2018 SIZE & IMPACT

SUMMARY

$432 billion in revenue
989,000 people employed
ONE INDUSTRY THAT MAKES A POSITIVE IMPACT
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GROWTH IN PLASTICS

EMPLOYMENT GROWTH 2012–2017

Plastics Manufacturing: 1.6%
All Manufacturing: 0.9%

PLASTICS WORKERS IN INDIANA IN 2017

16.9% of every 1000 non-farm jobs (most in U.S.)

TOTAL PLASTICS INDUSTRY SHIPMENTS IN 2017

$432 BILLION
(6.9% Increase from 2016)

REAL VALUE ADDED 2012–2017

2.4% ANNUAL GROWTH

REAL SHIPMENTS 2012–2017

1.4% ANNUAL GROWTH


Plastic Products Industry
One industry that makes a positive impact

The 2018 Size and Impact Report indicates that the U.S. plastics industry not only remains one of the economy’s largest sectors, but also that it continued to grow in 2017. As can be seen from another Plastics Industry Association (PLASTICS) study, Global Trends, abundant petrochemical feedstocks have helped U.S. exports, and therefore U.S. plastics companies and the industry as a whole.

Jobs Nationwide in 2017

989,000

Jobs in the U.S. when suppliers are included

1.81 million
SUMMARY

The U.S. plastics industry in 2017 not only added more workers to its employment rolls, but also notably increased its contribution to the American economy. As these headline figures and the rest of the 2018 Size & Impact Report, published by the Plastics Industry Association (PLASTICS), make clear, the U.S. plastics industry remains a key part of the American economy and continues to navigate its way to growth and hiring despite the presence of several social, political and economic challenges.

**Big Leaps in Employment and Shipment Value throughout the Supply Chain**

The 2018 Size & Impact Report shows that in 2017 the U.S. plastics industry accounted for 989,000 jobs, a 2.4-percent increase from the previous year. For shipments, the increase was even greater: the value leapt by 6.9 percent in 2017, bringing the industry's total size to $432.3 billion.

Looking beyond the boundaries of what constitutes the "plastics industry" proper, and considering the supply chain that supports it, growth was even greater in both employment figures and shipment value. When suppliers to the industry are included, the employment total grows to 1.81 million and shipments grow to $590.6 billion. Compared to 2016, this marks a 2.8-percent increase in jobs and a 7.0-percent increase in shipments.

**Plastics Impacts a Wide Array of Other Industries**

The above figures show that the impact of the plastics industry stretches far beyond the materials suppliers, processors, machinery manufacturers and moldmakers that have traditionally comprised PLASTICS’ definition of the industry. It also suggests that there are a number of companies, and individual workers, who may not consider themselves part of the plastics industry, but who depend on it nonetheless.

While the majority of plastics are used in manufacturing, the share of plastics entering the services sector has become increasingly important in recent years. On the other side of the supply chain, however—upstream from the plastics industry—there are hundreds of thousands of workers in the services sector and billions of dollars worth of shipments that are directly or indirectly reliant on the plastics industry. Fields such as finance, insurance and real estate, transportation and warehousing, utilities, management services and other noteworthy service industries all have companies and workers that count on the plastics industry as a customer.

The fact that these figures grew so sharply in 2017 is a testament to the industry's overall economic activity during that period of time, and to its ability to expand its economic impact into areas that might not occur to most. Still, it's important to note that what happens in the plastics industry does not merely stop at its government- or industry-defined shorelines; it ripples out into a number of other sectors.
California, Indiana Remain State-Level Leaders

As it was in 2016, last year California remained the state with the most plastics industry employment, though the overall total increased—from 77,000 workers in 2016 to 78,500 in 2017. Ohio came in second with 77,100 workers and Texas came in third with 76,800.

Indiana again had the highest concentration of plastics industry workers, with 16.9 plastics employees for every 1,000 non-farm workers. Michigan nipped at Indiana’s heels in this regard, having 16.8 plastics employees per 1,000 non-farm workers.

Full Employment and the Manufacturing Workforce

At press time the U.S. is operating at what is known as full employment—traditionally defined as the point at which unemployment falls below four percent. As its name would imply, operating in a state of full employment will necessarily slow employment growth in the future. However, it also means that wages will need to go up in order to fill the thousands of open positions at plastics companies across the country.

PLASTICS has made a point of supporting the expansion of employment in fields related to science, technology, engineering and mathematics (STEM) and in manufacturing in general. We’ve supported measures by the current U.S. administration to make 529 funds available for use with apprenticeships and other technical programs that train younger workers for the jobs that are available to them in plastics and other types of manufacturing. We continue to support these efforts, and stand firm in our belief that plastics manufacturing offers a wealth of opportunities for job seekers looking for an engaging, long-term career, rather than simply a short-term job.

Still, the economic gravity of the current employment situation may become unavoidable for many plastics companies. Plastics is growing, and growing requires more people. To fill the positions that companies need to ensure their growth remains steady—and to keep the good people they have—companies will have to increase wages to both acquire and retain top talent. Plastics companies were already searching for a small segment of workers among the entire nationwide pool of job seekers, but at full employment, that pool has become more of a puddle. Finding workers to fill openings will continue to be a challenge, and will require companies to get creative, and more generous with their wage spending.

“ For shipments, the value leapt by 6.9 percent in 2017, bringing the industry’s total size to $432.3 billion.”
On Waste and the Road Ahead

It need not be restated here the seriousness of the challenge society faces when it comes to plastic waste—particularly in the marine environment—and anti-plastics sentiment overall.

The industry shares those concerns regarding the preponderance of plastic litter in our oceans and waterways. The industry is not gloating about our growth. The industry understands, and is working to find lasting solutions to the problem that preserve the positive economic and environmental impact that our industry and its products deliver.

Yet it is worth considering the fact that shipments and employment in the U.S. plastics industry have risen in 2017, not because of underhanded sales tactics or an undiagnosed “addiction” to plastics worldwide, but for a much simpler reason: plastics often perform better than other materials, and largely do so with greater economic value and less environmental impact.

In an era in which the very use of plastics becomes more provocative every day, the fact that the industry continues to grow is indicative of how effective these products are in their intended use. Instead of denying this value, we believe the focus should be on proper disposal of these products and on advancing governmental investments increasing the domestic and international capacity to recycle plastic materials. The industry is working with public officials to respond to this issue, and to create new end markets for recycled content and products made from those materials. This way we can preserve and expand the undeniable value that plastic products deliver—in every corner of the world, in every industry, every day—while ensuring that no plastic product ends up where it shouldn’t.

“We believe the focus should be on proper disposal of these products and on recycling and waste management infrastructure.”

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