Pennsylvania defines industry clusters to serve as the basis for data-driven workforce development policies. An industry cluster includes industries closely linked by common products, labor pools, technologies, supplier chains and training needs. They take on strategic importance for long-term economic planning as changes that benefit one group member will generally impact other members of the cluster.

Industry clusters are comprised of specific six-digit North American Industry Classification System, or NAICS, codes. They are mutually exclusive, so that no two clusters contain the same NAICS code. Currently, there are 12 clusters identified, along with several critical sub-clusters. Combined, these 12 industry clusters account for nearly 83 percent of all employment in the commonwealth.
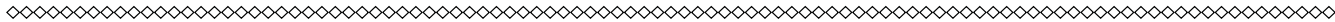
Cluster Summary

The Logistics & Transportation (LT) cluster includes industries related to the storage, transportation and distribution of goods. This cluster includes all modes of transportation, among them airlines, railroads, trucking companies, as well as logistics consulting and other supporting industries. In addition to moving goods, the cluster also contains industries related to passenger transportation. This includes taxi services, charter buses, motor vehicle towing and scheduled passenger air transportation.
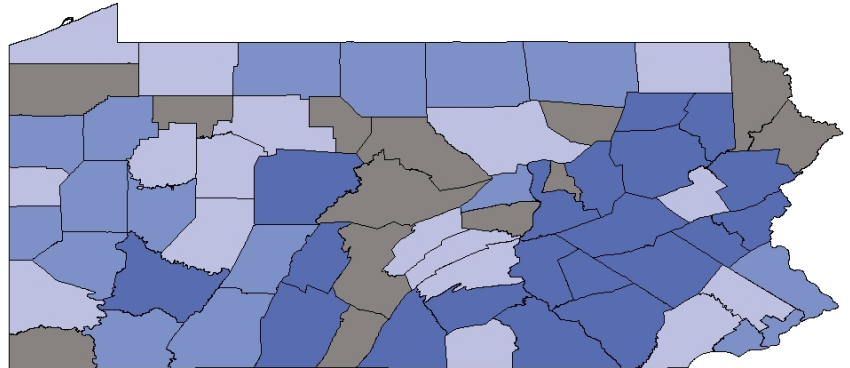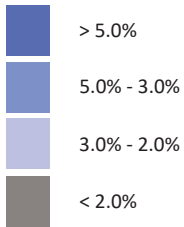
	2017	2022
Employer Units	9,835	12,167
Number of Jobs	246,363	298,571
Percent of Total Pennsylvania Jobs	4.2%	5.1%
Average Annual Wages	$49,757	$58,576
Location Quotient (LQ)	1.17	1.13

LQs greater than one suggest a competitive advantage.

LT cluster employment in Pennsylvania has increased by 21 percent. The cluster's Location Quotient (LQ) has slightly decreased since 2017. As seen on page 3, five Workforce Development Areas (WDAs) all have LQs greater than one and have also increased their competitiveness since 2017. The cluster has increased its average wage by 18 percent and is within 13 percent of the statewide average for all jobs ($67,300).
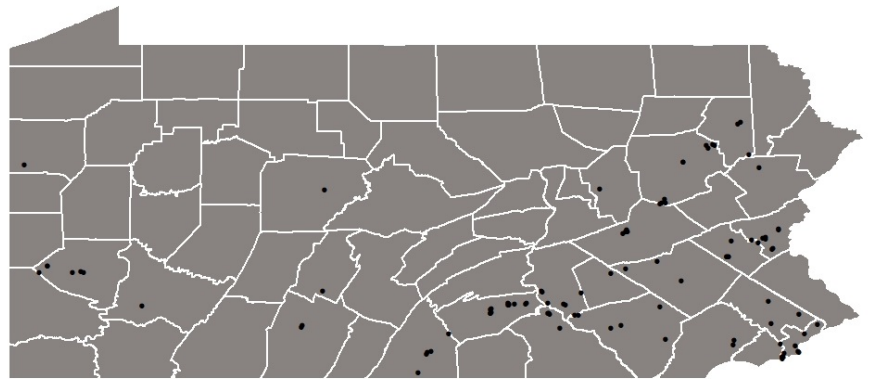
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Percent Employment by County

- > 5.0%
- 5.0% - 3.0%
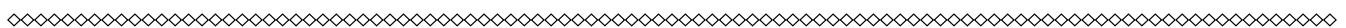- 3.0% - 2.0%
- < 2.0%

Major Employers

- United Parcel Service Inc
- Amazon.com Services Inc
- Wal-Mart Associates Inc
- FedEx Ground Package System
- American Airlines Inc
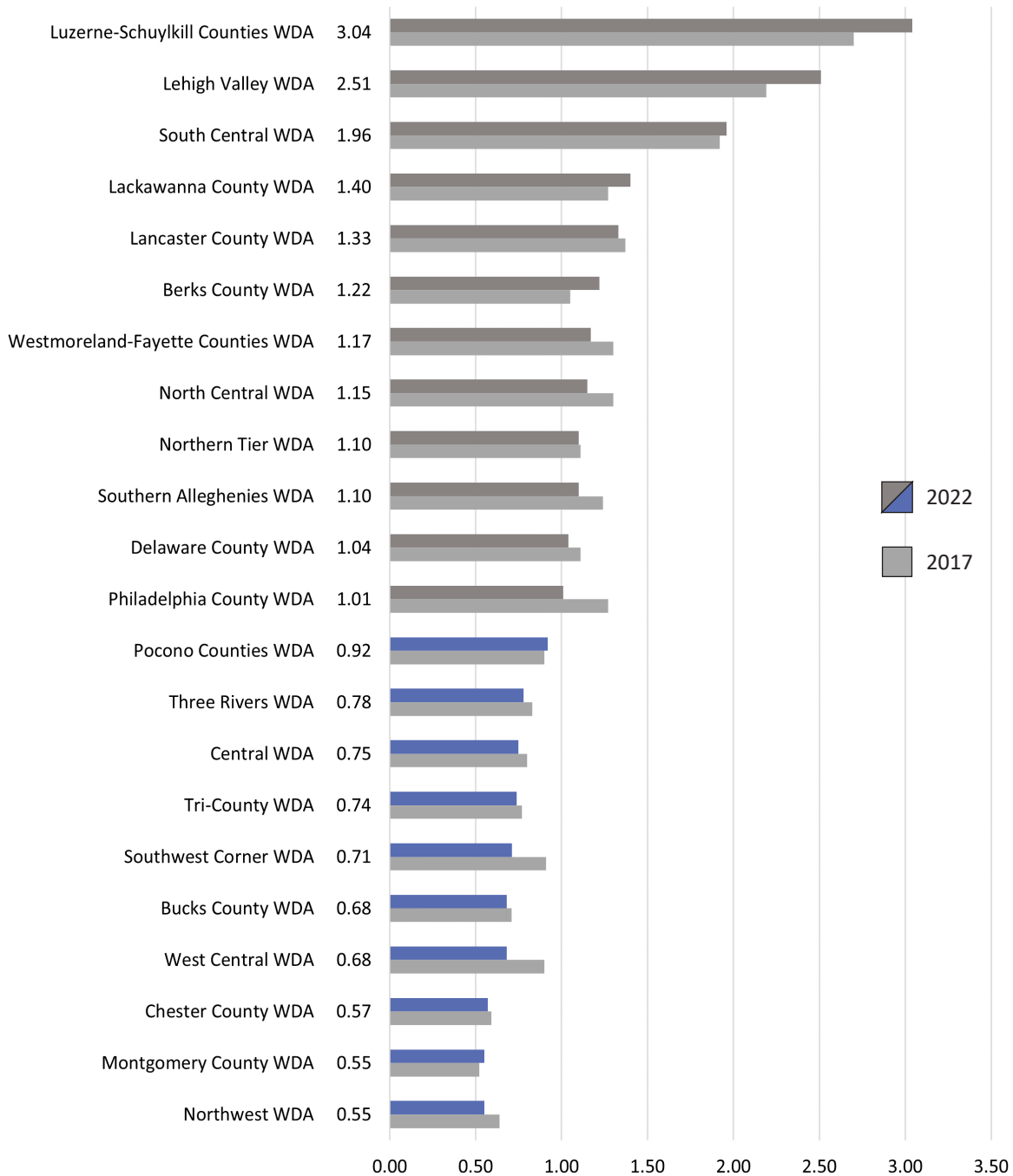- Southeastern PA Transportation Auth.

Top Industries Based on Employment

- General Warehousing & Storage
- Couriers
- General Freight Trucking, Long-Distance TL
- General Freight Trucking, Long-Distance LTL
- General Freight Trucking, Local
- Other Specialized Trucking, Local
- Scheduled Passenger Air Transportation
- Mixed Mode Transit Systems
- Local Messengers & Local Delivery
- Freight Transportation Arrangement

- Process & Logistics Consulting Services
- Other Airport Operations
- Truck, Trailer & RV Rental & Leasing
- Other Ground Passenger Transporta on
- Other Support Activities For Road Transport.
- Other Specialized Trucking, Long-Distance
- Passenger Car Rental
- Used Household & Office Goods Moving
- Other Warehousing & Storage
- Bus & Other Motor Vehicle Transit Systems
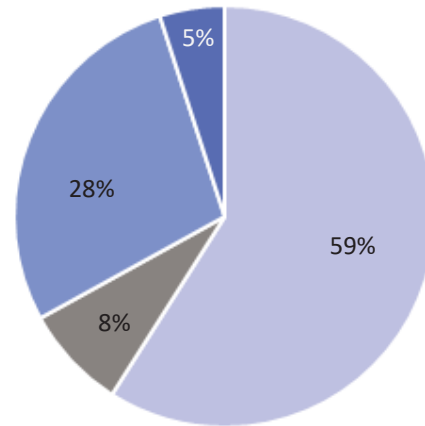
Employment Concentration

A location quotient, or LQ, compares a cluster's share of local employment to its share of national employment. This value can be used when evaluating the strength of an industry cluster within an area. An LQ greater than one indicates that the cluster has, on average, more employees locally than typically expected implying a possible competitive advantage. Luzerne-Schuylkill Counties, Lehigh Valley, South Central, Lackawanna County, and Berks County Workforce Development Areas (WDAs) all have LQs greater than one and have also increased their competitiveness since 2017.

WDA	LQ
Luzerne-Schuylkill Counties WDA	3.04
Lehigh Valley WDA	2.51
South Central WDA	1.96
Lackawanna County WDA	1.40
Lancaster County WDA	1.33
Berks County WDA	1.22
Westmoreland-Fayette Counties WDA	1.17
North Central WDA	1.15
Northern Tier WDA	1.10
Southern Alleghenies WDA	1.10
Delaware County WDA	1.04
Philadelphia County WDA	1.01
Pocono Counties WDA	0.92
Three Rivers WDA	0.78
Central WDA	0.75
Tri-County WDA	0.74
Southwest Corner WDA	0.71
Bucks County WDA	0.68
West Central WDA	0.68
Chester County WDA	0.57
Montgomery County WDA	0.55
Northwest WDA	0.55

Legend: 2022, 2017

Educational Requirements

This graph illustrates the minimum educational attainment levels for jobs found in this cluster's various industries. About 5 percent of LT jobs require more than postsecondary training to obtain employment. Similar to the Energy cluster, LT offers numerous well-paying jobs that do not require a college education.

Short-Term OJT	
Moderate-Term OJT	
Long-Term Training	
Work Experience/Some PS Training	
Associate Degree	
Bachelor's Degree	
Advanced Degree	

Pie chart values: 5%, 28%, 59%, 8%

Occupations with Significant Employment

The following table lists occupations that employ at least 1,900 people in the LT cluster.

SOC Code	Occupation	Average Wage	Annual Demand	
			All Industries	Industry Cluster
53-7062	Laborers & Freight, Stock & Material Movers	$41,130	20,297	8,080
53-3032	Heavy & Tractor-Trailer Truck Drivers	$56,530	10,434	5,572
53-7065	Stockers & Order Fillers	$37,170	17,163	3,389
53-7051	Industrial Truck & Tractor Operators	$46,510	4,219	2,277
53-3033	Light Truck Drivers	$42,610	5,503	1,774
53-1047	Supervisors- Transportation & Material Moving Workers	$63,090	2,591	1,016
43-5071	Shipping, Receiving & Inventory Clerks	$43,190	2,457	675
53-7063	Machine Feeders & Offbearers	$42,320	937	621
53-3058	Passenger Vehicle Drivers	N/A	5,620	501
49-3031	Bus & Truck Mechanics & Diesel Engine Specialists	$56,210	1,257	420
43-4051	Customer Service Representatives	$45,130	15,067	418
53-2031	Flight Attendants	$70,370	421	418
43-9061	Office Clerks, General	$43,230	16,622	303
53-7064	Packers & Packagers	$37,790	3,565	290
43-4181	Reservation/Transport. Ticket Agents & Travel Clerks	$42,060	361	289

*The 2023 average annual wage reflects wages across all industries and is not specific to the cluster.

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