

Rhode Island Employment & Wage Analysis



2013

**A publication of the
Labor Market Information Unit**

Summary of Findings

The annual “Rhode Island Employment and Wage Analysis” report highlights Rhode Island’s employment and wage data in 2013 and provides a comparison to annual employment and wage data from 2012. Key findings for 2013 include:

- ▶ Between 2012 and 2013 Rhode Island added 4,677 private sector jobs, a 1.2 percent increase.
- ▶ The 2013 average annual wage increased by \$1,188 since 2012.
- ▶ The Health Care & Social Assistance sector employed 20 percent of the private sector workforce.
- ▶ The Health Care & Social Assistance sector added the most (+1,754) jobs between 2012 and 2013.
- ▶ Thirteen private industry sectors experienced employment gains between 2012 and 2013.
- ▶ Annual wage growth was reported in seventeen of the nineteen private industry sectors.
- ▶ Management of Companies & Enterprises was the highest paying employment sector, with workers averaging \$113,590 in 2013.*

**Quarterly bonuses and exercised stock options are included in the calculation and therefore may impact the average annual wage and annual wage increase.*

Source: Quarterly Census of Employment and Wages, developed through a cooperative program between the state of Rhode Island and the US Bureau of Labor Statistics, www.bls.gov

Employment changes may be influenced by industry code revisions / or modifications to employers reporting methods.

The Labor Market Information (LMI) Unit is the central state resource for the collection, analysis, and dissemination of information pertaining to the Rhode Island labor market. LMI is responsible for a wide range of labor market analysis and research involving industry trends, occupational projections, wage rates, labor force movements, population shifts, and demographics.

Cover: *Watch Hill Cove, Watch Hill, Rhode Island*

Rhode Island Employment & Wage Analysis by Industry, 2013

Rhode Island private sector employment averaged 397,435 in 2013, an increase of 4,677 (+1.2%) jobs from 2012. This marks the largest year-over-year private sector employment gain since 2000, as 9,050 jobs were added between 1999 and 2000. The employment growth in 2013 also marks three consecutive years of job gains, totaling over 10,430 private sector jobs.

	Private Sector Annual Averages			
	2013	2012	Difference	
Employment	397,435	392,758	4,677	1.2%
Annual Wage	\$45,769	\$44,581	\$1,188	2.7%

Thirteen of the nineteen private industry sectors experienced job gains between 2012 and 2013, while six industry sectors reported employment losses.

The 2013 average annual wage in the private sector was \$45,769, an increase of \$1,188 (+2.7%) from the \$44,581 earned in 2012. Seventeen industry sectors reported an annual wage increase, while two sectors reported an annual wage decline during this period.

Private Employment Analysis

The Health Care & Social Assistance sector added 1,754 (+2.2%) workers between 2012 and 2013, the largest employment gain among the nineteen private industry sectors. Nearly one-thousand of the 1,754 jobs which were added were the result of an industry coding revision. The coding revision involved taking employment from the Other Services sector and placing it within the Health Care & Social Assistance sector.

Between 2012 and 2013, the workforce in the Administrative & Waste Services sector increased by 1,263 (+5.2%), the second largest numeric employment increase during this period. Sizeable job gains within the industry were reported in the employment services (+511) and other support services (+224) subsectors.

	Largest Over-the-Year Numeric Employment Gains			
	2013	2012	Difference	
Health Care & Social Assistance	80,332	78,578	1,754	2.2%
Administrative & Waste Services	25,365	24,102	1,263	5.2%
Accommodation & Food Services	45,207	44,131	1,076	2.4%

Notable employment gains were also reported in the Accommodation & Food Services (+1,076), Management of Companies & Enterprises (+817), Arts, Entertainment & Recreation

(+741), Finance & Insurance (+602), Professional & Technical Services (+527) and Manufacturing (+418) sectors.

Smaller annual job gains were noted in Real Estate, Rental & Leasing (+117) and Construction (+98), while employment remained virtually unchanged in the Transportation & Warehousing (+5), Utilities (+4) and Mining (+1) sectors.

On a percentage basis, the Arts, Entertainment & Recreation (+9.7%) sector reported the largest employment gain between 2012 and 2013, followed by Management of Companies & Enterprises (+7.8%) and Administrative & Waste Services (+5.2%).

Six employment sectors reported job declines between 2012 and 2013, with the Other Services sector reporting the largest numeric loss of 977 (-5.3%) jobs. As mentioned above, the drastic decline within the sectors employment can be attributed to the industry code revision.

The Educational Services sector and Information sector also reported significant employment declines, losing 723 and 504 jobs, respectively. Over 750 jobs were slashed from colleges and universities payrolls, while in the Information sector, 319 jobs were lost in the internet service providers and data processing subsector.

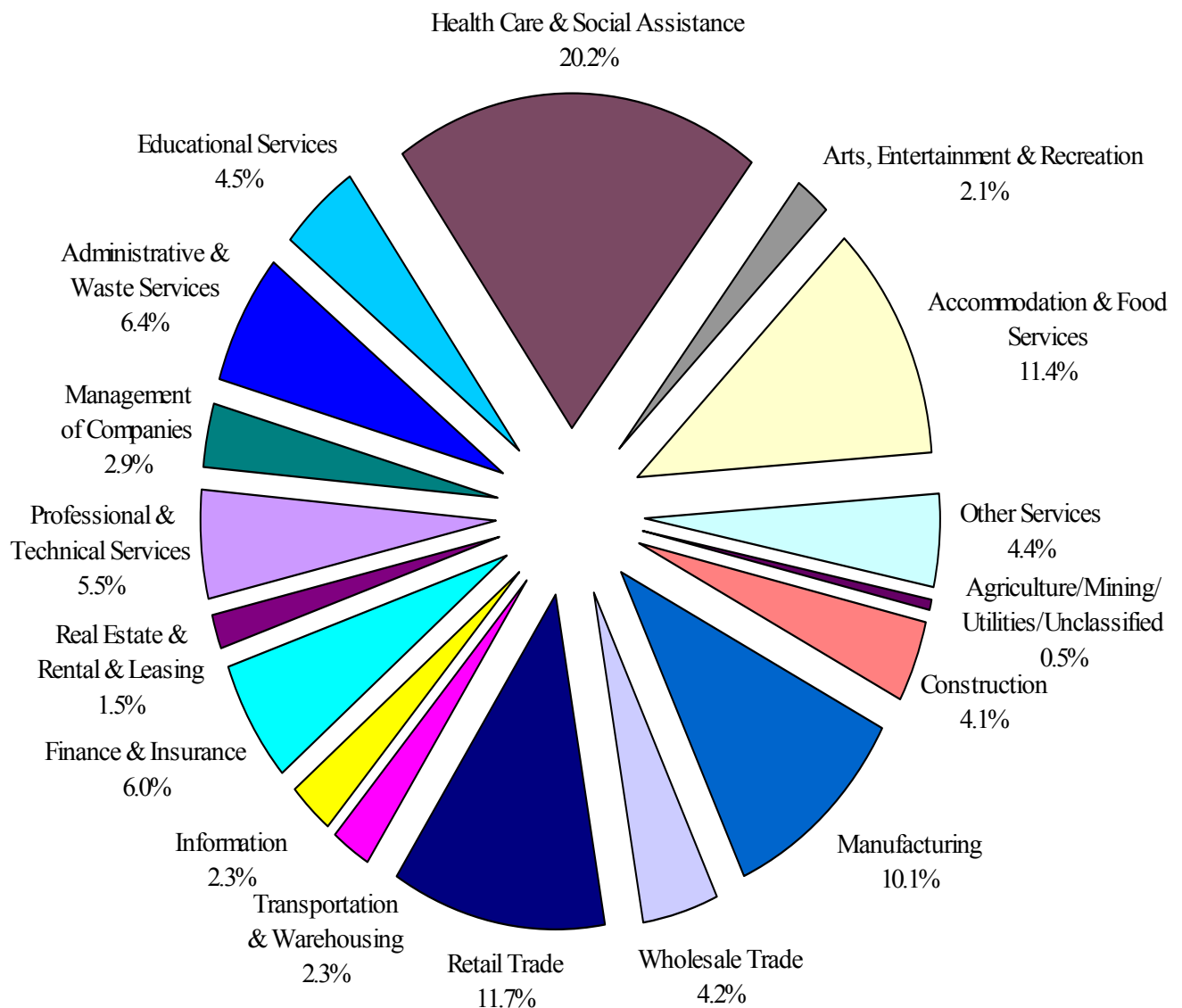
Smaller but sizable jobs declines were noted in Retail Trade (-358) and Wholesale Trade (-152). Retail employment was down by 241 in health and personal care stores over the year, while the Wholesale Trade electronic markets agents and brokers subsector was down 316 employees.

Agriculture, Forestry, Fishing & Hunting employment was down 15 jobs since 2012.

Between 2012 and 2013, the Information sector and Other Services sector lost the most jobs on a percentage basis, decreasing its workforce by 5.3 percent each. The Educational Services sector decreased by 3.9 percent, followed the Agriculture, Forestry, Fishing & Hunting (-2.1%), Wholesale Trade (-0.9%) and Retail Trade (-0.8%) sectors.

Health Care & Social Assistance represented the largest employment segment in 2013, employing 80,332 workers and accounting for 20.0 percent of the private sector employment. Retail Trade (46,547), Accommodation & Food Services (45,207), Manufacturing (40,040) and Administrative & Waste Services (25,365) complete the top five private employment sectors in 2013.

Rhode Island Private Employment 2013



Mining represented the smallest segment of the state's employment, employing 189 workers in 2013. Agriculture, Forestry, Fishing & Hunting (702) was the only other sector to employ less than a thousand workers in 2013.

Largest Over-the-Year Numeric Employment Losses				
	2013	2012	Difference	
Other Services	17,292	18,269	-977	-5.3%
Educational Services	18,016	18,739	-723	-3.9%
Information	9,061	9,565	-504	-5.3%

Private Wage Analysis

Nearly \$18.2 billion in private sector wages was paid in 2013, an increase of nearly \$680.7 million (+3.9%) from 2012. As noted earlier, the average annual wage in 2013 was \$45,769, while the average weekly wage in the private sector increased to \$880 or \$23 (+2.7%) more than the \$857 earned in 2012.

In all, ten private industry sectors reported higher annual earnings than the \$45,769 averaged in 2013.

Management of Companies & Enterprises employees averaged \$113,590 the highest average wage in 2013. The Utilities sector paid an average of \$93,070, the second highest annual wage. The Finance & Insurance (\$84,417), Professional & Technical Services (\$67,709), Wholesale Trade (\$67,540), Information (\$65,790), Construction (\$54,244), Manufacturing (\$53,378) and Mining (\$52,661) sectors all averaged earnings over fifty-thousand dollars in 2013.

The Educational Services (\$49,890) sector was the remaining sector to report 2013 annual earnings above the private sector average of \$45,769.

Accommodation & Food Services (\$17,339), Arts, Entertainment & Recreation (\$25,389) and Retail Trade (\$27,413) reported the lowest annual wage in 2013, reflecting the seasonal and part-time nature of these sectors.

The total wages earned in the Management of Companies & Enterprises sector accounted for 7.1 percent of the \$18.2 billion paid to the private sector workforce, while representing only 2.9 percent of the state's private sector workforce.

Between 2012 and 2013, the Utilities sector experienced the largest numeric year-over-year wage increase, with the annual wage growing by \$9,971, a 12.0 percent increase.

Top 5 Sectors by Wage Increase				
Sector	2013	2012	Difference	
Utilities	\$93,070	\$83,099	\$9,971	12.0%
Educational Services	\$49,890	\$47,200	\$2,690	5.7%
Mining	\$52,661	\$50,153	\$2,508	5.0%
Finance & Insurance	\$84,417	\$82,026	\$2,391	2.9%
Wholesale Trade	\$67,540	\$65,290	\$2,250	3.4%

Employees of the Educational Services (+\$2,690), Mining (+\$2,508), Finance & Insurance (+\$2,391), Wholesale Trade (+\$2,250), Management of Companies & Enterprises (+\$2,211), Professional & Technical Services (+\$1,853), Other Sectors (+\$1,725), Manufacturing (+\$1,660) and Administrative & Waste Services

(+\$1,348) sectors were also recipients of at least a one-thousand dollar wage increase during this period.

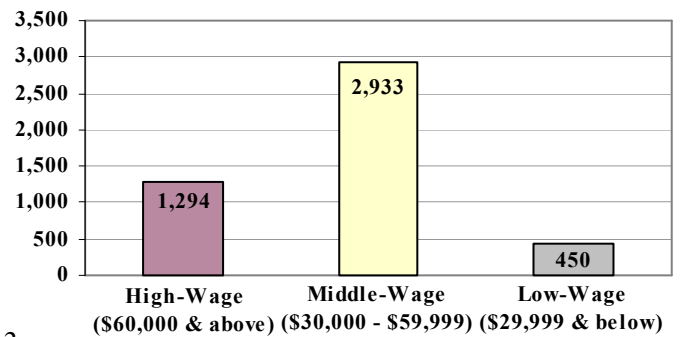
Between 2012 and 2013, the Information and Agriculture, Forestry, Fishing & Hunting sectors were the only two sectors to report an annual wage decline, as their wages decreased by \$1,076 and \$835, respectively.

Quarterly bonuses and exercised stock options are included in the calculation and therefore may impact the average annual wage and annual wage increase.

Job Change by Wage Class

Between 2012 and 2013, thirteen private employment sectors added employment totaling 7,423 jobs, while seven sectors (including the unclassified sector, a sector where employers have yet to be assigned an industry code) reported a loss of 2,746 jobs. The net gain of 4,677 jobs was highlighted by the fact that just over three-quarters of those sectors which added jobs came from middle-wage (\$30,000 - \$59,000) and high-wage (\$60,000 & above) paying sectors.

2012 - 2013 Net Job Change by Wage Class



Among the 7,423 private sector jobs added between 2012 and 2013:

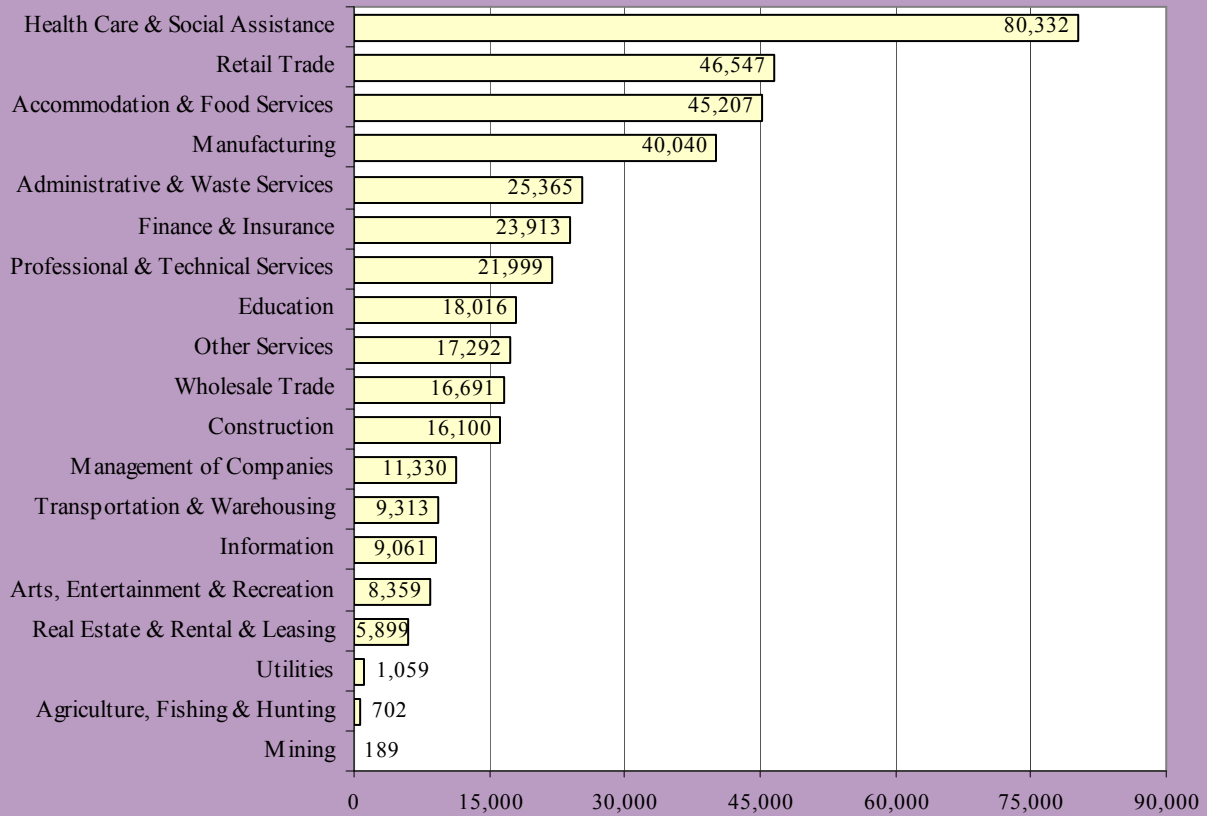
- Nearly fifty percent or 3,656 jobs were created within middle-wage paying sectors. The seven middle-wage sectors which added jobs in 2013 averaged an annual wage of \$44,453.
- Just over 26 percent or 1,950 of the jobs created were from high-paying sectors. The four high-wage sectors which added jobs in 2013 averaged an annual wage of \$83,939.
- Nearly a quarter or 1,817 jobs were created within low-wage (\$30,000 & below) paying sectors. The two low-wage sectors which added jobs in 2013 averaged an annual wage of \$18,595.

Among the 2,746 private sector jobs that were lost between 2012 and 2013:

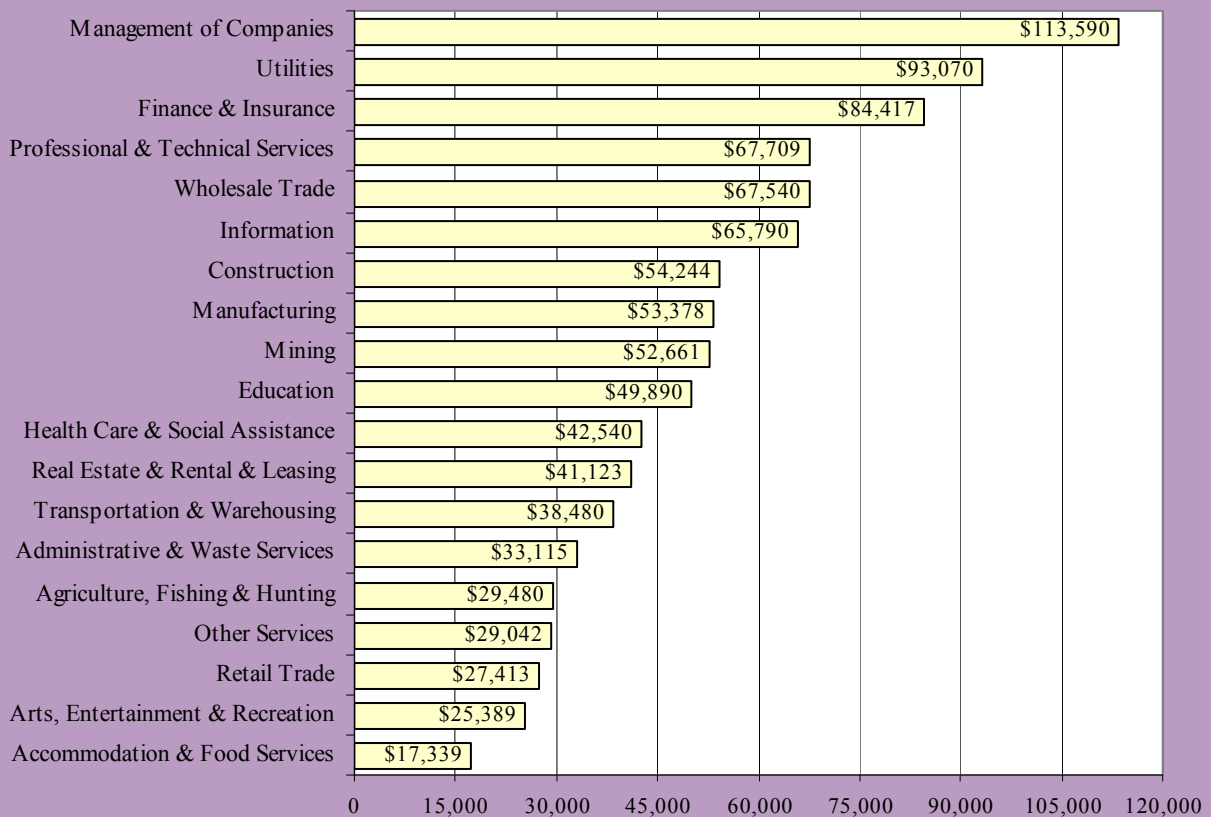
- Nearly half or 1,350 of the lost jobs were from low-wage paying sectors. The three low-wage sectors which lost employment in 2013 averaged an annual wage of \$27,872.
- Only one middle-wage paying sector lost employment in 2013, accounting for just over twenty-six percent or 723 of the lost jobs. Employment within Educational Services sector averaged an annual wage of \$49,890 in 2013.
- Nearly 24 percent or 656 of the lost jobs were from high-paying sectors. The two high-wage sectors which lost jobs in 2013 averaged an annual wage of \$66,924.
- A total of seventeen (-0.6%) jobs that were lost in 2013 came from business that have yet to be assigned an industry code. The unclassified sector averaged \$27,210 in 2013 and is included as a low-wage paying sector.

NAICS Sector	Statewide - Private Sector 2013			Over-the-Year Difference 2012-2013		
	Employment	Total Wages	Average Annual Wage	Employment	Total Wages	Average Annual Wage
Total Private Only	397,435	\$18,190,258,626	\$45,769	4,677	\$680,685,905	\$1,188
Agriculture, Fishing & Hunting	702	\$20,694,766	\$29,480	-15	-\$1,041,176	-\$835
Mining	189	\$9,952,979	\$52,661	1	\$524,279	\$2,509
Utilities	1,059	\$98,560,762	\$93,070	4	\$10,891,270	\$9,971
Construction	16,100	\$873,336,081	\$54,244	98	\$18,237,652	\$808
Manufacturing	40,040	\$2,137,237,871	\$53,378	418	\$88,048,665	\$1,659
Wholesale Trade	16,691	\$1,127,314,639	\$67,540	-152	\$27,627,121	\$2,250
Retail Trade	46,547	\$1,275,971,160	\$27,413	-358	\$6,818,016	\$355
Transportation & Warehousing	9,313	\$358,359,738	\$38,480	5	\$6,193,939	\$645
Information	9,061	\$596,123,443	\$65,790	-504	-\$43,449,095	-\$1,076
Finance & Insurance	23,913	\$2,018,662,633	\$84,417	602	\$106,552,446	\$2,391
Real Estate & Rental & Leasing	5,899	\$242,583,349	\$41,123	117	\$10,272,698	\$945
Professional & Technical Services	21,999	\$1,489,529,830	\$67,709	527	\$75,467,720	\$1,853
Mgt of Companies & Enterprises	11,330	\$1,286,973,442	\$113,590	817	\$116,049,252	\$2,211
Administrative & Waste Services	25,365	\$839,961,370	\$33,115	1,263	\$74,307,386	\$1,348
Educational Services	18,016	\$898,821,613	\$49,890	-723	\$14,344,569	\$2,690
Health Care & Social Assistance	80,332	\$3,417,351,367	\$42,540	1,754	\$107,304,744	\$416
Arts, Entertainment, & Recreation	8,359	\$212,227,140	\$25,389	741	\$22,214,130	\$446
Accommodation & Food Services	45,207	\$783,850,434	\$17,339	1,076	\$37,597,152	\$429
Other Services	17,292	\$502,201,814	\$29,042	-977	\$3,140,434	\$1,725

Sectors by Average Annual Employment - 2013



Sectors by Average Annual Wage - 2013





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