# How can you measure the value of creating jobs in your community?

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Wellington industry is currently installing equipment in a new facility in Alexander City Al.

"Wellington Industries searched for five years for the right spot to open a new facility"…."This community college here has one of the things that we couldn't find at other locations," he said. "They can teach students or potential employees the ability to fix robots – to program robots to be able to fix and maintain dyes. Those are all critical skills that we need in order for us to be successful. And that was a large part of what we have been looking for over the last five years — someone that could help support us in doing that. To find this community college here and (industrial training specialist) Mike Mann and his group, this is a big deal for us. It's kind of the one thing that, when we brought our technical people down here, helped seal the deal." Quote form the Alexander City Outlook news paper by Wellington President John Brodowsky.

Example of 100 new jobs at $16 / hour in the Metal Stamping Fabrication for the Auto Industry

Direct Earnings: 100x$15 x 40 x 52 = $ 3,120,000

Direct and Indirect Earnings: $ 3,120,000 x **1.8248** = $ 5,693,376

Total Jobs: 100 x **4.0292** = 402 Direct and Indirect, Full and Part Time jobs

Local Revenue : $ 5,693,376 x 0.36 = $ 2,049,615 spent on local goods and services

**Multipliers in Blue** are from Regional Input-Output Modeling System (RIMS II) supplied by the US Department of Commerce's Bureau of Economic Analysis **http://www.bea.gov/regional/rims/index.cfm** **(**202) 606-5343 rims@bea.gov. The service report is customized for your area and industries. A $275 fee is charged for a one time report on your defined area and companies. North American Industry Classification System(NAICS) **http://www.census.gov/eos/www/naics/** are uses to define industry functions. Your industries will probably know their codes.

Multipliers in Red are form Consumer Expenditure Patterns provided by the Alabama Development Office (ADO)

# 2011 ECONOMIC IMPACT MODEL
# FOR REGIONAL CENTER FOR NEXT GENERATION MANUFACTURING
# CONNECTICUT COLLEGE OF TECHNOLOGY GRADUATES

*A CENTER GRANT FUNDED BY NATIONAL SCIENCE FOUNDATION*
*ADVANCED TECHNOLOGICAL EDUCATION*

| **Industry key area** | **% Weight** | **Grads by Weight** | **RIMS Direct Effect Earnings[1]** | **Annual Wages $$$** | **Multiplier Effect $$$** | **RIMS Direct Effect Employment[2]** | **Multiplier Effect** |
|---|---|---|---|---|---|---|---|
| Fabricated metals | 16 | 105 | 1.9491 | $5,877,743 | $11,456,309 | 2.1012 | 221 |
| Machinery | 16 | 105 | 2.24 | $5,877,743 | $13,166,145 | 2.9642 | 311 |
| Computer/electronics | 10 | 66 | 2.1881 | $3,673,590 | $ 8,038,181 | 2.707 | 178 |
| Electrical equipment | 13 | 85 | 2.5147 | $4,775,666 | $12,009,368 | 3.0448 | 260 |
| Transportation, Equipment (aerospace, defense) | 23 | 151 | 2,1759 | $8,449,256 | $18,384,736 | 3.2416 | 489 |
| Printing related | 12 | 79 | 2.0017 | $4,408,307 | $ 8,824,109 | 2.1202 | 167 |
| Chemical manufacturing | 10 | 66 | 3.0229 | $3,673,590 | $11,104,894 | 5.1686 | 339 |
| **TOTAL** | | | | | **$82,983,742** | | **1964** |

[1] Represents the total dollar change in earnings of households employed by all industries for each additional dollar of earnings paid directly to households employed by the industry corresponding to the entry

[2] Represents the total change in number of jobs in all industries for each additional job in the industry corresponding to the entry
Data drawn from RIMS (Regional Input/Output Modeling System)

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**Assumptions:**

1. 656 graduates receiving COT degrees and certificates in 2011 (all employed)
2. Equal distribution of graduates by weights
3. Wages assumes 48 hour work week with eight hours of overtime (at time-and- a-half)
4. Distribution of graduates – 50% skilled machinists, 20% CNC, 20% CAD CAM, 10% machinists

| Job | Rate weighted average | Week with overtime | Annual |
|---|---|---|---|
| Machinist | $15.66 | $ 814.32 | $42,344.64 |
| Skilled Machinist | $19.52 | $1,015.04 | $52,782.08 |
| CNC | $20.47 | $1,064.44 | $55,350.88 |
| CAD CAM | $26.45 | $1,375.40 | $71,520.8 |