

Manufacturing GDP in North Carolina: Breakdown and Trends

Chi Wong

Labor and Economic Analysis Division (LEAD)

NC Department of Commerce



Manufacturing GDP in North Carolina

- What is GDP?
 - Estimated value of total goods and services produced by a given industry/economy
 - Distinct from but related to employment; GDP measures what employees (and businesses) create
- Why is it important?
 - Helps us understand our economic output and how productive we are



Manufacturing GDP in North Carolina

Sector	2024 GDP, billions in 2024 dollars	2024 Share of Private Industries GDP
Total private industries	742.8	100.0%
Manufacturing	108.1	14.5%
Real estate and rental and leasing	106.8	14.4%
Finance and insurance	83.0	11.2%
Professional, scientific, and technical services	63.2	8.5%
Health care and social assistance	57.0	7.7%
Retail trade	53.2	7.2%
Wholesale trade	50.0	6.7%
Construction	41.4	5.6%
Administrative and support and waste management and remediation services	30.3	4.1%
Information	29.2	3.9%

[Get the data](#) · Created with [Datawrapper](#)

Source: Bureau of Economic Analysis, Table SAGDP2



Manufacturing GDP in North Carolina

- Durable Goods Manufacturing vs. Nondurable Goods Manufacturing
- Which one contributes more to North Carolina's output? Type 1 for Durable Goods, 2 for Nondurable Goods



Manufacturing GDP in North Carolina

Industry Title	GDP, billions of 2024 dollars	Share of 2024 Manufacturing GDP	Share of 2024 Total Private Industries GDP
Nondurable Goods Manufacturing	\$62.6	60.3%	8.4%
Chemical Manufacturing	\$26.6	25.6%	3.6%
Food and Beverage and Tobacco Product Manufacturing	\$24.7	23.7%	3.3%
Plastics and Rubber Products Manufacturing	\$4.7	4.5%	0.6%
Paper Manufacturing	\$2.5	2.4%	0.3%
Textile Mills and Textile Product Mills	\$2.2	2.1%	0.3%
Durable Goods Manufacturing	\$41.3	39.7%	5.5%
Machinery Manufacturing	\$8.6	8.3%	1.2%
Transportation Manufacturing	\$7.5	7.2%	1.0%
Fabricated Metal Product Manufacturing	\$5.3	5.1%	0.7%
Computer and Electronic Product Manufacturing	\$5.1	4.9%	0.7%
Electrical Equipment, Appliance, and Component Manufacturing	\$3.6	3.4%	0.5%

Created with Datawrapper

- 60% of NC Manufacturing GDP (or 8% of our total private industries GDP) belongs to Nondurable Goods
 - Concentrated in Chemical and Food and Beverage and Tobacco Products
- Durable Goods less concentrated



Manufacturing GDP in North Carolina

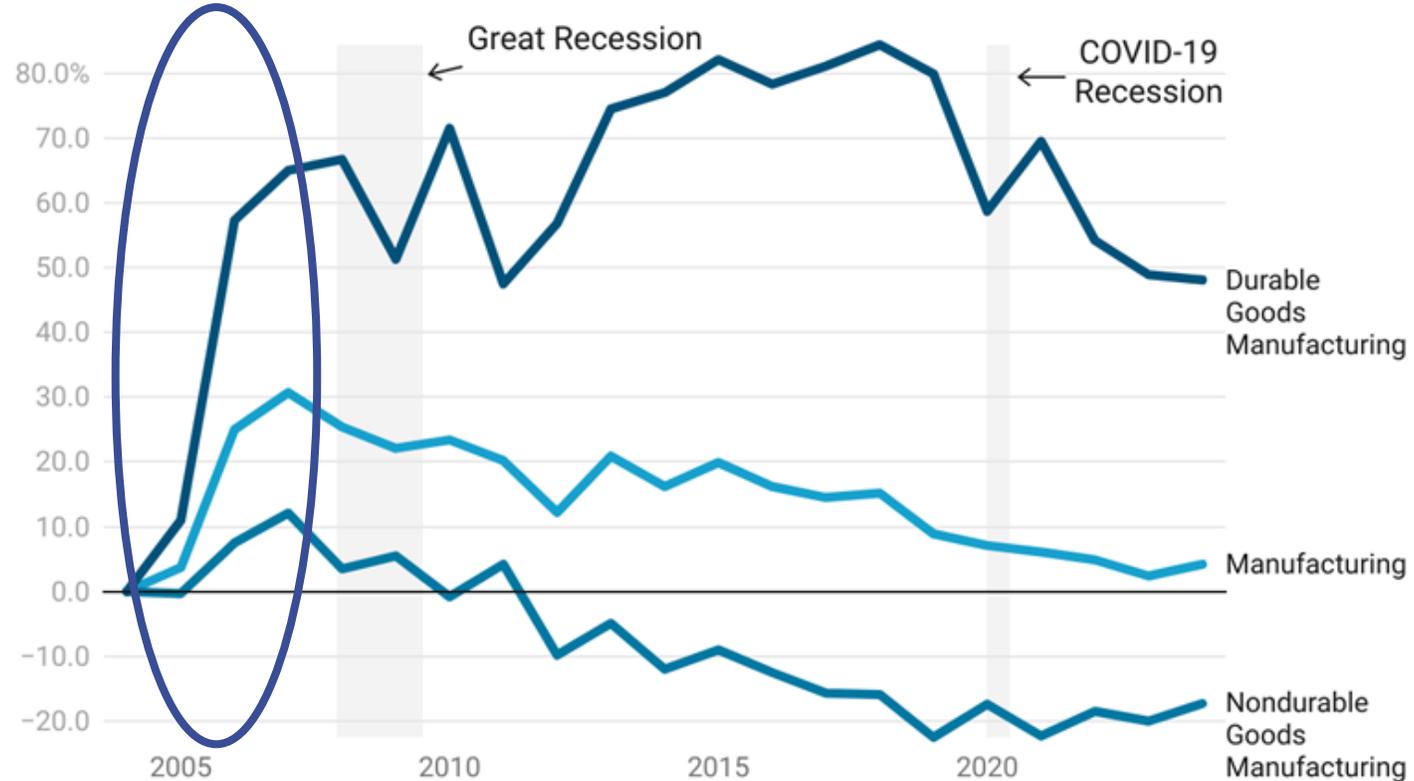
- Manufacturing GDP has declined as a share of NC GDP over time
- In 1997, 30.7% of our total output
- In 2004, 24.7% of our output
- And now, 14.5% of our output



Manufacturing GDP in North Carolina

Large initial growth for Durable Goods and Nondurable Goods -> large growth for Manufacturing as a whole

Most NC Manufacturing real GDP growth happened from 2005-2007



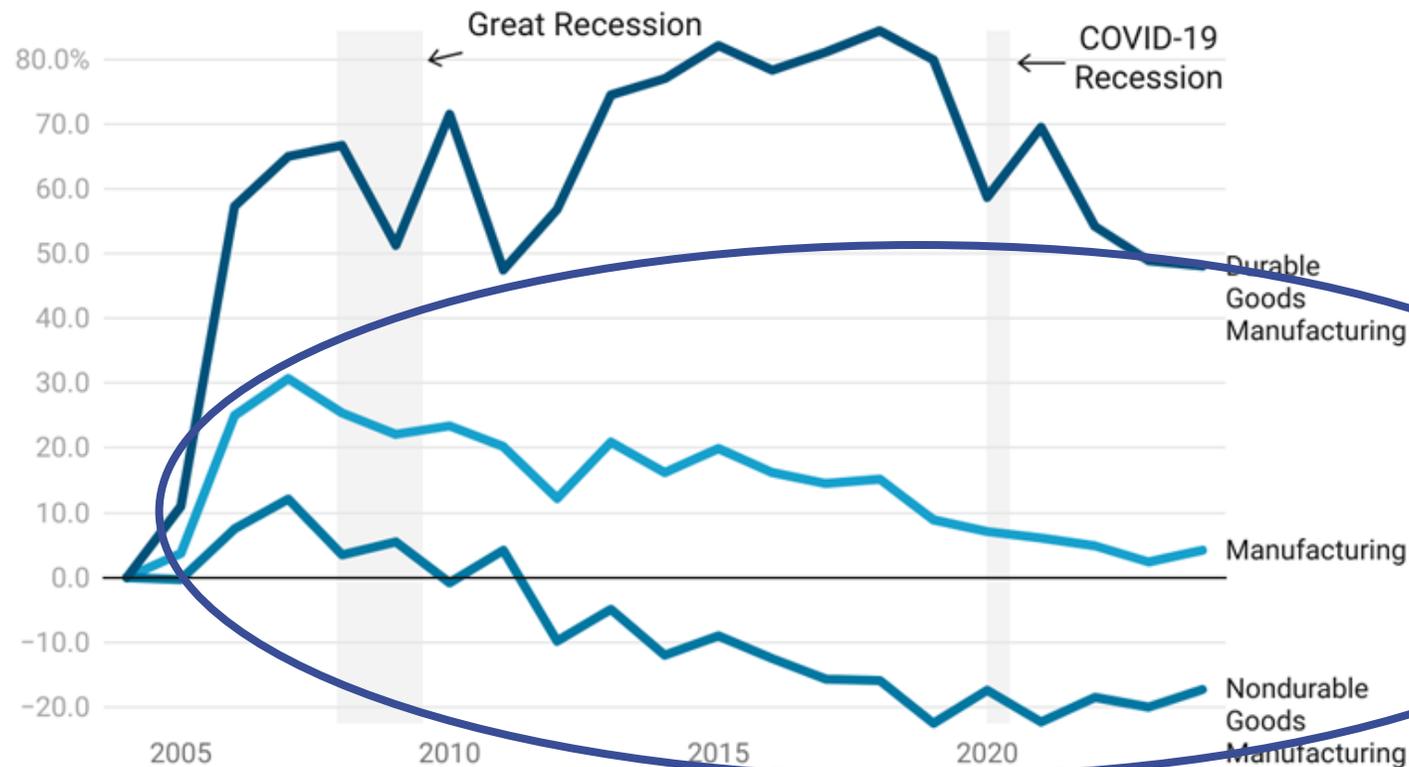
Created with Datawrapper



Manufacturing GDP in North Carolina

Subsequent continuous decline in Nondurable Goods drags overall growth down despite Durable Goods maintaining most of the early growth it saw

Most NC Manufacturing real GDP growth happened from 2005-2007



Created with Datawrapper



Key Takeaways

1. Manufacturing is the largest sector by GDP in North Carolina, representing 108.1 billion or 14.5% of statewide private industry GDP in 2024
2. Nondurable Goods Manufacturing contributed \$62.6 billion (8% of total GDP), which mostly came from Chemical Manufacturing and Food and Beverage and Tobacco Manufacturing
3. Durable Goods Manufacturing produced \$41.3 billion (5.5% of total GDP), with a variety of contributing industries
4. After adjusting for inflation, Manufacturing GDP in 2024 was only slightly larger than it was in 2004 despite strong performance in Durable Goods due to GDP decline in Nondurable Goods



Manufacturing Retirement Risk in North Carolina

Maggie Smith

Labor and Economic Analysis Division (LEAD)

NC Department of Commerce



Manufacturing in North Carolina

**4th
Largest**
Employing Sector

**Largest
Share**
of State GDP

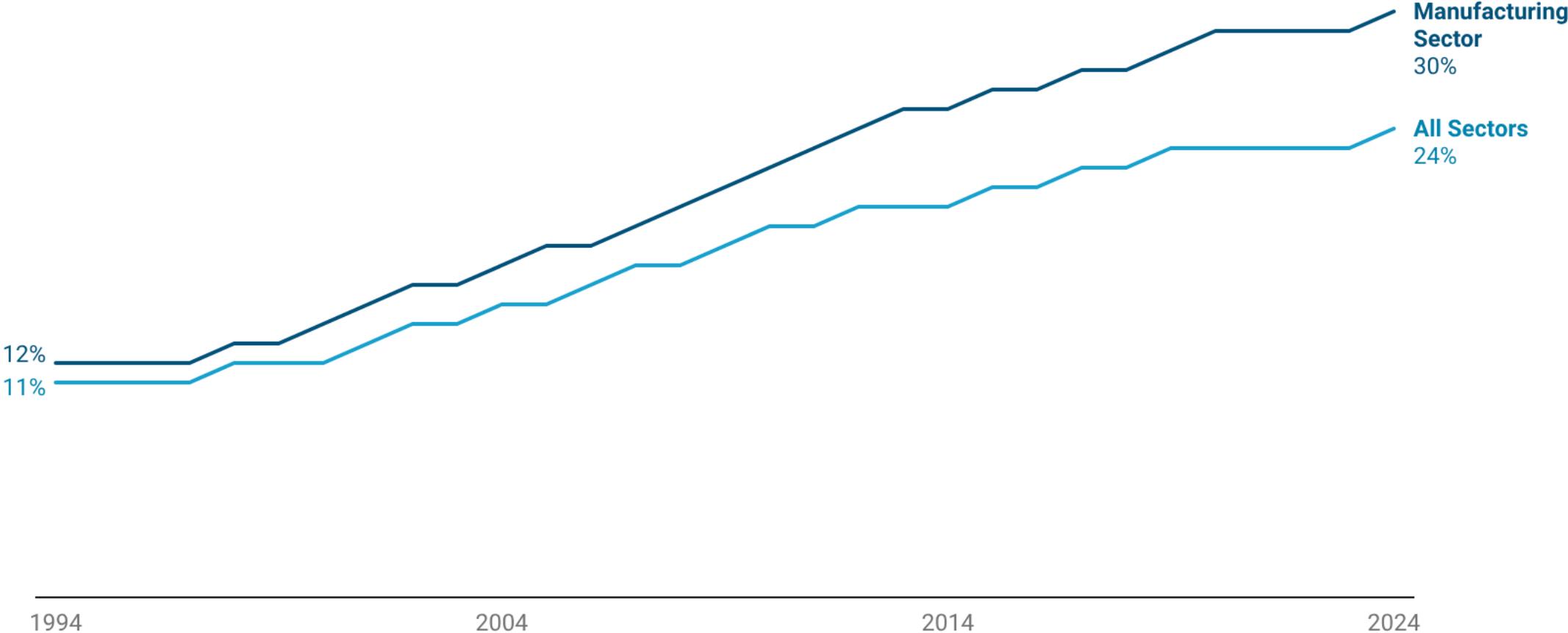
30%
Workers Age 55+

Manufacturing remains a cornerstone of North Carolina's economy but faces a demographic challenge.



The Manufacturing Sector Has a Greater Share of Near-Retirement Workers

Share of Workers Aged 55+ in Manufacturing vs. All NAICS Sectors, 1994–2024



Workers aged 55+ in manufacturing grew from 12% to 30% between 1994-2024

Why This Matters



Skill Loss

Decades of accumulated expertise and institutional knowledge may be lost



Talent Shortages

Finding qualified replacements may be difficult, especially in rural areas with limited talent pipelines



Economic Impact

Production slowdowns and employment declines can affect local economies, especially those that are dependent on manufacturing



Risk is Not Evenly Distributed

Manufacturing retirement exposure varies significantly by county

HIGHEST RISK

10-16%

of total county employment

Counties:

Alexander, Bladen,
Bertie, Montgomery

LOWER RISK

1-3%

of total county employment

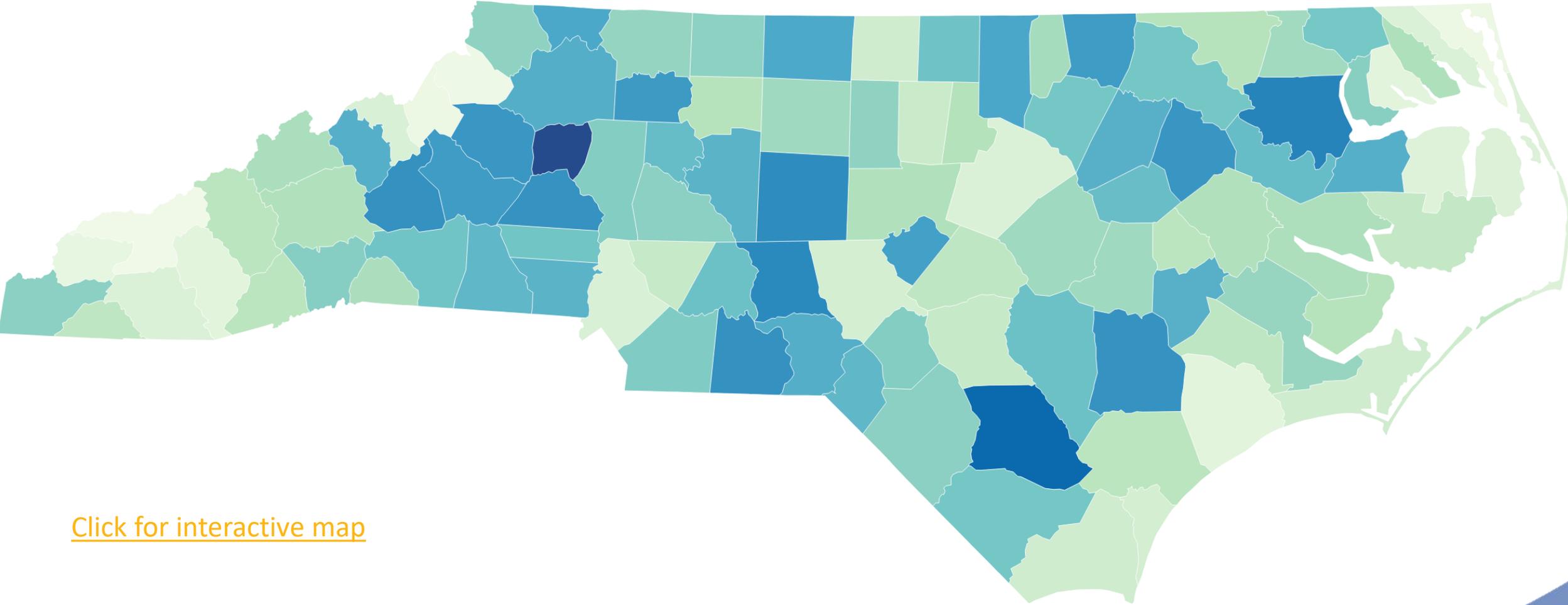
Counties:

Wake, Mecklenburg,
Buncombe (metro areas)



Manufacturing Retirement Risk by County

Manufacturing Employment Age 55+ as a Percentage of Total County Employment



[Click for interactive map](#)

Key Takeaways

- ✓ 30% of NC manufacturing workers are now 55+
- ✓ Retirement risk mostly concentrated in rural, manufacturing-dependent counties
- ✓ Potential threat to productivity, operations, and local economies
- ✓ Opportunity for strategic workforce development interventions





Potential Solutions

- Strengthen talent pipelines to attract new workers
- Expand workforce training programs for manufacturing skills
- Support knowledge transfer within firms before retirements
- Develop targeted strategies for high-risk counties



Accessing QWI Data

- Source: U.S. Census Bureau Quarterly Workforce Indicators
- Website: ledextract.ces.census.gov or qwiexplorer.ces.census.gov
- Workforce demographics by industry and geography
 - Available quarterly
 - County and WDB detail
 - Includes variables like age, education, gender, earnings, employment and more



The LEAD Feed

The [LEAD Feed](#) is where the Labor and Economic Analysis Division shares what's happening with North Carolina's workforce and economy.

Links to Manufacturing Blog Posts on the LEAD Feed:

- [The Industries Driving North Carolina's Economy: A GDP-Based Analysis](#)
- [North Carolina's Manufacturing Workforce Faces Growing Retirement Risk](#)
- [A Closer Look at Manufacturing Activity in North Carolina](#)
- [Understanding North Carolina's Manufacturing Slowdown](#)
- [Don't Sleep on the Factory Floor: The Overlooked Impacts of AI on Manufacturing](#)
- [Previous Manufacturing-related LEAD Feed articles](#)



Manufacturing GDP in North Carolina: Breakdown and Trends

Chi Wong

Labor and Economic Analysis Division (LEAD)

NC Department of Commerce



Manufacturing GDP in North Carolina

- What is GDP?
 - Estimated value of total goods and services produced by a given industry/economy
 - Distinct from but related to employment; GDP measures what employees (and businesses) create
- Why is it important?
 - Helps us understand our economic output and how productive we are



Manufacturing GDP in North Carolina

Sector	2024 GDP, billions in 2024 dollars	2024 Share of Private Industries GDP
Total private industries	742.8	100.0%
Manufacturing	108.1	14.5%
Real estate and rental and leasing	106.8	14.4%
Finance and insurance	83.0	11.2%
Professional, scientific, and technical services	63.2	8.5%
Health care and social assistance	57.0	7.7%
Retail trade	53.2	7.2%
Wholesale trade	50.0	6.7%
Construction	41.4	5.6%
Administrative and support and waste management and remediation services	30.3	4.1%
Information	29.2	3.9%

[Get the data](#) · Created with [Datawrapper](#)

Source: Bureau of Economic Analysis, Table SAGDP2



Manufacturing GDP in North Carolina

- Durable Goods Manufacturing vs. Nondurable Goods Manufacturing
- Which one contributes more to North Carolina's output? Type 1 for Durable Goods, 2 for Nondurable Goods



Manufacturing GDP in North Carolina

Industry Title	GDP, billions of 2024 dollars	Share of 2024 Manufacturing GDP	Share of 2024 Total Private Industries GDP
Nondurable Goods Manufacturing	\$62.6	60.3%	8.4%
Chemical Manufacturing	\$26.6	25.6%	3.6%
Food and Beverage and Tobacco Product Manufacturing	\$24.7	23.7%	3.3%
Plastics and Rubber Products Manufacturing	\$4.7	4.5%	0.6%
Paper Manufacturing	\$2.5	2.4%	0.3%
Textile Mills and Textile Product Mills	\$2.2	2.1%	0.3%
Durable Goods Manufacturing	\$41.3	39.7%	5.5%
Machinery Manufacturing	\$8.6	8.3%	1.2%
Transportation Manufacturing	\$7.5	7.2%	1.0%
Fabricated Metal Product Manufacturing	\$5.3	5.1%	0.7%
Computer and Electronic Product Manufacturing	\$5.1	4.9%	0.7%
Electrical Equipment, Appliance, and Component Manufacturing	\$3.6	3.4%	0.5%

Created with Datawrapper

- 60% of NC Manufacturing GDP (or 8% of our total private industries GDP) belongs to Nondurable Goods
 - Concentrated in Chemical and Food and Beverage and Tobacco Products
- Durable Goods less concentrated



Manufacturing GDP in North Carolina

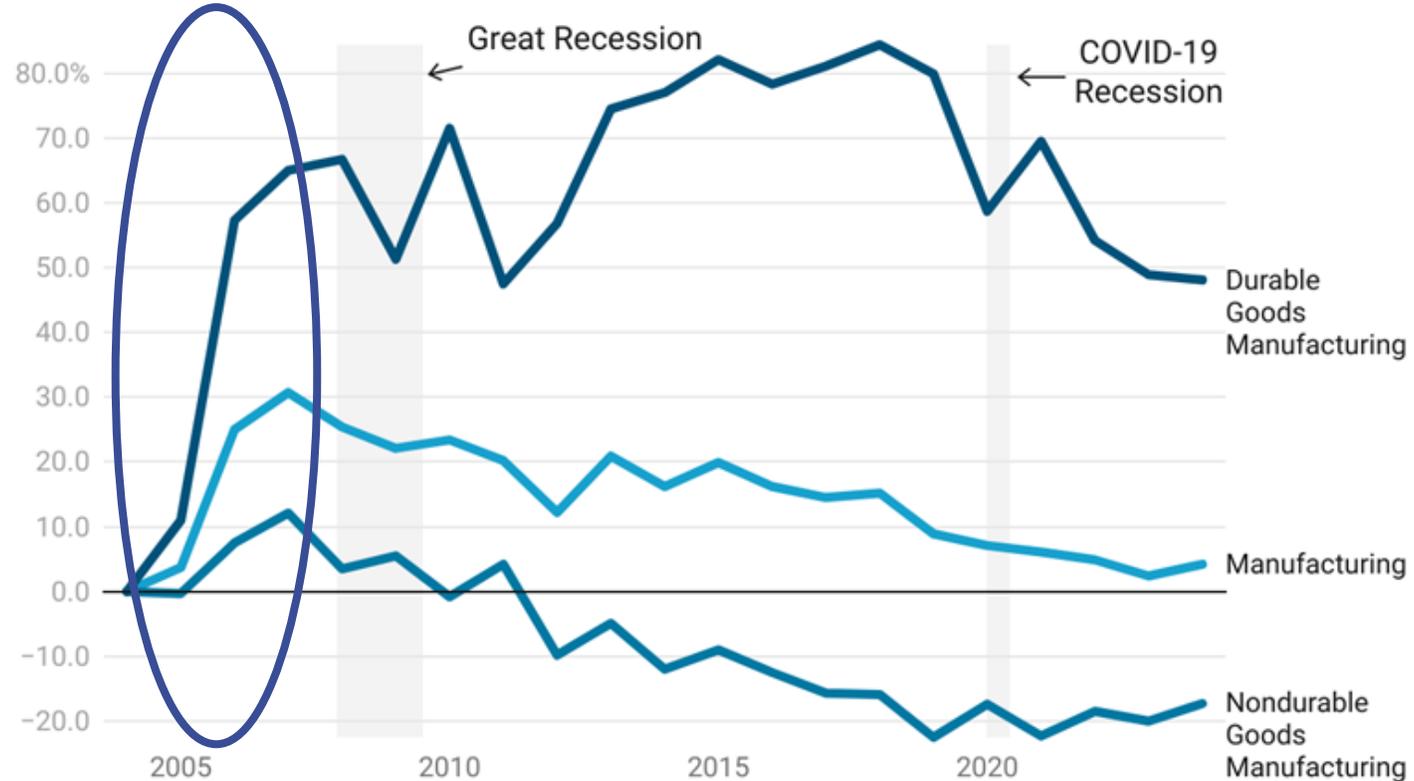
- Manufacturing GDP has declined as a share of NC GDP over time
- In 1997, 30.7% of our total output
- In 2004, 24.7% of our output
- And now, 14.5% of our output



Manufacturing GDP in North Carolina

Large initial growth for Durable Goods and Nondurable Goods -> large growth for Manufacturing as a whole

Most NC Manufacturing real GDP growth happened from 2005-2007



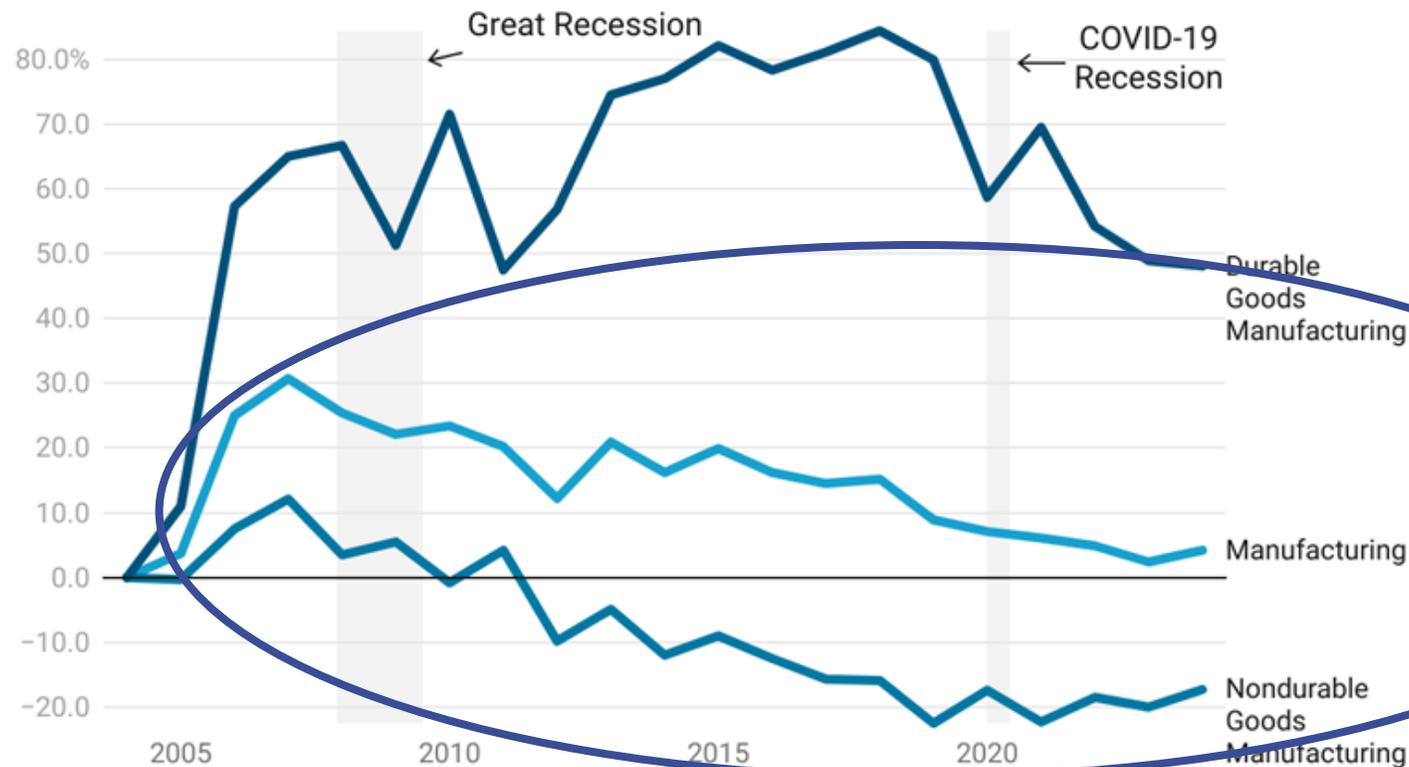
Created with Datawrapper



Manufacturing GDP in North Carolina

Subsequent continuous decline in Nondurable Goods drags overall growth down despite Durable Goods maintaining most of the early growth it saw

Most NC Manufacturing real GDP growth happened from 2005-2007



Created with Datawrapper



Key Takeaways

1. Manufacturing is the largest sector by GDP in North Carolina, representing 108.1 billion or 14.5% of statewide private industry GDP in 2024
2. Nondurable Goods Manufacturing contributed \$62.6 billion (8% of total GDP), which mostly came from Chemical Manufacturing and Food and Beverage and Tobacco Manufacturing
3. Durable Goods Manufacturing produced \$41.3 billion (5.5% of total GDP), with a variety of contributing industries
4. After adjusting for inflation, Manufacturing GDP in 2024 was only slightly larger than it was in 2004 despite strong performance in Durable Goods due to GDP decline in Nondurable Goods

