

# Top US states for new manufacturing jobs

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By: [Mark Koba](#) | Senior Editor, CNBC

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A welder builds parts for finished petroleum tanks at Southern Tank and Manufacturing Inc. in Owensboro, Kentucky, U.S.

Manufacturing jobs in the U.S. appear to be coming back—if ever so slightly.

Several American firms, including [Caterpillar](#), [GE](#) and [Ford](#), have announced they're shifting some manufacturing operations back to the United States, mainly because of increasing production and energy costs overseas.

And since January of 2010, the United States has added 520,000 manufacturing jobs, according to the Bureau of Labor Statistics. There are currently 12 million manufacturing jobs on record in the United States.

But the U.S. is clearly in catch-up mode.

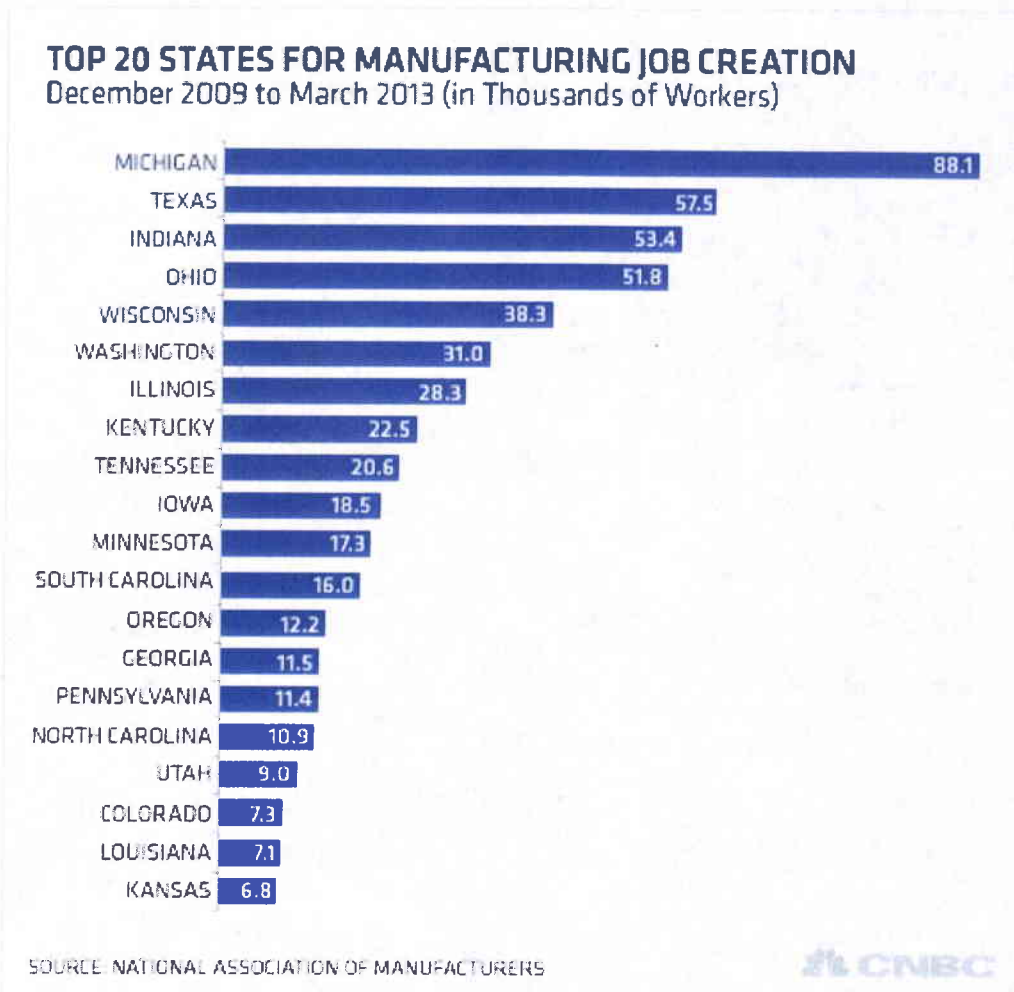
A [report released last year by Information Technology & Innovation Foundation](#) (ITIF) said that manufacturing in the U.S. declined more in the last decade than it did in the Great Depression.

The ITIF says that translates into some 5.7 million lost jobs in manufacturing— at an "average loss of 1,276 manufacturing jobs every day for the past 12 years."

In fact, in January 2012 there were more unemployed Americans (12.8 million) than there were Americans who worked in manufacturing (just under 12 million) the ITIF said.

"We are never going to see manufacturing in this country like it was before," said Tony Cherin, a finance professor emeritus at San Diego State University. "We've become a more service and information industry economy, and while manufacturing is still important, it doesn't carry the weight it once did."

### Where The Jobs Are



So where are the manufacturing jobs now?

"We still have significant presence in ship repair and high tech manufacturing, so those areas will see growth," said Cherin. "We have high levels of skill in aircraft manufacturing, electronics and computer services."

As for the states that are creating the most manufacturing jobs, the chart shows the ranking, as **Michigan** tops the list followed by **Texas, Indiana, Ohio** and **Wisconsin**.


Manufacturing companies in those states offer products and services that range from autos, furniture, tools, computers, computer software, toys, plastics, food, liquor, machinery, piping, chemicals, oil and gas.

"The auto industry will see some more jobs as foreign companies will invest in plants here," Cherin added. "And that means more jobs for making cars as well as in auto-related industries."

### Helped by an Energy Boom

**States with the Highest and Lowest Shares of Manufacturing Employment**  
As a Percent of the Total

TOP 5 STATES		BOTTOM 5 STATES	
Indiana	16.4%	Hawaii	2.2%
Wisconsin	16.1%	Wyoming	3.1%
Arkansas	13.6%	Nevada	3.3%
Michigan	12.8%	New Mexico	3.5%
Alabama	12.7%	Montana	3.9%

SOURCE: BUREAU OF ECONOMIC ANALYSIS | NATIONAL ASSOC. OF MANUFACTURERS 

As for the future, the hope is that more companies like GE and [Ford](#) will bring jobs back home, said Chad Moutray, chief economist at the National Association of Manufacturers.

"As prices rise for labor overseas, we think American firms will find it more to their liking here," Moutray said.

Another advantage the U.S. has for manufacturers is lower energy costs—thanks in no small part to an ongoing [boom around natural gas found in shale formations](#).

"Companies like that. With shale energy lowering costs, it's a huge advantage to them," he said.

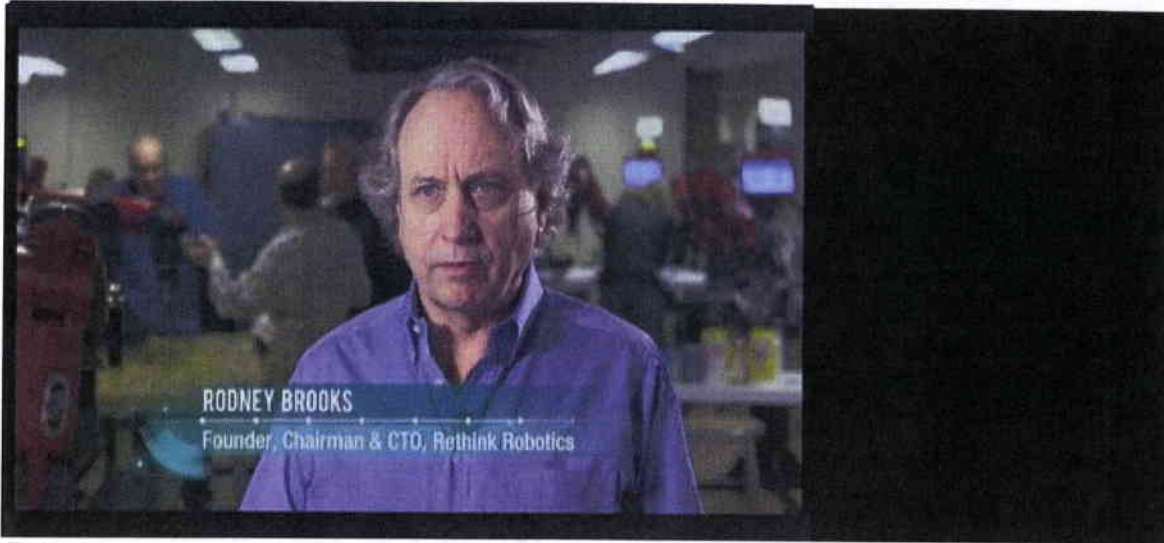
More American exports would contribute even more domestic manufacturing jobs, Moutray said.

"We need to open up foreign markets for our goods. That would help companies do more hiring," Moutray explained. "Right now there hasn't been a lot of attention to hiring as manufacturers have become more lean."

But the United States has to make sure it keeps the manufacturing jobs it has as well as looking to adding more, said Cherin.

"Major airlines are developing offshore maintenance facilities. We have to keep those here through better training of workers and by making sure our quality of repairs is good," he said.

## Rising Economic Contribution



### Robots to Innovate Manufacturing

Robotic changes such as 3D printing should revolutionize the way companies manufacture their goods in the coming years, including more intelligent robots that allow humans to offload repetitive and basic tasks.

Besides employing their own workers, U.S. manufacturers also support jobs in other sectors. Manufacturing supports an estimated 17.2 million jobs in the United States—about one in six private-sector jobs, [according to the NMA](#).

The NMA says that In 2012, manufacturers contributed \$1.87 trillion to the economy, up from \$1.73 trillion in 2011. This was 11.9 percent of gross domestic product.

While analysts say going back to the glory days of manufacturing is highly unlikely, there is hope for the future.

"We're not where we should be when it comes to jobs," said Moutray. "And there are concerns about a slowdown in the economies of Europe and Canada. That can hurt us when it comes to overseas exports. We'd like to see that get turned around."

"In the short run we have a ways to go," Moutray said. "But I think the longer term view for manufacturing jobs is a good one."