

Economic Impacts of the American Steel Industry

Key Findings

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The economic impacts of the American steel industry are multiplied many times over because of its central role in the broader U.S. economy. Steel is the most prevalent material in the U.S. economy, and the steel industry—iron and steel mills, and steel product manufacturing—is highly interrelated with other economic sectors. As a result, its economic contributions are multiplied many times over through its purchases of products and services from other economic sectors, its indirect support of hundreds of thousands of jobs along the supply chain, and its generation of billions of dollars in local, state and federal tax revenues.

Multiplier Effect: For every \$1 increase in sales for iron and steel mills and ferro alloy industries, total output in the U.S. economy increases by \$2.66

EMPLOYER — *The steel industry is a job creator, directly or indirectly supporting more than one million U.S. jobs.*

TAXPAYER — *The steel industry is a leading generator of tax revenues for all levels of government.*

CUSTOMER — *The American steel industry purchases a diverse range of products and services from many other sectors of the economy.*

EMPLOYER —

The steel industry is a job creator, directly or indirectly supporting more than one million U.S. jobs.

- The steel industry in 2011 directly employed over 150,700 steel workers, supported another 391,213 workers indirectly through the supply chain, and induced spending by households that supported another 480,096 jobs in other sectors of the economy. In total, the steel industry supported more than one million jobs in the U.S. economy in 2011.
- Each job in America's steel industry supports seven jobs in the U.S. economy.

TAXPAYER —

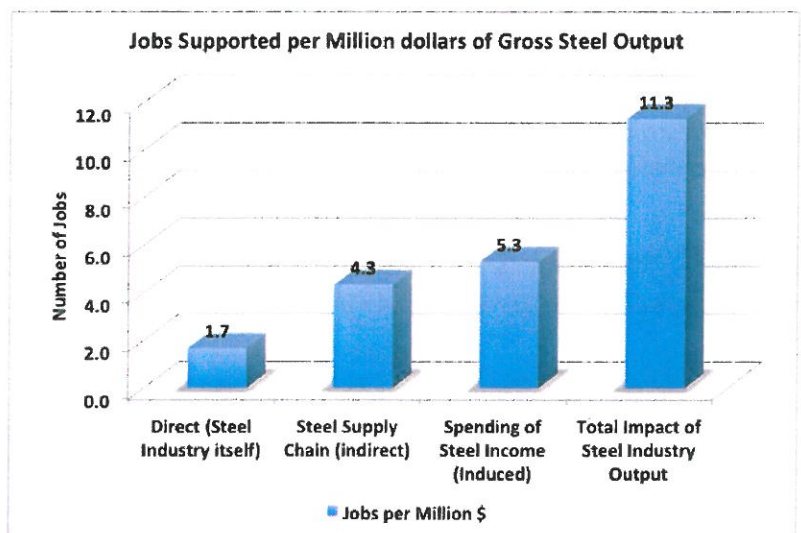
The steel industry is a leading generator of tax revenues for all levels of government.

- The American steel industry in 2011 generated \$22.9 billion in tax revenues at the local state and federal levels. These include tax revenue streams related to Social Security, proprietor income, indirect business taxes, household income, and corporate profits.
- Every \$1 million of gross output in the steel sector generates \$152,154 of federal tax revenues and \$101,046 of state and local tax revenues.

CUSTOMER —

The American steel industry purchases a diverse range of products and services from many other sectors of the economy.

- In 2010, the steel industry purchased more than \$20 billion of materials produced in other industries, \$8 billion of services, \$5 billion of energy products, \$4.5 billion of machinery, \$4.4 billion from wholesale and retail trade sectors, and more than \$4 billion of transportation services. It also generated \$12.4 billion in labor income.



- The steel industry’s purchases are *highly diverse*. The “services” category, for example, includes money spent for management services, securities and investment services, and legal, architectural and specialized design services, among others.

Economic Contributions Of Steel Sector In Millions Of Current Dollars

