

ECONOMIC BASE AND PROFILE**INTRODUCTION**

It is important to analyze the economic base of the County to determine its strength, character, and viability. The economic growth of the County depends to a great extent on the existing economic base for the County, as well as the surrounding region. This Chapter provides an overview of the County and regional economic base and activities including historical trends, regional influences, natural resources, labor characteristics, business and industry, and Perry County economic development efforts.

HISTORICAL TRENDS

During the 1750s settlers began moving into the area that is now Perry County, displacing the Native Americans north and westward as they cleared the wooded valleys for farmland. From the very beginning agricultural production was the main stay of the County's economy.

In the early 1800s, transportation routes such as the Susquehanna Trail (Routes 11/15) and the William Penn Highway (Routes 22/322) were constructed along pathways previously used heavily by the Native Americans. The Pennsylvania Canal, which followed the Susquehanna River and connected Harrisburg with points north, began operation in 1829. However, the canal was quickly replaced by a railroad connecting Harrisburg and Lewistown that was completed in 1849. Along these transportation corridors small towns were established and small areas of commercial development began to appear.

As the Industrial Revolution swept across America, new industries appeared in the County and established industries expanded. As the 20th century technology began to favor large-scale industry, the County's industrial growth stagnated and fell behind the growth of the surrounding counties in the region. The service and retail sectors grew with the population as they basically serve the local market. Agricultural production still remains an important part of the County's economy.

REGIONAL INFLUENCES

Perry County is significantly affected by economic trends of Cumberland and Dauphin Counties to the south and east. The Tri-County Region coincides with the Harrisburg Metropolitan Area. Certain features of past and present development are important to the economic growth of the Region. These features are unique to the area, yet are not isolated from national economic and business cycles.

The strategic crossroads location, at a point where the Susquehanna River emerges from the Appalachian Mountain ridges into the junction of five valleys is important. This

location made the Harrisburg Metropolitan Area the hub of Central Pennsylvania's Colonial trading activity.

This strategic location spurred Harrisburg's rapid development as a transportation center. Four interstates and six other U.S. highways traverse the region, making it very accessible to the major metropolitan areas of the Northeast Atlantic Region. Historically, the railroad industry has been a vital part of Harrisburg's economy, with Norfolk Southern and AMTRAK still serving the area. Two airports are located in the region: The Harrisburg International Airport and the Capital City Airport. A number of large trucking companies have also recognized the advantages of locating in the area and have built large terminals and warehouses in the Harrisburg Area.

The natural resources are abundant. Large areas of prime farmland exist in all three counties, creating very productive farms where land is still available in large tracts. Some of the larger portions of woodland provide timber resources. This same land is also excellent for most types of residential and commercial development.

Mineral resources include coal, iron, iron-ore, limestone, sandstone, and shale. None of these exist in large enough quantities to allow extensive mining. There is some coal mining in northeastern Dauphin County and limestone mining in the valleys of the region. Mining of ore was conducted mostly during the colonial and industrial periods.

In 1812 Harrisburg was selected as the State Capital, and more recently federal military installations were added, establishing the region as a major employer of government workers. The Commonwealth of Pennsylvania is the largest employer in the Harrisburg area, employing approximately 28,000 from the surrounding region. The Naval Inventory Control Point (NAVICP) and Defense Distribution Center are the fifth and eighth largest employers in the region.

Commercial activity and industrial development increased following the growth of the city as a government and transportation center. The eastern portion of Cumberland County, across the Susquehanna River from Harrisburg, also experienced commercial and industrial development growth. In the heart of Cumberland County is Carlisle Borough, another large employment center in the region. As a result, there are 69 employers that employ 500 or more persons within 20 miles of the Perry County border. Outside the County, employment opportunities within reasonable commuting distance are abundant. The development of the Harrisburg Urbanized Area and the east-west corridor (Carlisle to Palmyra) has been vital to the growth of Perry County's economic base.

NATURAL RESOURCES

Agriculture

Since Perry County is located in the Appalachian Ridge and Valley physiographic province the terrain and soil types vary greatly throughout the whole County. Poorly drained, shallow, and rocky soils, and steep slopes characterize the ridges. The valleys

generally possess moderate to well-drained, deep, fertile soils and shallower slopes. Soils in the valleys are generally limestone derived while soils on the ridges are sandstone, siltstone and shale derived.

The limestone soils and gently rolling terrain are prime conditions for very productive agricultural uses. These favorable conditions have produced a substantial agricultural industry in the county despite its small percentage of overall county employment. In 1997 there were 618 farms utilizing 114,882 acres (see Table 5-1). Between 1992 and 1997 the amount of total land in farms increased 10,590 acres. According to the Agricultural Census, the average size of farms in the County has increased from 112.1 acres in 1954 to 155.5 acres in 1964 to 179.0 acres in 1980 to 186 acres in 1992 and remained the same in 1997.

**TABLE 5-1
AGRICULTURAL RESOURCES IN PERRY COUNTY
1982, 1987, 1992, and 1997**

	1982	1987	1992	1997
Number of Farms	698	628	562	618
Total Sales over \$10,000	338	306	324	329
Total Acreage in Farms	117,587	112,654	104,292	114,882
Average Size of Farms (Acres)	168	179	186	186
Value of Land and Buildings				
Average per Farm (\$)	184,206	233,951	347,192	347,269
Average Per Acre (\$)	1,153	1,323	1,770	1,902
Market Value of Products (Farms with \$10,000 or More in Sales) Average per Farm (\$)	91,017	105,166	122,558	94,898
TOTAL SALES	\$30,764,000.00	\$32,181,000.00	\$39,709,000.00	\$58,647,000.00

SOURCE: U.S. Census of Agriculture, 1982, 1987, 1992, and 1997

**TABLE 5-2
Farm Animal Production
2002-2003 Perry County Dairy Milk Production Figures**

Average Daily Number of Cows Milked	Pounds of Milk Produced /Cow Annually	Total Pounds of Milk Produced	Annual Milk Production Value
6,800	20,900 lbs.	142,100,000 lbs.	\$19,610,000

SOURCE: Pennsylvania Agricultural Statistics Service 2002-2003

**TABLE 5-3
2002-2003 Perry County Non-Dairy Farm Animal Values**

Number of Hogs	\$ Value	Number of Cattle and Calves	\$ Value	Number of Sheep
55,600	\$3,725,200	25,500	\$23,715,000	1,800

SOURCE: Pennsylvania Agricultural Statistics Service 2002-2003

TABLE 5-4
2002-2003 Perry County Poultry Figures

Number of Chickens	\$ Value	Number of Eggs Produced	\$ Value of Egg Production	Number of Broilers
205,000	\$369,000	72,000	\$3,084,000	205,100

SOURCE: Pennsylvania Agricultural Statistics Service 2002-2003

Farm Crop Production

Another source of income for the agricultural industry is crop production. Crop value is realized two-fold. As a primary value, crops/planting supplements the daily diet of the animals housed on a given farm. This helps to offset feed costs. For many farms this is the primary reason for crop production. Surplus crops generally find their way to market. Direct sales of excess product to the animal feed or food product industries make for a third valuable use.

TABLE 5-5
2002 Perry County Farm Crop Productivity

Crop Type	Acres Planted	Yield/ Acre	Acres Harvested	Total Production	\$ Value
Corn for Silage	N/A	11.2 tons	7,100	79,300 tons	\$1,982,500
Alfalfa Hay	N/A	2.22 Tons	10,700	23, 800 tons	\$3,546,200
Other Hay	N/A	1.43 tons	17,800	25,500 tons	\$2,983,500
Forage	N/A	2.19 tons	31,900	69,800 tons	\$8,148,200
Winter Wheat	4,400	40.4 bushels	4,300	174,200 tons	\$583,550
Barley	1,600	73.0 bushels	1,400	102,200 tons	\$163,520
Oats	2,000	61.3 bushels	1,600	98,000 tons	\$186,200
Soybeans	6,400	26.8 bushels	6,000	153,000 tons	\$872,100

SOURCE: Pennsylvania Agricultural Statistics Service 2002-2003

TABLE 5-6
2002 Perry County Fruits and Vegetable Crop Production

Year	Crop	Number of Farms	Acres	(cwt)
2002	Fruit	22	71	N/A
1997	Fruit	15	65	N/A
1992	Fruit	18	121	N/A
2002	Potatoes	10	17	1,242
1997	Potatoes	8	15	1,187
1992	Potatoes	5	N/A	964
2002	Vegetables	34	353	N/A
1997	Vegetables	N/A	N/A	N/A
1992	Vegetables	N/A	N/A	N/A

SOURCE: Pennsylvania Agricultural Statistics Service 2002-2003, 1997, and 1992

Forestry/Wood-Products/Paper

Much of the information related to the forestry is extremely hard to obtain. A report entitled Economic Contribution of Forestry to Pennsylvania, prepared by Dr. Michael Jacobson and Ms. Cathy Seyler of the Penn State School of Forestry, has helped to shed some light on this key sector of Pennsylvania and Perry County's economy. The report provides information to heighten the reader's awareness of just how important forestry and its products are to Perry County's economy. Numeric figures contained within the report are directly tied to the sources referenced at the bottom of this page.¹

According to the report, the forestry's annual economic contribution is listed to be \$4.7 million. In addition, the value added wood products and paper sector was listed with \$17.0 million worth of annual contribution. The total number of forestry and wood products employees was 490 with 16 total establishments.

In terms of ownership, 78% of the County's forested land is identified as being privately held while the remaining 22% is listed as public.

It is also worth mentioning, the value of standing timber is estimated to be approximately \$158.74 million. The annual value is estimated to be around \$3.05 million.

Minerals

Perry County does not have an extensive amount of mineral resources. In the past, small packets of iron ore and limestone were mined to support a small iron industry. Presently, sandstone is quarried for local use and crushed stone is used for road construction.

As with forestry, county economic figures for mining are not readily available. The US Census Bureau does not offer figures on mining activity by County.

Water

The majority of Perry County's land area is located in the Susquehanna River Drainage Basin with the exception of a small portion draining into the Potomac River system. With this understanding, the County is primarily drained by the Susquehanna River with its main tributaries being Shermans Creek, Little Juniata Creek and the Juniata River with its main tributaries being Buffalo Creek, Little Buffalo Creek, Raccoon Creek and Tuscarora Creek.

The average annual precipitation for Perry County is about 40 inches, which means that over 384 billion gallons of water fall on the County each year. About 50 percent of the rainfall is lost through evaporation and transpiration. Less than 4 inches of the available

¹ Sources: Penn State Timber Market Report; 1993 USDA Forest Service, Northeast Forest Experimental Station GTR NE-126; 1994 USDA Northeastern Forest Experimental Station GTR NE-136; USDA Census of Agriculture 1997; PA Department of Labor; Minnesota IMPLAN group, Inc. 1997 data.

total rainfall is used for agricultural or non-agricultural purposes. The remainder moves, unused, into the streams.

Wells and springs make up the major source of water supply in Perry County. The underground supply seems adequate for the present. However, in the past, the supply of water from springs and wells has been limited during periods of light rainfall. This restricted water use in some of the municipalities in the County. Public and community water service is discussed with detail in Chapter VIII and in the Perry County Water Supply Plan.

LABOR FORCE CHARACTERISTICS

General Information

In 2000 the US Census Bureau listed Perry County with Monroe County ranking the two third in the state with the least percentage (12.3%) of their population over 65 years of age. Only Centre County and Chester County were under this percentage figure.

Employment by Industry

In 2000 there were 21,740 persons sixteen (16) years and older employed in one of the thirteen (13) industries identified by the U.S. Census. The largest proportion, 3,349 persons or fifteen and four tenths (15.4) of a percent of the workforce was employed in the education, health and social services sector. The manufacturing sector provided positions for 2,620 persons or twelve and one tenth (12.1) of a percent of the workforce, down from fifteen and one tenth (15.1) of a percent in 1900. This can be attributed to the move to large-scale technology based manufacturing establishments. 2,591 individuals or 11.9 percent of the workforce were employed in the retail trade sector, down from fifteen and one tenth (15.1) of a percent in 1990. The transportation sector employs 2,152 persons or 9.9 percent of the workforce. The large trucking industry in Cumberland County has a significant influence on this employment sector. 1,944 persons or eight and nine tenths (8.9) of a percent of the workforce filled public administration sector jobs. Local and county governments provide some the positions. However, several federal military installations and state government offices in Harrisburg generate most of these positions.

Agriculture, forestry, etc., employed only two and nine tenths (2.9) of a percent of Perry County's residents. This area of employment greatly influences the usage patterns of large quantities of land within the County. A large percentage of Perry County's work force was also involved in the construction industry. This percentage was higher than both Dauphin and Cumberland Counties.

According to the Pennsylvania Agricultural Statistics 2003-2004 report, there were 800 farms in Perry County in 2002. The average farm size was 154 acres, accounting for 123,000 acres of land.

Between the years 1990-2000 the arts, entertainment, recreation, accommodation, and food services sector increased in the number it employs by 165 percent. Other sectors that had significant increases include transportation by 37.8 percent, other services by 23.6 percent, and finance, insurance and real estate by 17.8 percent. Sectors with less growth include wholesale trade by 9.6 percent, construction by 9.1 percent, and information by 8.6. The agriculture, forestry, etc., sector decreased by 33 percent, while the retail trade sector and manufacturing sector decreased 22.5 and 21.2 percent respectively.

TABLE 5-7
PERRY COUNTY EMPLOYMENT BY INDUSTRY
Persons 16 Years and Older – 2000

Industry	1990	2000	Percentage Employed 2000	Percentage Difference 1990-2000
Agriculture, forestry, fishing and hunting, and mining	837	629	2.9	-33%
Construction	1,754	1,914	8.8	9.1%
Manufacturing	3,177	2,620	12.1	-21.2%
Wholesale trade	966	1,058	4.9	9.6%
Retail trade	3,175	2,591	11.9	-22.5%
Transportation and warehousing, and utilities	1,561	2,152	9.9	37.8%
Information	388	357	1.6	8.6%
Finance, insurance, real estate, and rental and leasing	1,566	1,846	8.5	17.8%
Professional, scientific, management, administrative, and waste management services	3,335	1,176	5.4	-183% *
Educational, health and social services	**	3,349	15.4	
Arts, entertainment, recreation, accommodation and food services	397	1,054	4.8	165%
Other services (except public administration)	849	1,050	4.8	23.6%
Public administration	2,071	1,944	8.9	6.5%
TOTAL	20,076	21,740	100.0	

SOURCE: U.S. Census, 2000

* The large decrease in the professional sector is due to the fact that the education sector was previously classified in the profession sector but is now classified in its own sector.

** Educational, health and social services was not identified as an industry in the 1990 U.S. Census

Employment by Place of Work

Table 5-8 illustrates the employment locations of the Perry County workforce in 2000. Of 21,133 persons that reported their place of work, 6,738 persons or 31.9 percent worked in the County and the remaining 14,395 persons or 68.1 percent worked outside of the County. 6,334 or 29.9 percent of those working outside of the County are employed in Dauphin County and 7,021 or 33.2 percent are employed in Cumberland County.

These numbers seem to reflect that employment opportunities are more abundant in areas bordering Perry County, primarily in the Harrisburg urbanized area. It appears that the job market in Perry County has not expanded at the same rate as its population. It seems that the residents in-migrating to the County maintain their employment in the adjacent Harrisburg metro job market. This trend supports the argument that population growth does not necessarily spur economic growth in the same area. The numbers have changed since 1990. However these ratios have remained relatively the same. Continued population growth should encourage some expansion of the economic base, leading to increased job opportunities within the County. However, it seems the Harrisburg job market will continue to dominate as the major employment market for Perry County residents.

**TABLE 5-8
WORK LOCATIONS OF PERRY COUNTY RESIDENTS
2000**

Work Locations	Number of Workers	Percentage
Work in County	6,738	31.9
Work Outside of County	14,395	68.1
Work in Dauphin County	6,334	29.9
Work in Cumberland County	7,021	33.2
Work in Other Counties	1,040	4.9
Total Number of Residents Reporting to Work Place	21,133	

SOURCE: U.S. Census, 2000

Employment by Occupation

The Employment by Occupation data profiles statistics dealing with individual worker characteristics. These numbers generally reflect the education level, vocational training and work experience of the work force. Table 5-9 lists the data for the six occupational groups.

The largest proportion, 6,050 or 27.8 percent of persons sixteen (16) years and over is working in the sales and office occupation. The next largest occupational group of 5,192 or 23.9 percent includes management, professional and related occupations. Production, transportation and material moving occupations rank third with 4,654 persons or 21.4 percent. 2,797 persons or 12.9 percent of the workforce have jobs in the service occupation, while 2,789 or 12.8 percent are employed in the construction, extraction, and maintenance occupations. Farming, fishing and forestry occupations include the remaining 1.2 percent of the workforce. Between the years 1990-2000 (Table 5-9) the most growth occurred among the management, professional and related occupations and the service occupations. The largest decrease occurred among the farming, fishing, and forestry occupations.

**TABLE 5-9
OCCUPATION PROFILES FOR
PERRY, DAUPHIN, AND CUMBERLAND COUNTIES
1990-2000**

	1990	2000	% Change	Perry	Cumberland	Dauphin
Management, Professional, and Related Occupations	3,249	5,192	59.8	23.9	34.6	34.9
Service Occupations	2,325	2,797	20.3	12.9	13.3	14.0
Sales and Office Occupations	6,175	6,050	-2.1	27.8	29.7	28.8
Farming, Fishing, and Forestry Occupations	705	258	-173.2	1.2	0.5	0.4
Construction, Extractions, and Maintenance Occupations	4,595	2,789	-64.7	12.8	7.3	7.7
Production, Transportation, and Material Moving Occupations	3,027	4,654	53.7	21.4	14.5	14.2
TOTALS	20,076	21,740		100.0	100.0	100.0

SOURCE: U.S. Census, 1990, 2000

Unemployment

A problem that almost every county faces and must solve to remain economically healthy is unemployment. Unemployment rates are often used as economic indicators, since they reflect the demand for labor, which is driven by a particular economy. However, there are too many other factors that affect unemployment to qualify it as a sole indicator of economic strength. Unemployment rates can be affected by seasonal jobs, state and national trends and personnel decisions by large employers.

Table 5-10 reveals that Perry County's unemployment rate parallels the State and Cumberland and Dauphin County rate. In the past, Perry County has had a comparatively higher unemployment rate. It is theorized that this is because there are no large employment centers and more time is required for the unemployed to find new job placements. Table 5-10 also shows that employment was strong at all levels during the 1970 census, was faltering during the 1980 census, and was rebounding in the late 1980s. In 1990 the unemployment rate was again beginning to falter. The high unemployment rates in 1990 reflect a major recession, which was gripping the nation at that time. The year 1970 was near a peak in the national economic cycle, while 1990 had been a time of vigorous business activity. National economic trends probably have the most influence on Perry County's unemployment rate of any of the factors affecting it.

It is important to note the fact that the unemployment rate fluctuates based on economic conditions. Although the unemployment rate for the County was 3.7% in 2000, this number should not be viewed as an accurate rate throughout the study period of this Plan. It is important to utilize up-to-date unemployment figures when relying on this factor.

TABLE 5-10
UNEMPLOYMENT RATE: 1970, 1980, 1990, and 2000

	1970	1980	1990	2000
Pennsylvania	3.7%	7.4%	5.4%	5.7%
Harrisburg, MSA	2.3%	4.6%	4.4%	3.9%
Cumberland County	2.1%	3.7%	3.6	3.2%
Dauphin County	2.2%	5.1%	4.6%	4.5%
Perry County	2.9%	6.4%	5.8%	3.7%

SOURCE: U.S. Census, 1970, 1980, 1990 and 2000

BUSINESS AND INDUSTRY

Manufacturing

The 1997 Economic Census defines manufacturing as establishments engaged in mechanical, physical, or chemical transformation of materials, substances, or components into new products. The historic trend in manufacturing has been a fairly steady decline in the number of establishments, at all levels. Perry County has experienced a 25 percent decline since 1992 in the number of manufacturing establishments, and at the same time the state and the Harrisburg Metropolitan Statistical Area (MSA) experienced a decrease of 5.6 percent and 7.4 percent, respectively. Recent trends have encouraged the move towards larger scale industrial operations. The resulting increases in employment per establishment have to some extent offset the loss of total manufacturing establishments. The net effect, however, has been an overall loss of manufacturing jobs.

Table 5-11 shows that the number of manufacturing establishments in Perry County has decreased from 40 to 32. The number of employees decreased from 1000 to 845. However, total sales receipt values have increased from \$73 million to \$82 million. This can be contributed to the fact that the manufacturing industry has become more modernized and utilizes fewer employees. Table 5-12 and Table 5-13 reveal the same trend occurring at the state and regional level as well.

TABLE 5-11
MANUFACTURING STATISTICS FOR PERRY COUNTY

	1992	1997	% Of Change 1992-1997
Number of Establishments	40	32	-25.0%
Sales Receipts (\$1,000)	\$73,000	\$82,728	13.3%
Annual Payroll (\$1,000)	*	\$19,063	---
Paid Employees	1,000	845	-18.3%

SOURCE: 1992, 1997 Census of Manufacturing

* = Not Identified in 1992

Table 5-12
MANUFACTURING STATISTICS FOR PENNSYLVANIA
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	18,089	17,128	-5.6%
Payroll (\$1,000)	\$29,071	\$27,641	-5.2%
Sales (\$1,000)	\$69,372	\$172,193	148.2%

SOURCE: 1992, 1997 Census of Manufacturing

TABLE 5-13
MANUFACTURING STATISTICS FOR HARRISBURG, MSA
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	724	674	-7.4%
Payroll (\$1,000)	\$1,374	\$1,240	-10.8%
Sales (\$1,000)	\$3,409	\$8,691	154.9%

SOURCE: 1992, 1997 Census of Manufacturing

Wholesale Trade

The 1997 Economic Census defines wholesale trade as establishments engaged in wholesaling merchandise, generally without transformation and rendering services incidental to the sale of merchandise. This involves the selling of commodities or goods in quantity for resale. Healthy wholesale trade is a vital element of an area's economy as it generates the movement of money, employment base, and disposable income for the purchase of goods and services. If a diversity of goods and services is readily available within an area, there are fewer tendencies for the local residents to spend their earnings elsewhere, and therefore, the area becomes to some degree self-sufficient.

Table 5-9 reveals that the number of wholesale establishments in Perry County has decreased from 28 in 1992 to 17 in 1997. It should be noted that this is a 64 percent drop, much greater than the State or MSA drop rate. The sales data volume cannot be identified because the data was withheld to avoid disclosing data of individual companies. Tables 5-10 and 5-11 reveal that the State and MSA showed decreases in the number of wholesale establishments between 1992 and 1997 of 18.0 percent and 23.5 percent, respectively. The percentage of wholesale employment opportunities decreased 7.1 percent at the state level and increased 0.9 percent at the MSA level. At the same time of negative to little growth in the number of wholesale establishments, the gain in sales and payroll was significant.

TABLE 5-14
WHOLESALE TRADE STATISTICS FOR PERRY COUNTY
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	28	17	-64.7%
Sales Receipts	50,984	*	---
Paid Employees	100-249	100-249	---

SOURCE: 1992, 1997 Census of Wholesale Trade

* = Not Identified in 1997

TABLE 5-15
WHOLESALE TRADE STATISTICS FOR PENNSYLVANIA
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	20,230	17,138	-18.0%
Payroll (\$1,000)	\$7,485,376	\$8,588,178	14.7%
Sales (\$1,000)	\$126,369,922	\$159,354,185	26.1%
Employees	254,410	237,567	-7.1%

SOURCE: 1992, 1997 Census of Wholesale Trade

TABLE 5-16
WHOLESALE TRADE FOR HARRISBURG MSA
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	909	736	-23.5%
Payroll (\$1,000)	\$421,152	\$489,432	16.2%
Sales (\$1,000)	\$7,004,184	\$11,750,990	67.7%
Employees	15,151	15,165	.09%

SOURCE: 1992, 1997 Census of Wholesale Trade

Retail Trade

Retail trade is defined as establishments engaged in retailing merchandise, generally without transformation and rendering services to the sale of merchandise. This involves the selling of commodities or goods in small quantities to the consumer. Table 5-12 reveals that the number of retail trade establishments in Perry County decreased from 181 in 1992 to 141 in 1997, and the number of employees decreased from 1298 to 1280. However, at the same time, the sales receipts increased 28.9 percent. Tables 5-13 and 5-14 reveal that between 1992 and 1997 the State and MSA showed a decrease in the number of establishments of 42.7 percent and 33.5 percent, and a decrease in the number of paid employees of 32.5 percent and 26.6 percent, respectively.

In summary, the wholesale and retail trade in Perry County serves the local market with the basic items. The large retail centers in Cumberland and Dauphin County provide the wide range of retail and wholesale items and services comparable to population centers of Harrisburg's proportions.

TABLE 5-17
RETAIL TRADE STATISTICS FOR PERRY COUNTY
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	181	141	-28.3%
Sales Receipts (\$1,000)	\$159,157	\$205,266	28.9%
Annual Payroll (\$1,000)	*	\$17,479	---
Paid Employees	1298	1280	-1.4%

SOURCE: 1992, 1997 Census of Retail Trade

* = Not Identified in 1992

TABLE 5-18
RETAIL TRADE STATISTICS FOR PENNSYLVANIA
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	71,652	50,208	-42.7%
Payroll (\$1,000)	\$10,042,888	\$10,561,877	5.1%
Sales (\$1,000)	\$87,767,842	\$109,948,462	25.2%
Paid Employees	861,565	650,144	-32.5%

SOURCE: 1992, 1997 Census of Retail Trade

TABLE 5-19
RETAIL TRADE STATISTICS FOR HARRISBURG, MSA
1992-1997

	1992	1997	% Change 1992-1997
Number of Establishments	3,620	2,711	-33.5%
Payroll (\$1,000)	\$5,000,798	\$6,706,699	34.1%
Sales (\$1,000)	\$566,455	\$638,558	12.7%
Paid Employees	48,964	38,661	-26.6%

SOURCE: 1992, 1997 Census of Retail Trade

PERRY COUNTY ECONOMIC DEVELOPMENT EFFORTS

Between 1970 and 2000 the County's population increased by 14,987 people from 28,615 to 43,602 people. However, unlike the residential growth increases, quality employment opportunities are not expanding at the same rate, making Perry County a "Bedroom Community" to the Harrisburg and Carlisle employment centers. The 2000 Census classified 21,133 people in the "Reported to Work" category. Of the 21,133 people, 68.1 percent or 14,395 people reported to work outside of the County, and only 31.8 percent or 6,738 people found employment within the corporate boundaries of the County. Thus, the lack of a strong commercial/industrial base and influx of residential growth has created a hardship for the County taxpayers. As the population increases and the demand for public services continue to rise, the burden of paying for those services is placed on the residential property owner. Studies have shown residential development alone cannot support the tax base and pay for required services without straining the local population's resources.

The type of business and industry in the County is small and tailored more to the local market, than that of a regional one. Unfortunately, these jobs are typically associated with lower paying wages. However, because Perry County is closely tied to the Harrisburg and Carlisle employment center, the County's unemployment rate as of April 2002 was 3.7 percent compared to Cumberland County at 2.8 percent and Dauphin County at 3.9 percent.

In the mid-1990s, the Perry County Commissioners came to a consensus that more commercial and industrial development was desired in the County. The Commissioners reorganized the Perry County Economic Development Authority. The original role of the Authority was to act as a conduit for project financing within the County. However, Perry County is closely tied to the employment centers of Harrisburg and Carlisle. The County's unemployment rate as of April 2002 – 3.2 percent is comparable to both Cumberland County (2.8 percent) and Dauphin County (3.9 percent).

In 1996 the Authority developed its first strategic plan. The plan was entitled the Perry County Economic Development Board 1996-1998 Strategic Plan. Within the plan the Authority's Mission Statement and Guiding Principles, and Goals were all identified. Here are some excerpts:

The Perry County Economic Development Authority's Mission Statement is:

Promoting and encouraging economic development in Perry County.

The Authority's Guiding Principles are:

- 1. Maintain and accentuate the natural beauty of Perry County.**
- 2. Work in partnership with local governments.**

The Authority's Goals include:

- 1. Secure the necessary resources to accomplish our mission.**
- 2. Retain and help existing businesses grow.**
- 3. Encourage and attract new businesses.**

Since reorganization of the Perry County Economic Development Authority in 1995 and development of its Mission Statement and Guiding Principles and Goals in 1996, Perry County has achieved several significant economic development milestones. First was the identification and public unveiling of the Perry County Business Campus One site. The second accomplishment was the creation of the Perry County Economic Development Corporation to oversee the development of Business Campus One in 1999.

Perry County Business Campus One

The Perry County Business Campus One site is located in Penn Township approximately one half mile west of U.S. Routes 11/15 on Route 274. The site is approximately 56 acres

and offers public sewer and water line connection, three-phase 12,000-volt electric service, and fiber optic cable access to future tenants of the business park. The property is surrounded by residential, agricultural, and commercial land uses. The site has few environmental limitations and no archeological or agricultural limitations.

CONCLUSION

Perry County is closely tied economically to the Harrisburg Urbanized Area, and benefits significantly from its expanding transportation, employment, business, and industrial bases. The Harrisburg MSA has a diverse and expanding economy, an important characteristic which should allow it to survive through future economic cycles.

Perry County is presently a net exporter of labor, with more residents working outside the county than non-residents working within the County. This trend will continue unless slowed by an increase in adequate employment opportunities available within the County. The prospect of such an increase being realized is more realistic today than several years ago. County has recognized the importance of economic development and the benefits that can be realized by County residents and municipalities.

Efforts to increase economic development activity include the revitalization of the Perry County Economic Development Authority, creation of the Perry County Economic Development Corporation, and the Business Campus One site in Penn Township. These efforts and others will continue to add to the marketability and economic opportunity of the County.