

Rhode Island Employment & Wage Analysis



2014

**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 2014 and provides a comparison to annual employment and wage data from 2013. Key findings for 2014 include:

- ▶ Between 2013 and 2014 Rhode Island added 6,976 private sector jobs, a 1.8 percent increase.
- ▶ The 2014 average annual wage increased by \$1,680 (+3.7%) since 2013.
- ▶ The Health Care & Social Assistance sector employed nearly 20 percent of the private sector workforce.
- ▶ Between 2013 and 2014, the Accommodation & Food Services sector added the most (+1,172) jobs.
- ▶ Seventeen private industry sectors experienced employment gains between 2013 and 2014.
- ▶ Annual wage growth was reported in all of the nineteen private industry sectors.
- ▶ Management of Companies & Enterprises was the highest paying employment sector, with workers averaging \$119,148 in 2014.*

**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 Beach, Watch Hill, Rhode Island*

Rhode Island Employment & Wage Analysis by Industry, 2014

Rhode Island private sector employment averaged 404,411 in 2014, an increase of 6,976 (+1.8%) jobs from 2013. 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 2014 also marks four consecutive year-over-year job gains, totaling over 17,300 private sector jobs. The last time the Ocean State experienced four consecutive year-over-year private sector job gains was between 2003 and 2006 when just over 13,600 jobs were added.

	Private Sector Annual Averages			
	2014	2013	Difference	
Employment	404,411	397,435	6,976	1.8%
Annual Wage	\$47,449	\$45,769	\$1,680	3.7%

Seventeen of the nineteen private industry sectors experienced job gains between 2013 and 2014, while two industry sectors reported employment losses.

The 2014 average annual wage in the private sector was \$47,449, an increase of \$1,680 (+3.7%) from the \$45,769 earned in 2013. This percentage gain marks the largest percentage increase since 2006, when the annual wage from 2005 grew by 4.5 percent. All nineteen private industry sectors reported an annual wage increase between 2013 and 2014.

Private Employment Analysis

The Accommodation & Food Services sector added 1,172 (+2.6%) workers between 2013 and 2014, the largest employment gain among the nineteen private industry sectors. Nearly all of the 1,172 jobs which were added came from the food services & drinking places (+1,147) subsector, while the accommodation's subsector grew by a mere 25 jobs.

Between 2013 and 2014, the workforce in the Professional, Scientific & Technical Services sector increased by 849 (+3.9%), the second largest numeric employment increase during this period. Sizeable employment gains within the industry were reported in the computer systems design industry group which grew by 374 since 2013.

Largest Over-the-Year Numeric Employment Gains				
	2014	2013	Difference	
Accommodation & Food Services	46,379	45,207	1,172	2.6%
Professional & Technical Services	22,848	21,999	849	3.9%
Manufacturing	40,821	40,040	781	2.0%

Notable employment gains were also reported in the Manufacturing (+781),

Administrative & Waste Services (+744), Management of Companies & Enterprises (+671), Retail Trade (+609), Educational Services (+531) and Construction (+398) sectors.

The over-the-year gain of 781 jobs within the Manufacturing sector marks the largest gain of its kind since 1984 when 5,775 manufacturing jobs were added between 1983 and 1984. The bulk of the Manufacturing jobs gains in 2014 came via the transportation equipment manufacturing subsector which increased by 610 jobs. The fabricated metal manufacturing and chemical manufacturing subsectors also reported sufficient job gains from 2013, growing by 167 and 160, respectively.

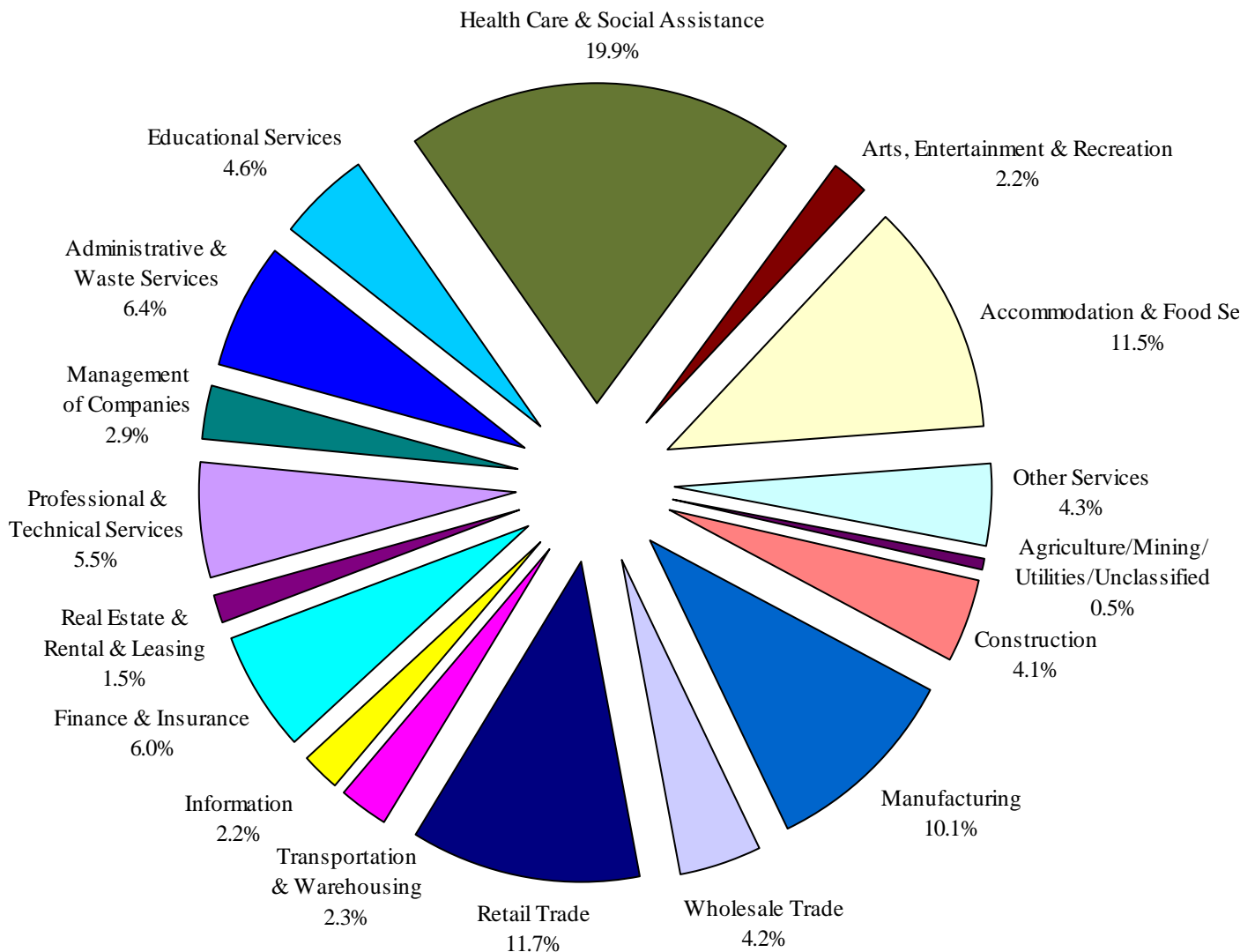
Annual job gains were also noted in Other Services (+276), Finance & Insurance (+227), Transportation & Warehousing (+173) and Wholesale Trade (+152), while smaller gains were reported in the Agriculture, Fishing & Hunting (+57), Real Estate & Rental & Leasing (+43), Mining (+19) and Health Care & Social Assistance (+16) sectors.

On a percentage basis, the Mining (+10.1%) sector reported the largest employment gain between 2013 and 2014, followed by Agriculture, Fishing & Hunting (+8.1%), Management of Companies & Enterprises (+5.9%) and Arts, Entertainment & Recreation (+5.4%).

Two employment sectors reported job declines between 2013 and 2014, with the Information sector reporting a loss of 211 (-2.3%) jobs. The largest employment loss within the Information sector was noted in the publishing industries (except internet) subsector. The Utilities sector was the only remaining industry sector to report a job loss, losing a mere 2 jobs from a year ago.

Health Care & Social Assistance represented the largest employment segment in 2014, employing 80,348 workers and accounting for 19.9 percent of the private sector employment. Retail Trade (47,156), Accommodation & Food Services (46,379), Manufacturing (40,821), Administrative & Waste Services (26,109), Finance & Insurance (24,140) and Professional, Scientific & Technical Services (22,848) each had at least twenty thousand employees in 2014.

Rhode Island Private Employment 2014



Mining represented the smallest segment of the state's employment, employing 208 workers in 2014. Agriculture, Forestry, Fishing & Hunting (759) was the only other sector to employ less than one-thousand workers in 2014.

Largest Over-the-Year Numeric Employment Losses

	2014	2013	Difference	
Information	8,850	9,061	-211	-2.3%
Utilities	1,057	1,059	-2	-0.2%

Private Wage Analysis

Nearly \$19.2 billion in private sector wages was earned in 2014, an increase of nearly \$998.7 million (+5.5%) from 2013. As noted earlier, the average annual wage in 2014 was \$47,449. The 2014 average weekly wage in the private sector increased to \$912 or \$32 (+3.7%) more than the \$880 earned in 2013.

In all, ten private industry sectors reported higher annual earnings than the \$47,449 averaged in 2014.

Management of Companies & Enterprises employees averaged \$119,148, the highest average wage in 2014. The Utilities sector paid an average of \$94,018, the second highest annual wage. The Finance & Insurance (\$91,691), Professional & Technical Services (\$70,659), Wholesale Trade (\$68,474), Information (\$68,258), Mining (\$55,475), Construction (\$55,090) and Manufacturing (\$54,687) sectors all averaged earnings over fifty thousand dollars in 2014.

The Educational Services (\$50,861) sector was the remaining sector to report 2014 annual earnings above the private sector average of \$47,449.

Accommodation & Food Services (\$17,844), Arts, Entertainment & Recreation (\$26,924), Retail Trade (\$28,558) and Agricultural, Fishing & Hunting (\$29,900) reported the lowest annual wage in 2014, reflecting the seasonal and part-time nature of these sectors.

The total wages earned in the Management of Companies & Enterprises sector accounted for 7.5 percent of the \$19.2 billion paid to the private sector workforce, while representing only 3 percent of the state's private sector workforce.

Between 2013 and 2014, the Finance & Insurance sector experienced the largest numeric wage increase, with the annual wage growing by \$7,274, an 8.6 percent increase.

Top 5 Sectors by Wage Increase

Sector	2014	2013	Difference	
Finance & Insurance	\$91,691	\$84,417	\$7,274	8.6%
Management of Companies	\$119,148	\$113,590	\$5,558	4.9%
Professional & Technical Services	\$70,659	\$67,709	\$2,950	4.4%
Mining	\$55,475	\$52,661	\$2,814	5.3%
Information	\$68,258	\$65,790	\$2,468	3.8%

Employees of the Management of Companies & Enterprises (+\$5,558), Professional, Scientific & Technical Services (+\$2,950), Mining (+\$2,814), Information (+\$2,468), Real Estate & Rental & Leasing (+\$1,600), Arts, Entertainment & Recreation (+\$1,535), Manufacturing (+\$1,309), Retail Trade (+\$1,145), Other Services (+\$1,081) and

Health Care & Social Assistance (+\$1,006) sectors were also recipients of at least a one-thousand dollar wage increase during this period.

On a percentage basis, the largest annual wage increase between 2013 and 2014 was reported in the Financial Activities (+8.6%), Arts, Entertainment & Recreation (+6.0%) and Mining (+5.3%) sectors.

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

Private Sector Job Change 2013 - 2014

Net Job Gain - 6,976

	Number	Percent
Jobs Created*	7,189	100.0%
\$60,000 & above	1,899	26.4%
Professional, Scientific & Technical (\$70,659)	849	44.7%
Management of Companies & Enterprises (\$119,148)	671	35.3%
Finance & Insurance (\$91,691)	227	12.0%
Wholesale Trade (\$68,474)	152	8.0%
\$30,000 - \$59,000	2,981	41.5%
Manufacturing (\$54,687)	781	26.2%
Administrative & Waste Services (\$33,916)	744	25.0%
Educational Services (\$50,861)	531	17.8%
Construction (\$55,090)	398	13.4%
Other Services (\$30,123)	276	9.3%
Transportation & Warehousing (\$39,438)	173	5.8%
Real Estate, Rental & Leasing (\$42,723)	43	1.4%
Mining (\$55,475)	19	0.6%
Health Care & Social Assistance (\$43,546)	16	0.5%
Less than \$30,000	2,286	31.8%
Accommodation & Food Services (\$17,844)	1,172	51.3%
Retail Trade (\$28,588)	609	26.6%
Arts, Entertainment & Recreation (\$26,924)	448	19.6%
Agriculture, Fishing & Hunting (\$29,900)	57	2.5%

*Unclassified employment accounted for 23 (+0.3%) of the 7,189 jobs created

	Number	Percent
Jobs Lost	-213	-100.0%
\$60,000 & above	-213	-100.0%
Information (\$65,790)	-211	-99.1%
Wholesale Trade (\$67,540)	-2	-0.9%
\$30,000 - \$59,000	0	0.0%
Less than \$30,000	0	0.0%

Job Change by Wage Class

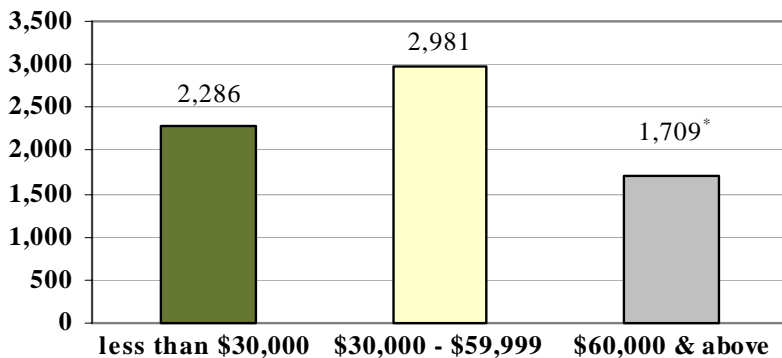
Between 2013 and 2014, eighteen private employment sectors (including the unclassified sector, a sector where employers have yet to be assigned an industry code) added employment totaling 7,189 jobs, while two sectors reported a loss of 213 jobs. The net gain of 6,976 jobs was dominated by those Rhode Island private sector employees who earned between \$30,000 and \$59,999.

Among the 7,189 private sector jobs added between 2013 and 2014:

- Nearly 42 percent or 2,981 jobs were created among those sectors paying between \$30,000 and \$59,999. The nine sectors which added jobs within this pay range averaged an annual wage of \$44,717 in 2014.
- Nearly 32 percent or 2,286 of the jobs created were created from sectors earning less than \$30,000. The four sectors which added jobs within this pay range averaged an annual wage of \$23,609 in 2014.
- Just over 26 percent or 1,899 jobs were created within those sectors paying \$60,000 and above. The four sectors which added jobs among this pay scale averaged an annual wage of \$84,543 in 2014.
- A total of 23 jobs that were created in 2014 came from businesses that have yet to be assigned an industry code. The unclassified sector averaged an annual wage of \$63,785 in 2014.

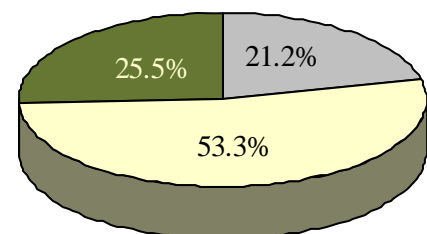
All of the 213 private sector jobs that were lost between 2013 and 2014 were lost from two sectors paying \$60,000 and above. The 2014 average annual wage of these two sectors was \$71,007.

2013 - 2014 Net Job Change by Wage Class



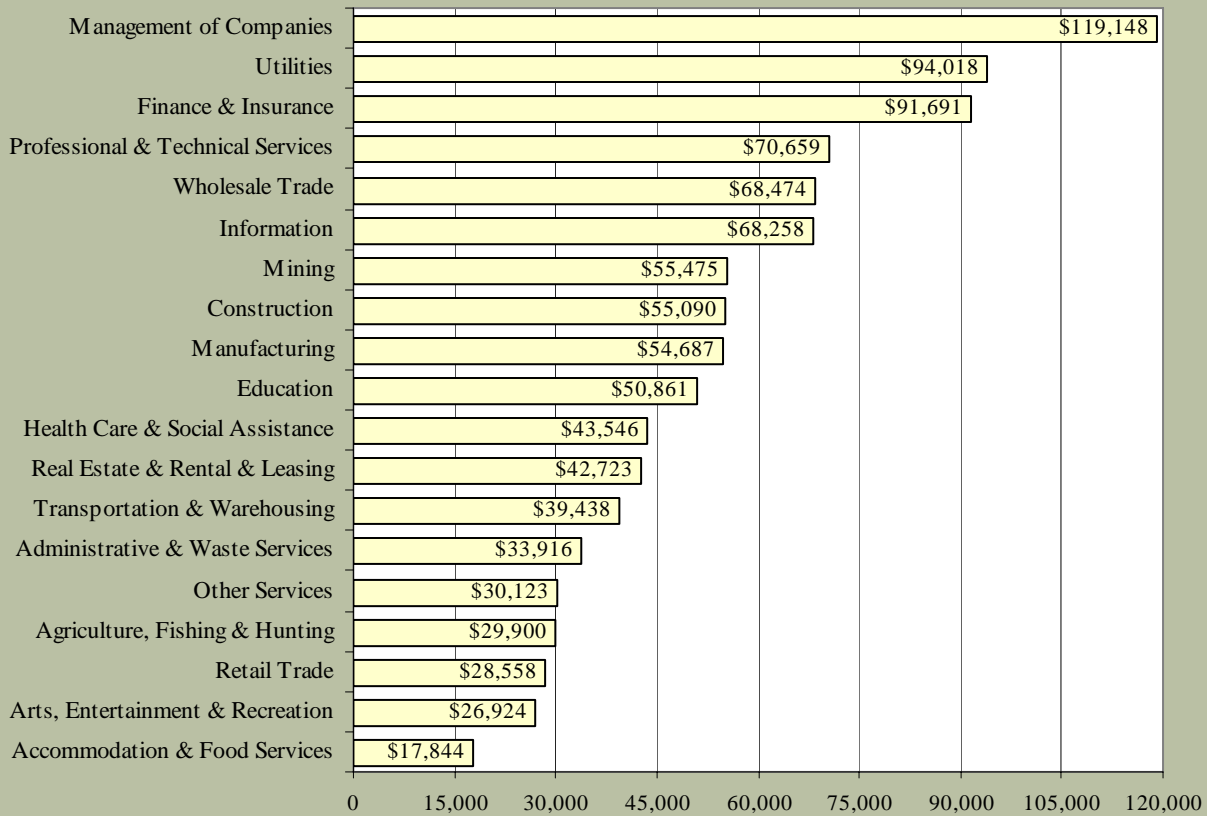
*includes unclassified establishments

Private Employment by 2014 Annual Earning



■ Above \$60,000 ■ \$30,000 - \$59,999 ■ Below \$30,000

Sectors by Average Annual Wage - 2014



NAICS Sector	Statewide - Private Sector 2014			Over-the-Year Difference 2013-2014		
	Employment	Total Wages	Average Annual Wage	Employment	Total Wages	Average Annual Wage
Total Private Only	404,411	\$19,188,925,808	\$47,449	6,976	\$998,667,182	\$1,680
Agriculture, Fishing & Hunting	759	\$22,694,464	\$29,900	57	\$1,999,698	\$420
Mining	208	\$11,538,896	\$55,475	19	\$1,585,917	\$2,814
Utilities	1,057	\$99,376,969	\$94,018	-2	\$816,207	\$948
Construction	16,498	\$908,867,151	\$55,090	398	\$35,531,070	\$846
Manufacturing	40,821	\$2,232,375,171	\$54,687	781	\$95,137,300	\$1,309
Wholesale Trade	16,843	\$1,153,312,769	\$68,474	152	\$25,998,130	\$934
Retail Trade	47,156	\$1,346,693,230	\$28,558	609	\$70,722,070	\$1,145
Transportation & Warehousing	9,486	\$374,106,860	\$39,438	173	\$15,747,122	\$958
Information	8,850	\$604,086,743	\$68,258	-211	\$7,963,300	\$2,468
Finance & Insurance	24,140	\$2,213,427,097	\$91,691	227	\$194,764,464	\$7,274
Real Estate & Rental & Leasing	5,942	\$253,859,003	\$42,723	43	\$11,275,654	\$1,600
Professional & Technical Services	22,848	\$1,614,421,742	\$70,659	849	\$124,891,912	\$2,950
Mgt of Companies & Enterprises	12,001	\$1,429,894,133	\$119,148	671	\$142,920,691	\$5,558
Administrative & Waste Services	26,109	\$885,503,016	\$33,916	744	\$45,541,646	\$801
Educational Services	18,547	\$943,314,203	\$50,861	531	\$44,492,590	\$971
Health Care & Social Assistance	80,348	\$3,498,862,410	\$43,546	16	\$81,511,043	\$1,006
Arts, Entertainment, & Recreation	8,807	\$237,119,295	\$26,924	448	\$24,892,155	\$1,535
Accommodation & Food Services	46,379	\$827,596,957	\$17,844	1,172	\$43,746,523	\$505
Other Services	17,568	\$529,196,723	\$30,123	276	\$26,994,909	\$1,081



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