	3.7
Apparel & Accessory Stores	56	38.7	-24.4	-19.4
Furniture & Home Furnishings	57	-37.0	9.2	13.9
Eating & Drinking Places	58	18.7	12.9	15.0
Miscellaneous Retail	59	56.9	18.8	16.8

**Table 16 Continued**  
**Change in Employment in the Cleveland Area**  
**1989:Q1 - 1996:Q1**

	SIC	Percent Change		
		Downtown	County	PMSA
<b>FIRE</b>		15.4	16.9	16.7
Depository Institutions	60	23.4	12.6	8.6
Non-Depository Institutions	61	-43.1	63.0	64.1
Security & Commodity Brokers	62	8.5	35.8	44.8
Insurance Carriers	63	11.5	11.7	15.0
Insurance Agents, Brokers, & Service	64	6.5	16.9	15.2
Real Estate	65	1.0	12.5	16.0
Holding & Other Investment Offices	67	55.8	33.4	29.9
<b>Services</b>		16.0	9.4	12.3
Hotels & Other Lodging Places	70	-0.2	-11.2	-5.9
Personal Services	72	-2.6	4.0	10.5
Business Services	73	60.8	8.3	14.5
Auto Repair, Services, & Parking	75	25.9	8.6	11.0
Miscellaneous Repair Services	76	-11.7	-13.4	-9.8
Motion Pictures	78	-32.0	-13.6	4.7
Amusement & Recreation Services	79	17.0	13.8	14.7
Health Services	80	9.9	13.7	15.1
Legal Services	81	-2.7	-3.2	-1.1
Educational Services	82	19.9	6.3	6.9
Social Services	83	-7.6	16.3	25.7
Museums, Botanical & Zoological Gardens	84	na	16.9	20.6
Membership Organizations	86	-8.5	-10.3	-1.2
Engineering & Management Services	87	3.7	22.7	23.9
Private Households	88	-23.4	26.7	26.1
Services, N.E.C.	89	-37.3	-16.8	-10.7
<b>Government</b>		12.6	13.8	15.2
Executive, Legislative, & General	91	-16.1	3.6	2.8
Justice, Public Order, & Safety	92	13.1	10.0	15.1
Finance, Taxation, & Monetary Policy	93	-7.8	-6.8	-4.5
Administration of Human Resources	94	44.1	42.7	38.3
Environmental Quality & Housing	95	22.8	27.9	36.0
Administration of Economic Programs	96	0.0	-21.1	-18.5
National Security & International Affairs	97	-19.4	75.4	75.0

Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.

Sum of major sectors does not equal downtown employment total since some establishments are not classified by SIC.

SIC classifications may not sum to sector totals due to required data suppression.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

Figure 5

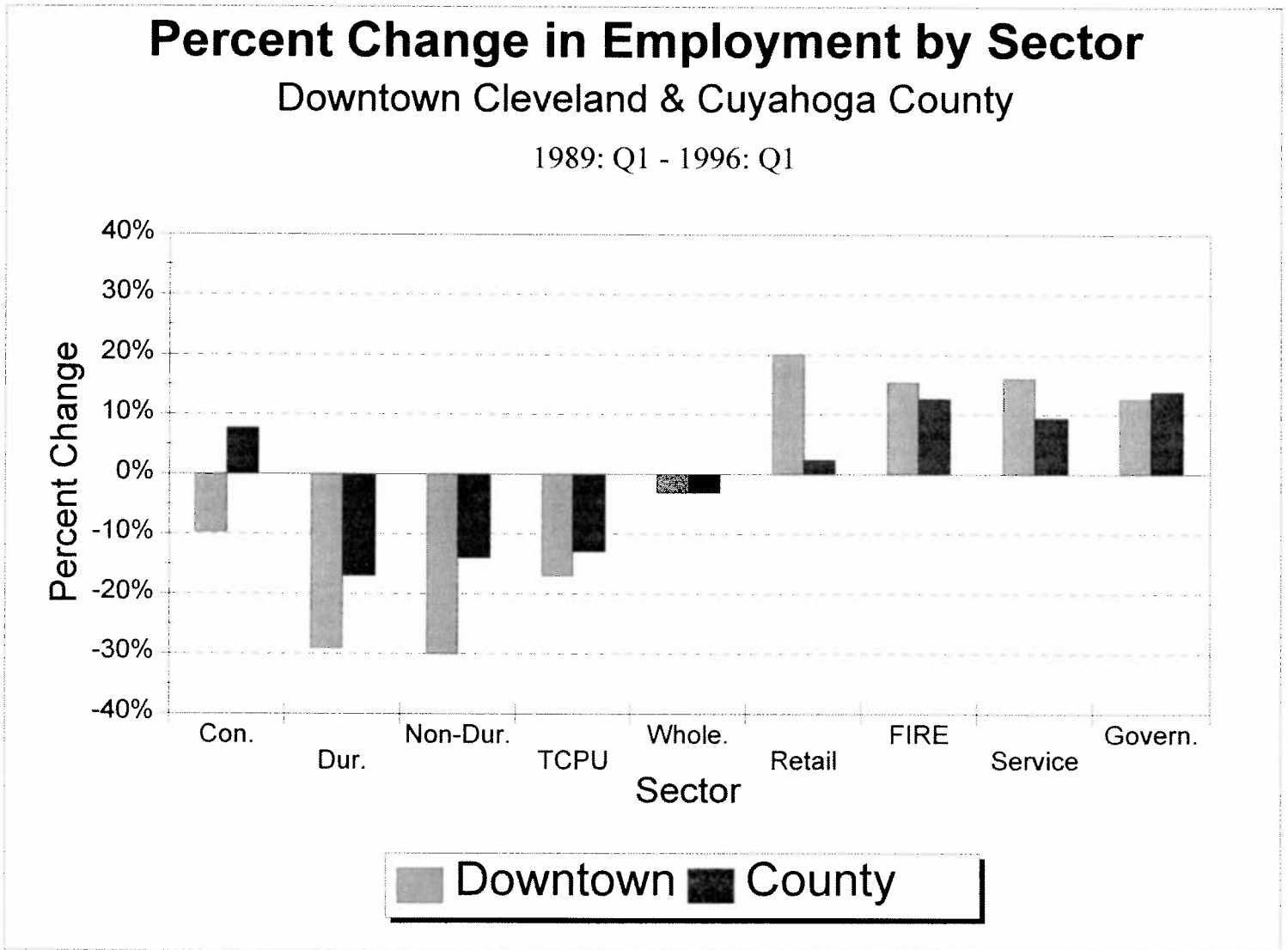
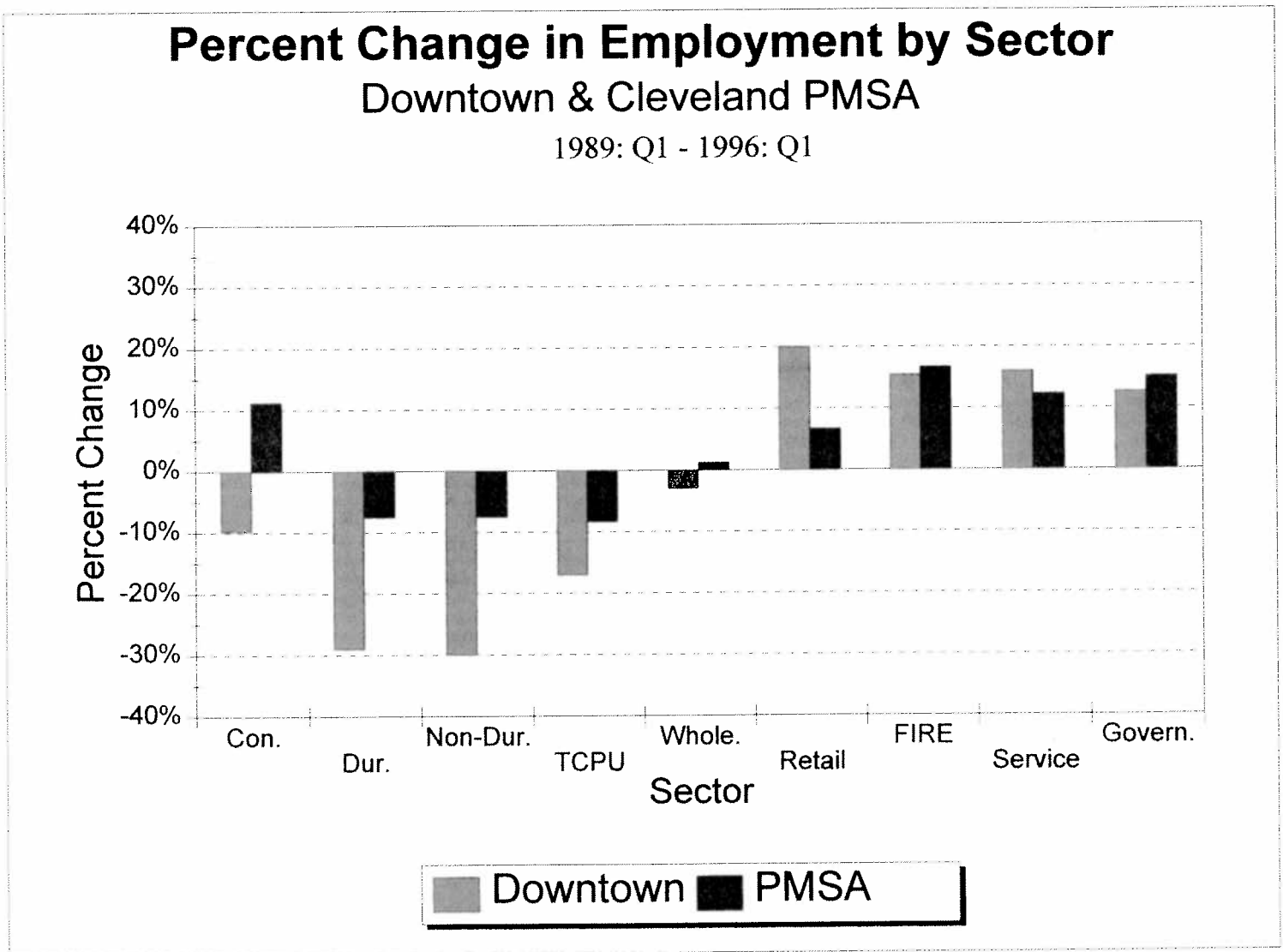


Figure 6



Downtown Cleveland, Cuyahoga County and the PMSA each gained employment in the Retail Trade, FIRE, Services and Government sectors. This presumably reflects the national trend over the study period of increasing employment in most service-producing sectors. However, Retail Trade jobs in Downtown Cleveland increased by a much larger percentage than in the County and the PMSA; this reflects the relative resurgence of retailing in the Downtown area over the period, as discussed above. In the FIRE and Services sectors, Downtown Cleveland fared better than the County and the PMSA as well; this most likely reflects the tendency of corporate headquarters in these sectors to be located in urban or central areas.

Lastly, the percentage increase in jobs in the Government sector was similar in Downtown Cleveland and Cuyahoga County, while the increase in the PMSA was slightly higher.

#### **B. PAYROLL PER CAPITA**

Over the period, in the Construction sector, payroll per capita fell by a small percentage in both Downtown Cleveland and the County, while the trend in the PMSA was flat. In Durable Manufacturing, payroll per capita in Downtown Cleveland rose considerably, by 25.3%, while that in the County fell slightly, and that in the PMSA fell by a substantial 16.5%. This presumably reflects the movement of lower-wage production jobs out of Downtown into suburban locations over the period. In Non-Durable Manufacturing, both Downtown and the County experienced increases in payroll per capita, while the PMSA showed a small decline (see Table 17).

All three areas declined in payroll per capita in TCPU, with Downtown Cleveland showing the smallest decline of 3.7%, and the PMSA the largest decline, 10.0%. In Wholesale Trade, payroll per capita was flat in Downtown Cleveland, rose by 5.6% in the County, and fell slightly in the PMSA.



**Table 17**  
**Change in Payroll Per Capita in the Cleveland Area**  
**1989:Q1 - 1996:Q1**

	SIC	Percent Change		
		Downtown	County	PMSA
<b>Total</b>		2.2	1.0	2.8
<b>Agriculture &amp; Mining</b>		-49.5	-11.2	-1.0
<b>Construction</b>		-3.0	-4.3	0.4
General Building Contractors	15	1.6	-3.2	1.3
Heavy Construction, Except Building	16	5.2	7.3	0.1
Special Trade Contractors	17	-8.8	-6.9	0.3
<b>Durable Manufacturing</b>		25.3	-1.1	-16.5
Lumber & Wood Products	24	na	-3.8	-6.6
Furniture & Fixtures	25	-24.7	6.7	9.7
Stone, Clay, & Glass Products	32	18.3	-2.9	-13.9
Primary Metal Industries	33	76.3	0.7	-33.6
Fabricated Metal Products	34	1.0	-3.0	-6.8
Industrial Machinery & Equipment	35	6.3	9.6	-3.8
Electronic & Other Electric Equipment	36	18.9	6.4	-19.0
Transportation Equipment	37	na	-5.9	-30.6
Instruments & Related Products	38	-27.0	-3.1	-9.4
Miscellaneous Manufacturing Industries	39	-9.4	-4.9	-9.8
<b>Non-Durable Manufacturing</b>		10.9	8.1	-6.8
Food & Kindred Products	20	-30.9	28.1	15.7
Textile Mill Products	22	na	2.4	2.2
Apparel & Other Textile Products	23	-2.8	-9.0	-7.2
Paper & Allied Products	26	-2.5	-0.1	-14.0
Printing & Publishing	27	8.6	6.3	1.3
Chemicals & Allied Products	28	8.9	0.5	-17.9
Petroleum & Coal Products	29	na	13.3	13.9
Rubber & Miscellaneous Plastics Products	30	17.6	0.9	-2.4
<b>TCPU</b>		-3.7	-9.0	-10.0
Local & Interurban Passenger Transit	41	na	-8.5	-1.7
Trucking & Warehousing	42	17.1	-7.5	-8.8
U.S. Postal Service	43	na	4.8	6.1
Water Transportation	44	21.8	4.7	18.7
Transportation by Air	45	na	-4.2	-18.6
Transportation Services	47	18.4	12.1	14.9
Communications	48	-21.2	-15.4	-19.3
Electric, Gas & Sanitary Services	49	6.9	-1.9	-7.3
<b>Wholesale Trade</b>		0.9	5.6	-3.0
Wholesale Trade - Durable Goods	50	4.1	5.2	-5.0
Wholesale Trade - Non-Durable Goods	51	-2.5	6.0	1.9
<b>Retail Trade</b>		-6.5	-1.7	15.4
Building Materials & Garden Supplies	52	-7.1	-2.0	5.3
General Merchandise Stores	53	-1.2	-11.4	-39.1
Food Stores	54	6.9	2.6	-15.4
Automotive Dealers & Service Stations	55	12.7	4.0	22.2
Apparel & Accessory Stores	56	-16.3	4.4	27.6
Furniture & Home Furnishings	57	1.8	4.2	13.2
Eating & Drinking Places	58	8.3	-3.1	-0.4
Miscellaneous Retail	59	-19.2	0.2	16.6

**Table 17 Continued**  
**Change in Payroll Per Capita in the Cleveland Area**  
**1989:Q1 - 1996:Q1**

		Percent Change		
	SIC	Downtown	County	PMSA
<b>FIRE</b>		19.2	11.7	4.9
Depository Institutions	60	28.5	26.0	-26.6
Non-Depository Institutions	61	14.5	-2.9	12.1
Security & Commodity Brokers	62	28.9	5.9	-22.2
Insurance Carriers	63	7.8	8.4	7.7
Insurance Agents, Brokers, & Service	64	4.4	0.4	8.8
Real Estate	65	3.3	2.5	5.1
Holding & Other Investment Offices	67	-24.0	-10.1	9.6
<b>Services</b>		-2.5	5.6	12.2
Hotels & Other Lodging Places	70	-8.0	4.4	-9.5
Personal Services	72	-4.9	3.0	9.2
Business Services	73	-21.7	6.5	17.5
Auto Repair, Services, & Parking	75	4.7	-3.1	6.4
Miscellaneous Repair Services	76	-18.5	-1.9	1.2
Motion Pictures	78	-15.4	21.2	79.5
Amusement & Recreation Services	79	30.8	64.6	85.9
Health Services	80	-5.3	2.1	10.9
Legal Services	81	9.6	8.8	14.8
Educational Services	82	-1.4	4.5	7.7
Social Services	83	1.4	0.8	8.3
Museums, Botanical & Zoological Gardens	84	na	21.1	11.3
Membership Organizations	86	6.0	3.1	4.4
Engineering & Management Services	87	10.9	-1.9	-0.9
Private Households	88	27.0	9.6	8.3
Services, N.E.C.	89	13.0	-26.6	-22.8
<b>Government</b>		13.1	10.8	6.9
Executive, Legislative, & General	91	18.8	12.5	10.9
Justice, Public Order, & Safety	92	24.4	21.6	19.5
Finance, Taxation, & Monetary Policy	93	7.1	25.5	3.1
Administration of Human Resources	94	-7.2	1.1	0.0
Environmental Quality & Housing	95	7.5	4.1	4.3
Administration of Economic Programs	96	23.4	16.5	9.7
National Security & International Affairs	97	-0.5	-0.5	-6.5

Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.

Some two-digit level data is not shown, due to required data suppression.

Figures shown are annualized based on first quarter data.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

In Retail Trade, payroll per capita fell by a small percentage in Downtown Cleveland, fell slightly in the County as a whole, and increased by a substantial 15.4% in the PMSA; again, this likely reflects an increase in part-time Retail Trade employment in Downtown over the period.

In the FIRE sector, payroll per capita increased in all three areas, but by a much more substantial percentage in Downtown Cleveland, 19.2%. As mentioned above, this reflects the benefits of financial services consolidation experienced in Downtown Cleveland over the period.

The Services sector in Downtown Cleveland experienced a slight decline in payroll per capita, while both Cuyahoga County and the PMSA showed increases of 5.6% and 12.2%, respectively. Again, the difference is likely due to an increase in part-time, temporary employment in Downtown Cleveland over the study period.

Finally, payroll per capita in the Government sector increased in all three areas. Downtown Cleveland showed the largest increase, 13.1%, and the PMSA, the smallest increase, 6.9%.

## VIII. PUBLIC VERSUS PRIVATE SECTOR EMPLOYMENT IN DOWNTOWN CLEVELAND

This section analyzes employment in Downtown Cleveland, distinguishing between employees that work for public organizations and those that work for private sector companies. The analysis described in this section is based on an "ownership" variable in the ES202 database, where each employer is assigned an ownership code, differentiating between private and government ownership. Moreover, government organizations are classified by federal, state, and local governments. This is a different type of analysis than that described throughout the report, where Government is one of the economy's major sectors, based on industry classification. For example, jobs classified to be in the Education Services industry (see Table 3, SIC 82) could be at privately-owned schools, or at government-owned institutions.

In 1996:Q1, over 21% of all Downtown jobs were public sector jobs, with local government jobs accounting for the largest portion of Downtown employment, 16.8% (See Table 18).

<b>Table 18</b> <b>Public and Private Sector Employment in Downtown Cleveland</b>						
	<b>1989:Q1</b>	<b>% of Total</b>	<b>1996:Q1</b>	<b>% of Total</b>	<b>Change</b>	<b>% Change</b>
Total	131,711	100.0	137,979	100	6,268	4.8
Federal	3,310	2.5	2,382	1.7	-928	-28.0
State	3,112	2.4	4,240	3.1	1,128	36.2
Local	21,754	16.5	23,230	16.8	1,476	6.8
Private	103,535	78.6	108,127	78.4	4,592	4.4
Note: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115. Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.						

Among Downtown federal jobs, most of the employees work for public agencies. A small portion of federal employees work for the U.S. Postal Service, which is a government agency classified as part of the Transportation, Communication, and Public Utilities (TCPU) sector. Among state employees, only 30% work for state government, while the rest work primarily in the Educational Services industry. For example, Cleveland State University's employees are state employees working for an educational institution. In contrast, over 60% of employees in local government organizations work for public administration, which is not surprising given that many City of Cleveland and Cuyahoga County jobs are located in Downtown Cleveland. Among other industries, local government jobs concentrate in two industries: Electric, Gas, & Sanitary Services; and Educational Services. Overall, employment at privately-owned companies increased over the 1989-1996 period, while Downtown federal jobs fell by 928, or 28%. Both state and local government employment rose over the period, by 36.2% and 6.8%, respectively.

Analyzing employment in major sectors by ownership reveals that both Durable and Nondurable Manufacturing as well as Wholesale Trade are all private sector businesses (see Table 19). There is very little Retail Trade employment at the state government level, all in the Miscellaneous Retail industry (SIC 59) which includes liquor stores. In the Services sector, the largest major sector of the economy, state and local government jobs accounted for 5.3% and 10.1% of all Downtown Services jobs, respectively. Local government employment is found in several of the more detailed service industries; those industries with more than 500 Downtown government jobs include Educational Services, Social Services, Amusement and Recreation Services, and Business Services. Of the almost 9,900 jobs in the Educational Services industry in Downtown Cleveland, 62% are in government-owned institutions. In Business Services, in contrast, government jobs account for less than 5%.

**Table 19**  
**Downtown Private and Public Employment by Major Sector**  
**Sorted by Total Change**

	<b>1989:Q1</b>	<b>1996:Q1</b>	<b>Change</b>	<b>% Change</b>
<b>Services</b>	<b>48,794</b>	<b>56,618</b>	<b>7,824</b>	<b>16.0</b>
State	2,029	2,980	951	46.9
Local	7,380	5,731	-1,649	-22.0
Private	39,385	47,907	8,522	21.6
<b>FIRE</b>	<b>18,983</b>	<b>21,903</b>	<b>2,920</b>	<b>15.4</b>
Federal	74	124	50	68.0
Local	36	39	3	7.3
Private	18,873	21,739	2,867	15.2
<b>Government</b>	<b>15,374</b>	<b>17,316</b>	<b>1,941</b>	<b>12.6</b>
Federal	2,693	1,753	-941	-35.0
State	1,036	1,220	184	17.8
Local	11,645	14,343	2,698	23.2
<b>Retail Trade</b>	<b>7,383</b>	<b>8,869</b>	<b>1,486</b>	<b>20.1</b>
State	47	40	-7	-16.0
Private	7335	8829	1,494	20.4
<b>Agriculture &amp; Mining</b>	<b>176</b>	<b>81</b>	<b>-95</b>	<b>-54.0</b>
Local	30	42	12	38.5
Private	146	39	-107	-73.0
<b>Wholesale Trade</b>	<b>8,234</b>	<b>7,977</b>	<b>-257</b>	<b>-3.1</b>
Private	8,234	7,977	-257	-3.1
<b>Construction</b>	<b>2,715</b>	<b>2,450</b>	<b>-265</b>	<b>-9.8</b>
Local	365	272	-93	-25.0
Private	2,350	2,178	-172	-7.3
<b>TCPU</b>	<b>12,104</b>	<b>10,028</b>	<b>-2,076</b>	<b>-17.0</b>
Federal	543	505	-38	-7.0
Local	2,298	2,803	505	22.0
Private	9,263	6,720	-2,543	-27.0
<b>Durable Manufacturing</b>	<b>8,458</b>	<b>6,024</b>	<b>-2,435</b>	<b>-29.0</b>
Private	8,458	6,024	-2,435	-29.0
<b>Non-Durable Manufacturing</b>	<b>9,473</b>	<b>6,612</b>	<b>-2,812</b>	<b>-30.0</b>
Private	9,473	6,612	-2,812	-30.0

Notes: Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

## IX. CONCLUSIONS

The various employment and payroll trends over the past seven years lead to the following conclusions:

1. Downtown Cleveland's economy is based primarily on service-producing industries. This is not surprising, but the results underscore the extent to which the Downtown area is a center for these industries. All of the employment growth over the study period occurred in major service sectors (Services, FIRE, Government, and Retail Trade). These employment gains more than offset job losses in all goods-producing industries and in TCPU and Wholesale Trade.<sup>11</sup>
2. Downtown employment growth was the main contributor to Cuyahoga County's job growth. The addition of close to 6,300 jobs in Downtown accounted for 90% of the net job growth in the County as a whole.
3. Downtown has a greater proportion of large establishments than Cuyahoga County and the Cleveland Metropolitan Area, reflecting the large presence of corporate headquarters and divisions of nonlocal companies located in Downtown Cleveland. This may imply that policy makers should pay attention to large establishments because the successful retention or unfortunate loss of a single large establishment can cause a significant change in Downtown Cleveland's economic base.
4. Downtown Cleveland has benefitted thus far from mergers and consolidations in the banking sector. For example, the merger of Society Bank with KeyCorp brought the combined company headquarters into Society's new building in

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<sup>11</sup> Goods-producing industries include the Construction and Manufacturing sectors, while service-producing industries consist of the following sectors: Transportation, Communication, and Public Utilities; Wholesale Trade; Retail Trade; Finance, Insurance, and Real Estate; Services; and Government.

Downtown Cleveland. However, with strong expectations for continued consolidations in the banking industry, the concentration of banks Downtown may be a vulnerability; in future consolidations, local banks could be acquired by banks outside the Cleveland area, which might consolidate their operations elsewhere.

5. Payroll per capita in Downtown Cleveland is higher than payroll per capita in Cuyahoga County and in the Cleveland Metropolitan Area. This suggests that Downtown jobs are, on average, higher paying jobs, which means that Downtown companies are an important source of tax revenues to the City of Cleveland.





## **APPENDIX**

Selected Tables with Detailed Employment and Payroll Information  
for Downtown Cleveland, Cuyahoga County,  
and the Cleveland Metropolitan Area



**Table A.1**  
**Downtown Cleveland Employment by Sector**  
**1989 - 1996 (First Quarter Employment)**

	SIC	1989	1990	1991	1992	1993	1994	1995	1996
<b>Total</b>		131,710	134,678	131,128	131,668	130,808	132,594	136,356	137,979
<b>Agriculture &amp; Mining</b>		176	175	76	88	79	72	82	81
<b>Construction</b>		2,715	2,913	2,443	2,002	2,143	2,301	2,375	2,450
General Building Contractors	15	715	637	664	530	628	666	865	931
Heavy Construction, Except Building	16	466	516	502	424	443	432	377	358
Special Trade Contractors	17	1,534	1,759	1,276	1,048	1,072	1,202	1,133	1,161
<b>Durable Manufacturing</b>		8,458	8,290	7,801	7,501	7,240	7,303	6,480	6,024
Furniture & Fixtures	25	199	148	139	174	162	176	183	168
Stone, Clay, & Glass Products	32	251	275	286	275	322	259	258	254
Primary Metal Industries	33	1,257	1,216	1,154	1,203	983	956	890	576
Fabricated Metal Products	34	1,245	1,194	1,146	1,046	1,074	1,156	1,151	1,080
Industrial Machinery & Equipment	35	2,058	1,980	1,859	1,652	1,617	1,503	1,568	1,426
Electronic & Other Electric Equipment	36	1,385	1,395	1,200	1,106	999	996	817	881
Instruments & Related Products	38	69	90	83	113	135	136	127	136
Miscellaneous Manufacturing Industries	39	877	906	812	813	820	875	755	757
<b>Non-Durable Manufacturing</b>		9,473	10,150	9,702	9,625	8,442	7,184	6,671	6,612
Food & Kindred Products	20	648	376	213	352	338	349	205	218
Apparel & Other Textile Products	23	288	212	238	248	239	234	188	201
Paper & Allied Products	26	310	313	280	296	233	257	251	268
Printing & Publishing	27	3,295	3,203	3,119	2,941	2,887	2,610	2,521	2,522
Chemicals & Allied Products	28	1,182	1,302	1,358	1,467	1,458	1,163	1,193	1,290
Rubber & Miscellaneous Plastics	30	153	154	139	145	143	75	74	75
<b>TCPU</b>		12,104	12,589	11,702	11,475	10,838	10,332	10,476	10,028
Trucking & Warehousing	42	654	724	538	672	725	717	719	900
Water Transportation	44	539	617	646	516	582	515	574	568
Transportation Services	47	533	530	471	384	361	378	390	383
Communications	48	4,234	4,462	4,279	4,218	3,370	3,136	3,163	2,992
Electric, Gas & Sanitary Services	49	5,043	5,154	4,720	4,496	4,526	4,439	4,506	3,874
<b>Wholesale Trade</b>		8,234	7,933	7,998	7,691	7,943	7,656	7,871	7,977
Wholesale Trade - Durable Goods	50	3,959	3,944	3,934	3,721	3,852	3,621	3,868	3,857
Wholesale Trade - Non-Durable Goods	51	4,275	3,989	4,064	3,970	4,091	4,035	4,003	4,120
<b>Retail Trade</b>		7,383	7,622	7,771	7,908	8,168	8,333	8,401	8,869
Building Materials & Garden Supplies	52	118	115	89	96	132	101	96	90
General Merchandise Stores	53	723	644	568	567	515	509	391	442
Food Stores	54	823	925	830	1,024	1,051	1,241	1,156	1,237
Automotive Dealers & Service Stations	55	280	268	297	302	319	265	280	245
Apparel & Accessory Stores	56	554	618	608	684	737	731	803	768
Furniture & Home Furnishings	57	344	315	283	226	263	264	239	216
Eating & Drinking Places	58	3,288	3,438	3,712	3,507	3,607	3,506	3,642	3,903
Miscellaneous Retail	59	1,255	1,299	1,384	1,502	1,545	1,717	1,795	1,969

**Table A.1 Continued**  
**Downtown Cleveland Employment by Sector**  
**1989 - 1996 (First Quarter Employment)**

	SIC	1989	1990	1991	1992	1993	1994	1995	1996
<b>FIRE</b>		18,983	19,337	19,247	20,228	19,921	21,541	21,195	21,903
Depository Institutions	60	9,955	9,913	9,878	11,005	10,110	11,340	11,718	12,289
Non-Depository Institutions	61	475	581	540	440	620	727	308	270
Security & Commodity Brokers	62	1,509	1,658	1,520	1,567	1,685	1,789	1,790	1,636
Insurance Carriers	63	3,144	3,259	3,415	3,484	3,669	3,711	3,174	3,504
Insurance Agents, Brokers, & Service	64	1,137	1,209	1,221	1,151	1,157	1,124	1,171	1,211
Real Estate	65	2,397	2,317	2,318	2,227	2,284	2,483	2,614	2,421
Holding & Other Investment Offices	67	367	399	356	355	395	367	419	572
<b>Services</b>		48,794	49,498	48,693	49,086	49,387	51,060	55,509	56,618
Hotels & Other Lodging Places	70	1,743	1,929	2,043	1,979	1,950	1,929	2,019	2,019
Personal Services	72	428	441	447	394	409	398	412	416
Business Services	73	9,055	9,210	8,488	8,920	9,725	11,364	12,732	14,561
Auto Repair, Services, & Parking	75	1,131	1,089	1,217	1,167	1,150	1,207	1,445	1,424
Miscellaneous Repair Services	76	370	384	347	332	321	318	343	327
Amusement & Recreation Services	79	2,426	1,776	1,857	1,842	1,874	2,033	2,685	2,839
Health Services	80	4,529	4,496	4,734	4,483	4,729	4,864	4,999	4,978
Legal Services	81	7,205	7,607	7,518	7,315	7,223	6,983	7,057	7,012
Educational Services	82	8,253	8,645	8,707	8,866	9,479	9,203	10,024	9,897
Social Services	83	3,559	3,535	3,516	4,023	3,093	3,314	3,347	3,290
Membership Organizations	86	2,290	2,134	1,951	2,040	1,897	1,973	2,058	2,096
Engineering & Management Services	87	7,469	7,949	7,584	7,408	7,234	7,209	7,089	7,463
Private Households	88	137	125	101	109	102	96	105	105
Services, N.E.C.	89	93	76	75	120	102	80	56	58
<b>Government</b>		15,374	16,133	15,652	16,018	16,589	16,772	17,264	17,316
Executive, Legislative, & General	91	1,487	1,670	1,190	1,205	1,051	1,285	1,269	1,249
Justice, Public Order, & Safety	92	6,922	7,211	7,353	7,344	7,229	7,352	7,625	7,828
Finance, Taxation, & Monetary Policy	93	924	964	987	908	905	914	878	851
Administration of Human Resources	94	2,395	2,517	2,661	2,722	3,462	3,489	3,562	3,451
Environmental Quality & Housing	95	2,170	2,243	2,107	2,483	2,476	2,467	2,676	2,665
Administration of Economic Programs	96	428	393	353	362	384	419	411	428
National Security & International Affairs	97	1,048	1,136	1,000	994	1,082	845	844	844

Notes: Sum of major sectors does not equal downtown employment total since some establishments are not classified by SIC.

SIC classifications may not sum to sector totals due to required data suppression.

Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

**Table A.2**  
**Cuyahoga County Employment by Two-Digit SIC**

	SIC	1989:Q1	1996:Q1	Change	% Change
<b>Total</b>		766,036	773,045	7,009	0.9
<b>Agriculture &amp; Mining</b>		2,141	2,716	576	26.9
<b>Construction</b>		21,094	22,733	1,639	7.8
General Building Contractors	15	4,507	4,535	28	0.6
Heavy Construction, Except Building	16	2,553	2,864	311	12.2
Special Trade Contractors	17	14,034	15,334	1,300	9.3
<b>Durable Manufacturing</b>		116,166	95,895	-20,271	-17.5
Lumber & Wood Products	24	710	537	-173	-24.4
Furniture & Fixtures	25	2,190	1,175	-1,015	-46.4
Stone, Clay, & Glass Products	32	2,123	1,859	-264	-12.5
Primary Metal Industries	33	18,687	14,420	-4,267	-22.8
Fabricated Metal Products	34	28,358	25,663	-2,694	-9.5
Industrial Machinery & Equipment	35	25,868	22,670	-3,198	-12.4
Electronic & Other Electric Equipment	36	13,642	10,812	-2,830	-20.7
Transportation Equipment	37	18,129	12,324	-5,805	-32.0
Instruments & Related Products	38	4,166	4,308	142	3.4
Miscellaneous Manufacturing Industries	39	2,294	2,128	-166	-7.2
<b>Non-Durable Manufacturing</b>		49,969	42,801	-7,168	-14.3
Food & Kindred Products	20	6,127	5,023	-1,104	-18.0
Textile Mill Products	22	607	242	-365	-60.2
Apparel & Other Textile Products	23	3,362	1,239	-2,123	-63.1
Paper & Allied Products	26	4,478	4,284	-194	-4.3
Printing & Publishing	27	14,710	14,670	-40	-0.3
Chemicals & Allied Products	28	10,875	11,238	363	3.3
Petroleum & Coal Products	29	4,532	2,744	-1,788	-39.5
Rubber & Miscellaneous Plastics Products	30	5,256	3,351	-1,905	-36.2
<b>TCPU</b>		52,445	45,538	-6,906	-13.2
Local & Interurban Passenger Transit	41	4,168	5,510	1,342	32.2
Trucking & Warehousing	42	9,416	7,327	-2,088	-22.2
U.S. Postal Service	43	7,105	6,512	-593	-8.4
Water Transportation	44	1,008	703	-306	-30.3
Transportation by Air	45	5,049	7,975	2,927	58.0
Transportation Services	47	2,907	2,917	10	0.3
Communications	48	9,591	7,925	-1,665	-17.4
Electric, Gas & Sanitary Services	49	13,127	6,623	-6,504	-49.6
<b>Wholesale Trade</b>		56,735	54,958	-1,777	-3.1
Wholesale Trade - Durable Goods	50	38,706	38,324	-382	-1.0
Wholesale Trade - Non-Durable Goods	51	18,030	16,634	-1,396	-7.7
<b>Retail Trade</b>		127,064	130,195	3,131	2.5
Building Materials & Garden Supplies	52	3,450	3,761	310	9.0
General Merchandise Stores	53	16,905	12,605	-4,300	-25.4
Food Stores	54	18,314	18,084	-230	-1.3
Automotive Dealers & Service Stations	55	11,943	11,976	33	0.3
Apparel & Accessory Stores	56	9,422	7,124	-2,298	-24.4
Furniture & Home Furnishings	57	5,617	6,132	515	9.2
Eating & Drinking Places	58	41,165	46,453	5,288	12.9
Miscellaneous Retail	59	20,248	24,059	3,811	18.8

**Table A.2 Continued**  
**Cuyahoga County Employment by Two-Digit SIC**

	SIC	1989:Q1	1996:Q1	Change	% Change
<b>FIRE</b>		49,914	58,368	8,454	16.9
Depository Institutions	60	18,754	21,108	2,354	12.6
Non-Depository Institutions	61	2,147	3,499	1,352	63.0
Security & Commodity Brokers	62	2,824	3,834	1,010	35.8
Insurance Carriers	63	10,578	11,816	1,238	11.7
Insurance Agents, Brokers, & Service	64	4,023	4,703	680	16.9
Real Estate	65	9,784	11,002	1,219	12.5
Holding & Other Investment Offices	67	1,803	2,405	601	33.4
<b>Services</b>		259,226	283,458	24,232	9.4
Hotels & Other Lodging Places	70	5,883	5,222	-661	-11.2
Personal Services	72	9,221	9,587	366	4.0
Business Services	73	47,081	51,000	3,919	8.3
Auto Repair, Services, & Parking	75	7,861	8,538	677	8.6
Miscellaneous Repair Services	76	2,802	2,426	-376	-13.4
Motion Pictures	78	1,911	1,652	-259	-13.6
Amusement & Recreation Services	79	8,004	9,111	1,107	13.8
Health Services	80	78,034	88,696	10,663	13.7
Legal Services	81	8,779	8,503	-276	-3.2
Educational Services	82	49,075	52,183	3,108	6.3
Social Services	83	13,444	15,631	2,187	16.3
Museums, Botanical & Zoological Gardens	84	710	831	120	16.9
Membership Organizations	86	6,720	6,025	-695	-10.3
Engineering & Management Services	87	18,234	22,378	4,144	22.7
Private Households	88	1,049	1,328	280	26.7
Services, N.E.C.	89	418	347	-70	-16.8
<b>Government</b>		30,896	35,150	4,254	13.8
Executive, Legislative, & General	91	2,655	2,751	96	3.6
Justice, Public Order, & Safety	92	12,088	13,291	1,203	10.0
Finance, Taxation, & Monetary Policy	93	2,422	2,256	-166	-6.8
Administration of Human Resources	94	3,104	4,428	1,324	42.7
Environmental Quality & Housing	95	3,012	3,851	839	27.9
Administration of Economic Programs	96	4,958	3,911	-1,047	-21.1
National Security & International Affairs	97	2,657	4,661	2,004	75.4

Notes: Sum of major sectors does not equal downtown employment total since some establishments are not classified by SIC.

SIC classifications may not sum to sector totals due to required data suppression.

Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

**Table A.3**  
**Cuyahoga County Payroll Per Capita by Two-Digit SIC**  
**1996:Q1 Dollars**

	SIC	1989	1996	Change	% Change
<b>Total</b>		\$30,526	\$30,836	\$310	1.0
<b>Agriculture &amp; Mining</b>		26,403	23,447	-2,955	-11.2
<b>Construction</b>		35,493	33,954	-1,540	-4.3
General Building Contractors	15	35,144	34,018	-1,126	-3.2
Heavy Construction, Except Building	16	35,603	38,216	2,613	7.3
Special Trade Contractors	17	35,585	33,139	-2,447	-6.9
<b>Durable Manufacturing</b>		44,060	43,585	-474	-1.1
Lumber & Wood Products	24	28,784	27,699	-1,085	-3.8
Furniture & Fixtures	25	34,346	36,645	2,299	6.7
Stone, Clay, & Glass Products	32	42,299	41,076	-1,223	-2.9
Primary Metal Industries	33	52,959	53,304	345	0.7
Fabricated Metal Products	34	38,667	37,513	-1,154	-3.0
Industrial Machinery & Equipment	35	38,092	41,754	3,662	9.6
Electronic & Other Electric Equipment	36	38,629	41,091	2,461	6.4
Transportation Equipment	37	61,715	58,069	-3,646	-5.9
Instruments & Related Products	38	35,045	33,945	-1,100	-3.1
Miscellaneous Manufacturing Industries	39	30,294	28,817	-1,477	-4.9
<b>Non-Durable Manufacturing</b>		37,074	40,082	3,008	8.1
Food & Kindred Products	20	33,552	42,974	9,423	28.1
Textile Mill Products	22	21,282	21,785	503	2.4
Apparel & Other Textile Products	23	21,131	19,229	-1,901	-9.0
Paper & Allied Products	26	33,986	33,949	-37	-0.1
Printing & Publishing	27	32,975	35,054	2,079	6.3
Chemicals & Allied Products	28	47,630	47,882	252	0.5
Petroleum & Coal Products	29	55,138	62,465	7,327	13.3
Rubber & Miscellaneous Plastics Products	30	29,932	30,193	262	0.9
<b>TCPU</b>		39,030	35,502	-3,528	-9.0
Local & Interurban Passenger Transit	41	28,873	26,420	-2,453	-8.5
Trucking & Warehousing	42	31,068	28,736	-2,332	-7.5
U.S. Postal Service	43	35,004	36,697	1,693	4.8
Water Transportation	44	71,839	75,201	3,361	4.7
Transportation by Air	45	31,420	30,089	-1,331	-4.2
Transportation Services	47	27,144	30,431	3,287	12.1
Communications	48	53,713	45,438	-8,275	-15.4
Electric, Gas & Sanitary Services	49	42,457	41,664	-793	-1.9
<b>Wholesale Trade</b>		38,557	40,710	2,152	5.6
Wholesale Trade - Durable Goods	50	40,033	42,096	2,063	5.2
Wholesale Trade - Non-Durable Goods	51	35,390	37,515	2,126	6.0
<b>Retail Trade</b>		14,329	14,090	-239	-1.7
Building Materials & Garden Supplies	52	19,864	19,477	-388	-2.0
General Merchandise Stores	53	16,325	14,463	-1,862	-11.4
Food Stores	54	14,962	15,343	381	2.6
Automotive Dealers & Service Stations	55	22,780	23,689	909	4.0
Apparel & Accessory Stores	56	12,161	12,691	530	4.4
Furniture & Home Furnishings	57	20,207	21,048	841	4.2
Eating & Drinking Places	58	9,393	9,099	-294	-3.1
Miscellaneous Retail	59	15,573	15,609	36	0.2



**Table A.3 Continued**  
**Cuyahoga County Payroll Per Capita by Two-Digit SIC**  
**1996:Q1 Dollars**

	SIC	1989	1996	Change	% Change
<b>FIRE</b>		\$34,997	\$39,093	\$4,096	11.7
Depository Institutions	60	29,758	37,484	7,726	26.0
Non-Depository Institutions	61	32,700	31,756	-944	-2.9
Security & Commodity Brokers	62	71,891	76,152	4,260	5.9
Insurance Carriers	63	39,495	42,825	3,330	8.4
Insurance Agents, Brokers, & Service	64	38,862	38,997	135	0.4
Real Estate	65	24,923	25,553	630	2.5
Holding & Other Investment Offices	67	54,099	48,612	-5,487	-10.1
<b>Services</b>		26,260	27,738	1,478	5.6
Hotels & Other Lodging Places	70	14,276	14,898	622	4.4
Personal Services	72	13,716	14,127	411	3.0
Business Services	73	19,889	21,188	1,300	6.5
Auto Repair, Services, & Parking	75	21,420	20,747	-672	-3.1
Miscellaneous Repair Services	76	26,852	26,341	-510	-1.9
Motion Pictures	78	11,678	14,154	2,476	21.2
Amusement & Recreation Services	79	24,455	40,250	15,795	64.6
Health Services	80	31,024	31,680	656	2.1
Legal Services	81	39,273	42,733	3,459	8.8
Educational Services	82	25,443	26,583	1,140	4.5
Social Services	83	18,870	19,026	156	0.8
Museums, Botanical & Zoological Gardens	84	20,283	24,564	4,281	21.1
Membership Organizations	86	16,949	17,469	520	3.1
Engineering & Management Services	87	42,036	41,233	-803	-1.9
Private Households	88	11,511	12,620	1,109	9.6
Services, N.E.C.	89	57,549	42,226	-15,323	-26.6
<b>Government</b>		32,166	35,654	3,488	10.8
Executive, Legislative, & General	91	23,539	26,486	2,947	12.5
Justice, Public Order, & Safety	92	31,140	37,862	6,723	21.6
Finance, Taxation, & Monetary Policy	93	30,026	37,690	7,664	25.5
Administration of Human Resources	94	29,808	30,123	315	1.1
Environmental Quality & Housing	95	28,133	29,289	1,156	4.1
Administration of Economic Programs	96	45,500	53,028	7,528	16.5
National Security & International Affairs	97	29,852	29,714	-138	-0.5

Notes: Some two-digit level data is not shown, due to required data suppression.

Figures shown are annualized based on first quarter data.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

**Table A.4**  
**Cleveland PMSA Employment by Two-Digit SIC**

	SIC	1989:Q1	1996:Q1	Change	% Change
<b>Total</b>		1,019,422	1,070,544	51,122	5.0
<b>Agriculture &amp; Mining</b>		3,974	5,091	1,117	28.1
<b>Construction</b>		32,025	35,629	3,605	11.3
General Building Contractors	15	6,627	7,465	838	12.6
Heavy Construction, Except Building	16	4,772	4,475	-298	-6.2
Special Trade Contractors	17	20,625	23,690	3,065	14.9
<b>Durable Manufacturing</b>		170,832	157,939	-12,893	-7.6
Lumber & Wood Products	24	2,214	3,144	929	42.0
Furniture & Fixtures	25	2,463	1,845	-618	-25.1
Stone, Clay, & Glass Products	32	3,787	3,356	-431	-11.4
Primary Metal Industries	33	26,774	22,038	-4,736	-17.7
Fabricated Metal Products	34	39,660	38,280	-1,380	-3.5
Industrial Machinery & Equipment	35	38,102	36,744	-1,358	-3.6
Electronic & Other Electric Equipment	36	17,921	16,821	-1,100	-6.1
Transportation Equipment	37	27,812	22,348	-5,465	-19.7
Instruments & Related Products	38	8,470	9,260	791	9.3
Miscellaneous Manufacturing Industries	39	3,630	4,104	474	13.1
<b>Non-Durable Manufacturing</b>		73,619	68,012	-5,607	-7.6
Food & Kindred Products	20	7,425	6,176	-1,250	-16.8
Textile Mill Products	22	615	248	-367	-59.7
Apparel & Other Textile Products	23	3,513	1,401	-2,112	-60.1
Paper & Allied Products	26	6,232	6,805	574	9.2
Printing & Publishing	27	17,375	18,013	638	3.7
Chemicals & Allied Products	28	17,282	17,719	437	2.5
Petroleum & Coal Products	29	4,792	3,000	-1,792	-37.4
Rubber & Miscellaneous Plastics Products	30	16,220	14,608	-1,611	-9.9
<b>TCPU</b>		63,034	57,764	-5,270	-8.4
Local & Interurban Passenger Transit	41	4,604	6,302	1,697	36.9
Trucking & Warehousing	42	12,128	10,413	-1,715	-14.1
U.S. Postal Service	43	8,690	8,102	-588	-6.8
Water Transportation	44	1,125	850	-275	-24.4
Transportation by Air	45	5,122	8,193	3,071	60.0
Transportation Services	47	3,422	3,657	235	6.9
Communications	48	11,168	9,227	-1,941	-17.4
Electric, Gas & Sanitary Services	49	16,687	10,975	-5,712	-34.2
<b>Wholesale Trade</b>		66,692	67,495	803	1.2
Wholesale Trade - Durable Goods	50	45,250	46,815	1,565	3.5
Wholesale Trade - Non-Durable Goods	51	21,442	20,680	-762	-3.6
<b>Retail Trade</b>		177,286	189,015	11,729	6.6
Building Materials & Garden Supplies	52	5,482	6,826	1,344	24.5
General Merchandise Stores	53	23,828	21,342	-2,486	-10.4
Food Stores	54	27,046	27,328	282	1.0
Automotive Dealers & Service Stations	55	18,998	19,705	707	3.7
Apparel & Accessory Stores	56	11,081	8,932	-2,149	-19.4
Furniture & Home Furnishings	57	6,999	7,970	971	13.9
Eating & Drinking Places	58	57,544	66,188	8,645	15.0
Miscellaneous Retail	59	26,309	30,724	4,414	16.8

**Table A.4 Continued**  
**Cleveland PMSA Employment by Two-Digit SIC**

	SIC	1989:Q1	1996:Q1	Change	% Change
<b>FIRE</b>		58,566	68,353	9,788	16.7
Depository Institutions	60	22,800	24,751	1,951	8.6
Non-Depository Institutions	61	2,384	3,912	1,527	64.1
Security & Commodity Brokers	62	2,937	4,251	1,315	44.8
Insurance Carriers	63	12,249	14,090	1,841	15.0
Insurance Agents, Brokers, & Service	64	5,034	5,799	765	15.2
Real Estate	65	11,092	12,861	1,769	16.0
Holding & Other Investment Offices	67	2,070	2,689	620	29.9
<b>Services</b>		331,211	372,019	40,808	12.3
Hotels & Other Lodging Places	70	7,281	6,848	-433	-5.9
Personal Services	72	11,919	13,175	1,257	10.5
Business Services	73	53,450	61,183	7,733	14.5
Auto Repair, Services, & Parking	75	9,970	11,067	1,097	11.0
Miscellaneous Repair Services	76	3,983	3,593	-390	-9.8
Motion Pictures	78	2,333	2,442	110	4.7
Amusement & Recreation Services	79	10,568	12,126	1,558	14.7
Health Services	80	99,009	113,925	14,916	15.1
Legal Services	81	9,658	9,551	-107	-1.1
Educational Services	82	72,981	78,008	5,028	6.9
Social Services	83	17,543	22,060	4,516	25.7
Museums, Botanical & Zoological Gardens	84	773	932	159	20.6
Membership Organizations	86	8,385	8,282	-103	-1.2
Engineering & Management Services	87	21,584	26,752	5,167	23.9
Private Households	88	1,331	1,679	348	26.1
Services, N.E.C.	89	444	397	-48	-10.7
<b>Government</b>		40,026	46,107	6,081	15.2
Executive, Legislative, & General	91	5,242	5,388	146	2.8
Justice, Public Order, & Safety	92	15,796	18,182	2,386	15.1
Finance, Taxation, & Monetary Policy	93	2,679	2,559	-120	-4.5
Administration of Human Resources	94	3,729	5,158	1,429	38.3
Environmental Quality & Housing	95	3,798	5,165	1,367	36.0
Administration of Economic Programs	96	6,110	4,979	-1,131	-18.5
National Security & International Affairs	97	2,672	4,677	2,005	75.0

Notes: Sum of major sectors does not equal downtown employment total since some establishments are not classified by SIC.

SIC classifications may not sum to sector totals due to required data suppression.

Downtown Cleveland includes Zip Codes 44113, 44114, & 44115.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.

**Table A.5**  
**Cleveland PMSA Payroll Per Capita by Two-Digit SIC**  
**1996:Q1 Dollars**

	SIC	1989	1996	Change	% Change
<b>Total</b>		\$28,943	\$29,751	\$807	2.8
<b>Agriculture &amp; Mining</b>		25,181	24,921	-260	-1.0
<b>Construction</b>		33,369	33,490	121	0.4
General Building Contractors	15	32,547	32,970	423	1.3
Heavy Construction, Except Building	16	37,438	37,463	25	0.1
Special Trade Contractors	17	32,691	32,796	105	0.3
<b>Durable Manufacturing</b>		39,596	33,083	-6,513	-16.5
Lumber & Wood Products	24	30,062	28,077	-1,985	-6.6
Furniture & Fixtures	25	33,651	36,907	3,255	9.7
Stone, Clay, & Glass Products	32	37,851	32,587	-5,263	-13.9
Primary Metal Industries	33	48,757	32,366	-16,390	-33.6
Fabricated Metal Products	34	36,454	33,988	-2,466	-6.8
Industrial Machinery & Equipment	35	36,419	35,039	-1,381	-3.8
Electronic & Other Electric Equipment	36	36,883	29,883	-7,000	-19.0
Transportation Equipment	37	45,460	31,563	-13,897	-30.6
Instruments & Related Products	38	35,711	32,340	-3,370	-9.4
Miscellaneous Manufacturing Industries	39	28,884	26,048	-2,835	-9.8
<b>Non-Durable Manufacturing</b>		35,928	33,500	-2,429	-6.8
Food & Kindred Products	20	31,569	36,508	4,940	15.7
Textile Mill Products	22	21,411	21,887	476	2.2
Apparel & Other Textile Products	23	20,633	19,147	-1,486	-7.2
Paper & Allied Products	26	37,459	32,218	-5,241	-14.0
Printing & Publishing	27	31,651	32,058	407	1.3
Chemicals & Allied Products	28	48,731	40,010	-8,722	-17.9
Petroleum & Coal Products	29	53,827	61,304	7,477	13.9
Rubber & Miscellaneous Plastics Products	30	27,014	26,361	-653	-2.4
<b>TCPU</b>		38,081	34,263	-3,817	-10.0
Local & Interurban Passenger Transit	41	27,361	26,886	-475	-1.7
Trucking & Warehousing	42	30,982	28,253	-2,729	-8.8
U.S. Postal Service	43	34,403	36,513	2,111	6.1
Water Transportation	44	67,389	79,984	12,595	18.7
Transportation by Air	45	31,207	25,412	-5,795	-18.6
Transportation Services	47	26,253	30,156	3,903	14.9
Communications	48	50,969	41,125	-9,844	-19.3
Electric, Gas & Sanitary Services	49	42,050	38,983	-3,067	-7.3
<b>Wholesale Trade</b>		37,626	36,494	-1,132	-3.0
Wholesale Trade - Durable Goods	50	39,160	37,202	-1,957	-5.0
Wholesale Trade - Non-Durable Goods	51	34,390	35,037	647	1.9
<b>Retail</b>		13,807	15,935	2,127	15.4
Building Materials & Garden Supplies	52	19,856	20,916	1,060	5.3
General Merchandise Stores	53	15,210	9,259	-5,952	-39.1
Food Stores	54	14,162	11,982	-2,180	-15.4
Automotive Dealers & Service Stations	55	22,383	27,354	4,971	22.2
Apparel & Accessory Stores	56	11,780	15,031	3,251	27.6
Furniture & Home Furnishings	57	19,632	22,230	2,598	13.2
Eating & Drinking Places	58	8,758	8,723	-36	-0.4
Miscellaneous Retail	59	15,068	17,572	2,505	16.6

**Table A.5 Continued**  
**Cleveland PMSA Payroll Per Capita by Two-Digit SIC**  
**1996:Q1 Dollars**

	SIC	1989	1996	Change	% Change
<b>FIRE</b>		\$33,350	\$34,985	\$1,635	4.9
Depository Institutions	60	28,076	20,616	-7,460	-26.6
Non-Depository Institutions	61	32,802	36,755	3,953	12.1
Security & Commodity Brokers	62	70,333	54,737	-15,596	-22.2
Insurance Carriers	63	38,228	41,155	2,927	7.7
Insurance Agents, Brokers, & Service	64	36,015	39,173	3,158	8.8
Real Estate	65	24,245	25,479	1,234	5.1
Holding & Other Investment Offices	67	53,047	58,119	5,072	9.6
<b>Services</b>		25,255	28,327	3,073	12.2
Hotels & Other Lodging Places	70	13,533	12,245	-1,288	-9.5
Personal Services	72	13,120	14,323	1,203	9.2
Business Services	73	19,580	23,001	3,422	17.5
Auto Repair, Services, & Parking	75	20,897	22,236	1,339	6.4
Miscellaneous Repair Services	76	25,973	26,286	313	1.2
Motion Pictures	78	10,952	19,654	8,702	79.5
Amusement & Recreation Services	79	21,649	40,248	18,598	85.9
Health Services	80	29,173	32,349	3,177	10.9
Legal Services	81	38,302	43,965	5,664	14.8
Educational Services	82	25,412	27,376	1,964	7.7
Social Services	83	17,913	19,392	1,480	8.3
Museums, Botanical & Zoological Garden	84	20,200	22,483	2,283	11.3
Membership Organizations	86	15,264	15,941	677	4.4
Engineering & Management Services	87	41,058	40,673	-385	-0.9
Private Households	88	11,499	12,458	958	8.3
Services, N.E.C.	89	55,822	43,076	-12,746	-22.8
<b>Government</b>		30,505	32,608	2,102	6.9
Executive, Legislative, & General	91	19,531	21,668	2,137	10.9
Justice, Public Order, & Safety	92	29,636	35,412	5,776	19.5
Finance, Taxation, & Monetary Policy	93	29,558	30,480	922	3.1
Administration of Human Resources	94	28,646	28,659	13	0.0
Environmental Quality & Housing	95	27,800	28,995	1,196	4.3
Administration of Economic Programs	96	45,685	50,115	4,431	9.7
National Security & International Affairs	97	29,851	27,919	-1,932	-6.5

Notes: Some two-digit level data is not shown, due to required data suppression.

Figures shown are annualized based on first quarter data.

Source: Ohio Bureau of Employment Services' Covered Employment and Payroll Data, edited by The Urban Center.