

Rhode Island Employment & Wage Analysis



2016

**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 2016 and provides a comparison to annual employment and wage data from 2015. Key findings for 2016 include:

- ▶ Between 2015 and 2016 Rhode Island added 3,465 private sector jobs, a 0.8 percent increase.
- ▶ The 2016 average annual private sector wage was \$49,558, an increase of \$823 from 2015.
- ▶ The Health Care & Social Assistance sector employed just over nineteen percent of the entire private sector workforce.
- ▶ Between 2015 and 2016, the Construction sector added 1,123 jobs, the largest gain among all private industry sectors.
- ▶ Twelve private industry sectors experienced employment gains between 2015 and 2016.
- ▶ Annual wage growth was reported in seventeen of the nineteen private industry sectors.
- ▶ Management of Companies & Enterprises was the highest paying industry sector, with workers averaging \$119,462 in 2016.*

**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: *Carousel Village Horse, Roger Williams Park, Providence, Rhode Island*

Rhode Island Employment & Wage Analysis by Industry, 2016

Rhode Island private sector employment averaged 414,501 in 2016, an increase of 3,465 (+0.8%) jobs from 2015. The employment growth in 2016 marks six consecutive years of job gains, totaling over 27,400 private sector jobs. The last time the Ocean State experienced six consecutive year-over-year private sector job gains was between 1996 and 2001, when 31,000 jobs were added during this period.

Twelve of the nineteen private industry sectors experienced job gains between 2015 and 2016, while seven industry sectors reported employment losses.

The 2016 average annual wage in the private sector was \$49,558, an increase of \$823 (+1.7%) from the \$48,736 earned in 2015. Seventeen of the nineteen private industry sectors reported an annual wage increase between 2015 and 2016. The Management of Companies & Enterprises and Mining sectors were the lone employment sectors to report an annual wage loss from 2015.

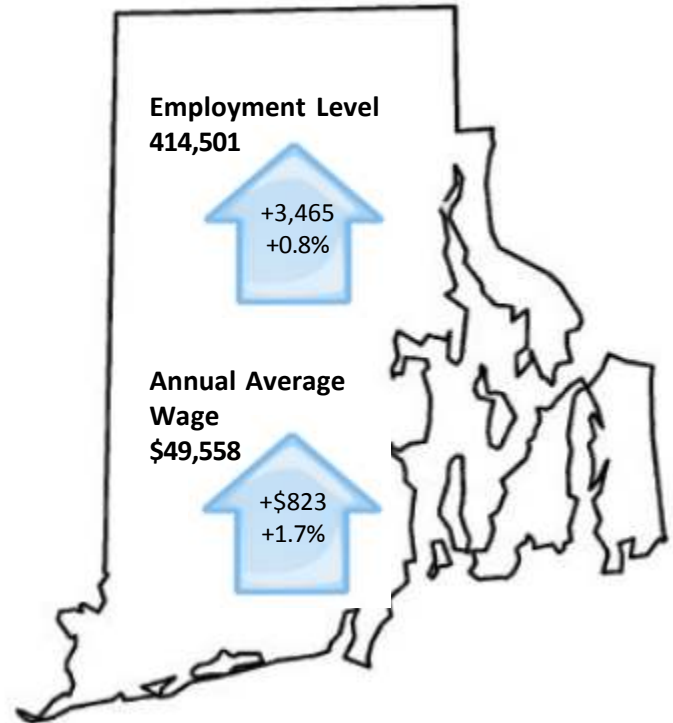
Private Employment Analysis

The Construction sector added 1,123 (+6.6%) jobs between 2015 and 2016, the largest employment gain among the nineteen private industry sectors. A majority of the 1,123 jobs added during this period came from the specialty trade contractors (+982) subsector, followed by the construction of buildings subsector which grew by 113 jobs.

Between 2015 and 2016, the workforce in the Accommodation & Food Services sector increased by 940 (+2.0%), the second largest numeric employment increase during this period. Sizeable employment gains within the industry were reported in the food services & drinking places subsector, which grew by 943 workers from 2015.

Notable annual employment gains were also reported in the Management of Companies & Enterprises (+820), Administrative & Waste Services (+732), Professional, Scientific & Technical Services (+515), Arts, Entertainment & Recreation (+351) and Other Services (+250) sectors.

2016 Rhode Island Private Sector



Largest Annual Employment Gains 2015-2016

| |
|---|
| Construction +1,123 |
| Accommodation & Food Services +940 |
| Management of Companies & Enterprises +820 |
| Administrative & Waste Services +732 |
| Professional, Scientific & Technical Services +515 |

Smaller but positive job gains in 2016 were noted in the Educational Services (+155), Retail Trade (+137), Transportation & Warehousing (+137), Real Estate, Rental & Leasing (+91) and Agriculture, Forestry, Fishing & Hunting (+24) sectors.



On a percentage basis, the Construction (+6.6%) sector reported the largest employment increase between 2015 and 2016, followed by Management of Companies & Enterprises (+6.5%), and Arts, Entertainment & Recreation (+3.9%).

In all, seven employment sectors reported job declines between 2015 and 2016, with the Manufacturing (-729) sector shedding the most jobs. The largest employment loss within the Manufacturing sector was noted in the fabricated metal manufacturing (-391) subsector. Employment in the Information sector fell by 543 during this period, followed by the Wholesale Trade (-259) and Health Care & Social Assistance (-254) sectors.

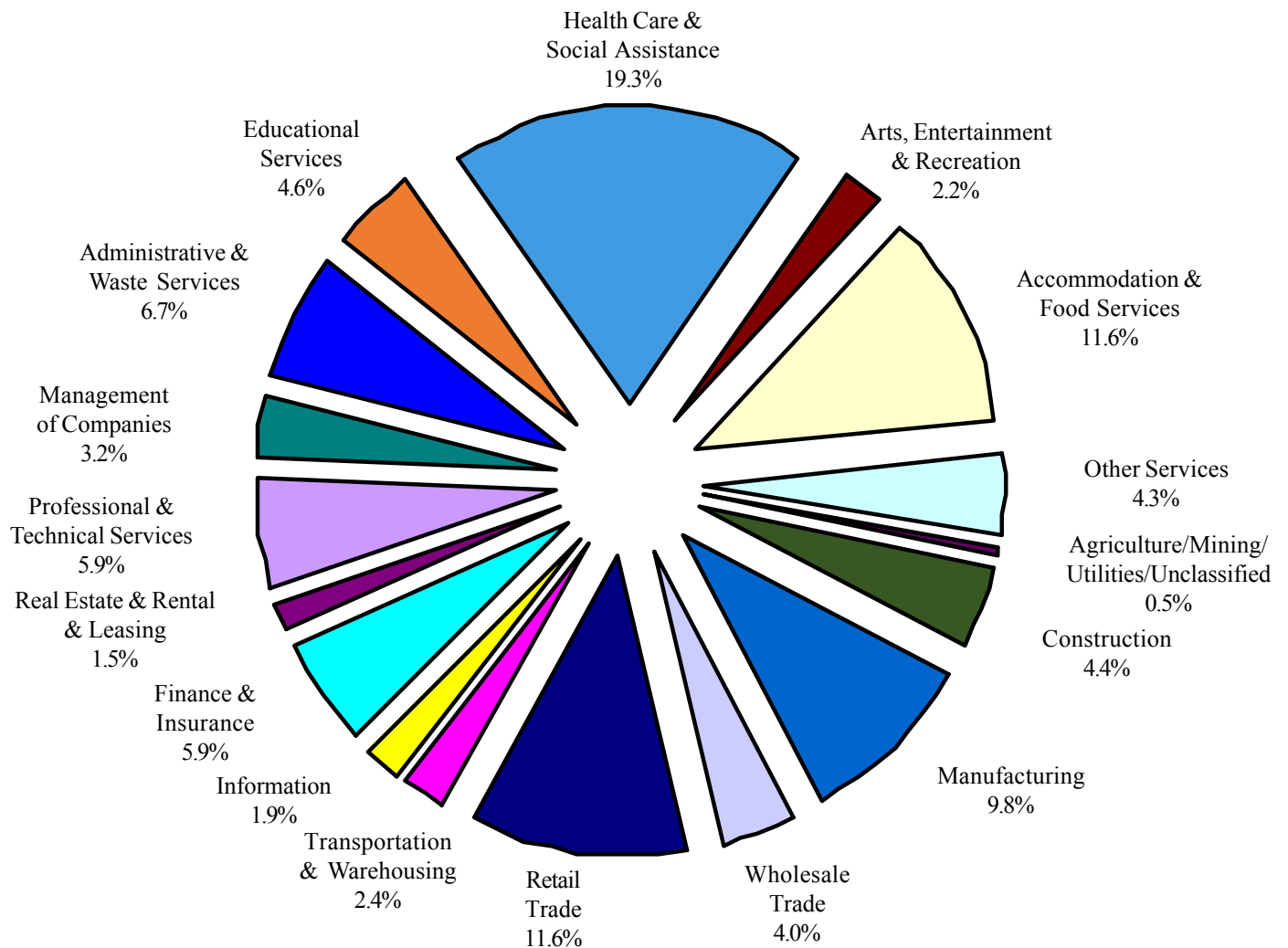
Smaller employment losses were reported in the Finance & Insurance (-24), Mining (-1) and Utilities (-1) sectors.

Among those sectors which lost employment between 2015 and 2016, the Information sector lost 6.3 percent of its workforce, the largest loss on a percentage basis, followed by Manufacturing (-1.8%) and Wholesale Trade (-1.5%).

Health Care & Social Assistance represented the largest private employment segment in 2016, employing 80,023 workers, accounting for 19.3 percent of the state's private sector workforce. Accommodation & Food Services (48,204), Retail Trade (48,190), Manufacturing (40,421), Administrative & Waste Services (27,873), Finance & Insurance (24,621) and Professional, Scientific & Technical Services (24,392) each employed at least twenty-thousand workers in 2016.

Mining represented the smallest segment of the state's employment, employing 200 workers in 2016. Agriculture, Forestry, Fishing & Hunting (776) was the only other sector to employ less than one-thousand workers in 2016.

Rhode Island Private Employment 2016



Regional Analysis

Between 2015 and 2016, employment in the New England region grew by 1.5 percent or 90,358 jobs, while the national economy grew by 1.9 percent or nearly 2.2 million jobs.

The number of jobs in Massachusetts increased by 2.0 percent during this period, outpacing both the regional and national growth rate. New Hampshire's growth rate of 1.9 percent was greater than that of the regional growth rate and was equal to the national growth rate. Maine's workforce grew by 1.4 percent between 2015 and 2016, followed by Rhode Island (+0.8%), Connecticut (+0.5%) and Vermont (+0.3%).

Private Wage Analysis

In Rhode Island, over \$20.5 billion in private sector wages was earned in 2016, an increase of \$509.8 million (+2.5%) from 2015. As noted earlier, the average annual wage in 2016 was \$49,558, a gain of \$823 (+1.7%) from 2015. The 2016 average weekly wage in the private sector increased to \$953 or \$16 (+1.7%) more than the \$937 earned in 2015.

In 2016, ten industry sectors earned more than \$49,558, the Rhode Island private sector annual wage.

Management of Companies & Enterprises employees averaged \$119,462, the highest average private sector wage in 2016. The Utilities sector paid an average of \$100,269 in 2016, the second highest annual wage. In addition, the Finance & Insurance (\$94,603), Professional, Scientific & Technical Services (\$73,494), Information (\$72,426), Wholesale Trade (\$70,520), Construction (\$58,244), Mining (\$57,271), Manufacturing (\$56,121) and Educational Services (\$51,723) sectors all averaged earnings over 49,558 in 2016.

The Accommodation & Food Services (\$19,712), Retail Trade (\$30,340), Arts, Entertainment & Recreation (\$31,017) and Other Services (\$31,925) sectors reported the lowest annual wage in 2016, reflecting the seasonal and part-time nature of these sectors.

In 2016, the total wages earned in the Management of Companies & Enterprises sector accounted for 7.8 percent of the \$20.5 billion paid to the private sector workforce, while representing only 3.2 percent of the state's private sector workforce.

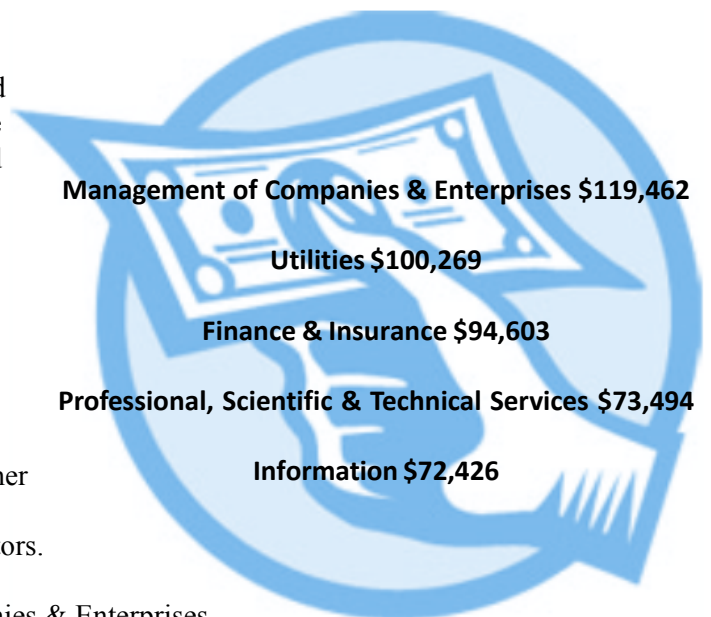
Between 2015 and 2016, the Utilities sector experienced the largest numeric wage increase, with the annual wage growing by \$5,596, a 5.9 percent increase. In all, seventeen of the nineteen private employment sectors reported an annual wage increase from 2015. In addition to the Utilities sector, the Finance & Insurance (+\$3,066), Information (+\$2,755) and Agriculture, Forestry, Fishing & Hunting (+\$2,305) sectors all experienced an annual wage increase of at least two thousand dollars during this period.

The 2016 annual average wage in the Arts, Entertainment & Recreation (+\$1,728), Construction (+\$1,528) and Wholesale Trade (+\$1,520) sectors all grew in excess of one thousand dollars.

On a percentage basis, the largest annual wage increase between 2015 and 2016 was reported in the Agriculture, Forestry, Fishing & Hunting (+7.1%), Arts, Entertainment & Recreation (+5.9%), and Utilities (+5.9%) sectors.

The Mining and Management of Companies & Enterprises sectors experienced an annual wage decrease in 2016 as wages fell by \$1,284 and \$1,278, respectively, from 2015.

Highest Average Annual Wage by Employment Sector - 2016



Private Sector Job Change 2015 - 2016

Net Job Gain - 3,465

| Jobs Created | Number | Percent |
|---|---------------|----------------|
| | 5,276 | 100.0% |
| \$60,000 & above | 1,335 | 25.3% |
| Management of Companies & Enterprises (\$119,462) | 820 | 61.4% |
| Professional & Technical Services (\$73,494) | 515 | 38.6% |
| \$35,000 - \$59,999 | 2,239 | 42.4% |
| Construction (\$58,244) | 1,123 | 50.2% |
| Administrative & Waste Services (\$35,088) | 732 | 32.7% |
| Educational Services (\$51,723) | 155 | 6.9% |
| Transportation & Warehousing (\$40,682) | 137 | 6.1% |
| Real Estate, Rental & Leasing (\$45,558) | 91 | 4.1% |
| Less than \$35,000 | 1,702 | 32.3% |
| Accommodation & Food Services (\$19,712) | 940 | 55.2% |
| Arts, Entertainment & Recreation (\$31,017) | 351 | 20.6% |
| Other Services (\$31,925) | 250 | 14.7% |
| Retail Trade (\$30,340) | 137 | 8.0% |
| Agriculture, Forestry, Fishing & Hunting (\$34,688) | 24 | 1.4% |

| Jobs Lost | Number | Percent |
|--|---------------|----------------|
| | -1,811 | -100.0% |
| \$60,000 & above | -827 | -45.7% |
| Information (\$72,426) | -543 | -65.7% |
| Wholesale Trade (\$70,520) | -259 | -31.3% |
| Finance & Insurance (\$94,603) | -24 | -2.9% |
| Utilities (\$100,269) | -1 | -0.1% |
| \$35,000 - \$59,999 | -984 | -54.3% |
| Manufacturing (\$56,121) | -729 | -74.1% |
| Health Care & Social Assistance (\$45,802) | -254 | -25.8% |
| Mining (\$57,271) | -1 | -0.1% |
| Less than \$35,000 | 0 | 0.0% |

Job Change by Wage Class

Between 2015 and 2016, twelve private industry sectors added employment totaling 5,276 jobs, while seven private industry sectors reported a loss of 1,811 jobs. The net gain of 3,465 jobs was led by those private sector employees earning between \$35,000 and \$59,999.

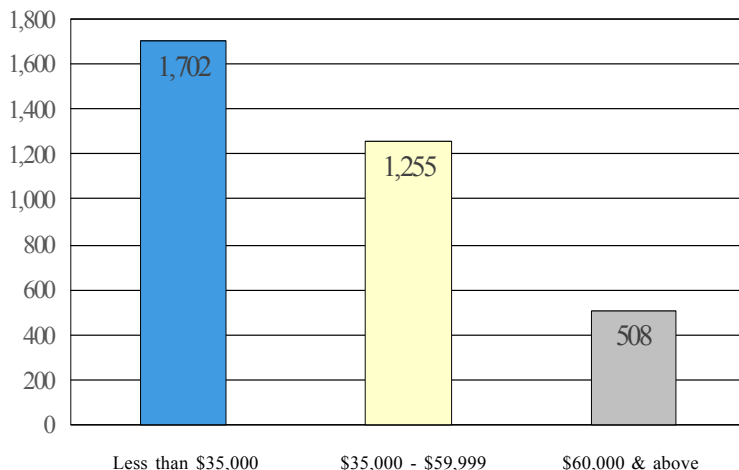
Among the 5,276 private sector jobs added between 2015 and 2016:

- Over 42 percent or 2,239 jobs were created among those sectors paying between \$35,000 and \$59,999. The five industry sectors which added jobs within this pay range averaged an annual wage of \$45,653 in 2016.
- A total of 32 percent or 1,702 of the jobs created were from sectors earning below \$35,000. The five sectors which added jobs within this pay range averaged an annual wage of \$26,529 in 2016.
- A total of 25 percent or 1,335 jobs were created within those sectors paying an annual wage of \$60,000 or above. The two sectors which added jobs among this pay range averaged an annual wage of \$89,776 in 2016.

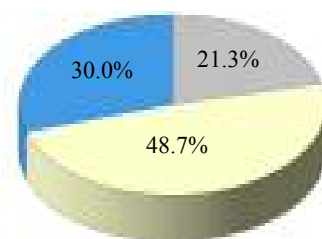
Among the 1,811 private sector jobs lost between 2015 and 2016:

- A total of 984 or 54 percent of the jobs lost were from sectors earning an annual pay range between \$35,000 and \$59,999. The three sectors which lost jobs within this pay range, averaged an annual wage of \$49,278 in 2016.
- A total of 827 or 46 percent of the jobs lost were from sectors earning \$60,000 or above. The four sectors which lost jobs among this pay range averaged an annual wage of \$83,220 in 2016.
- No jobs were lost from sectors earning less than \$35,000 in 2016.

2015 - 2016 Net Job Change by Wage Class

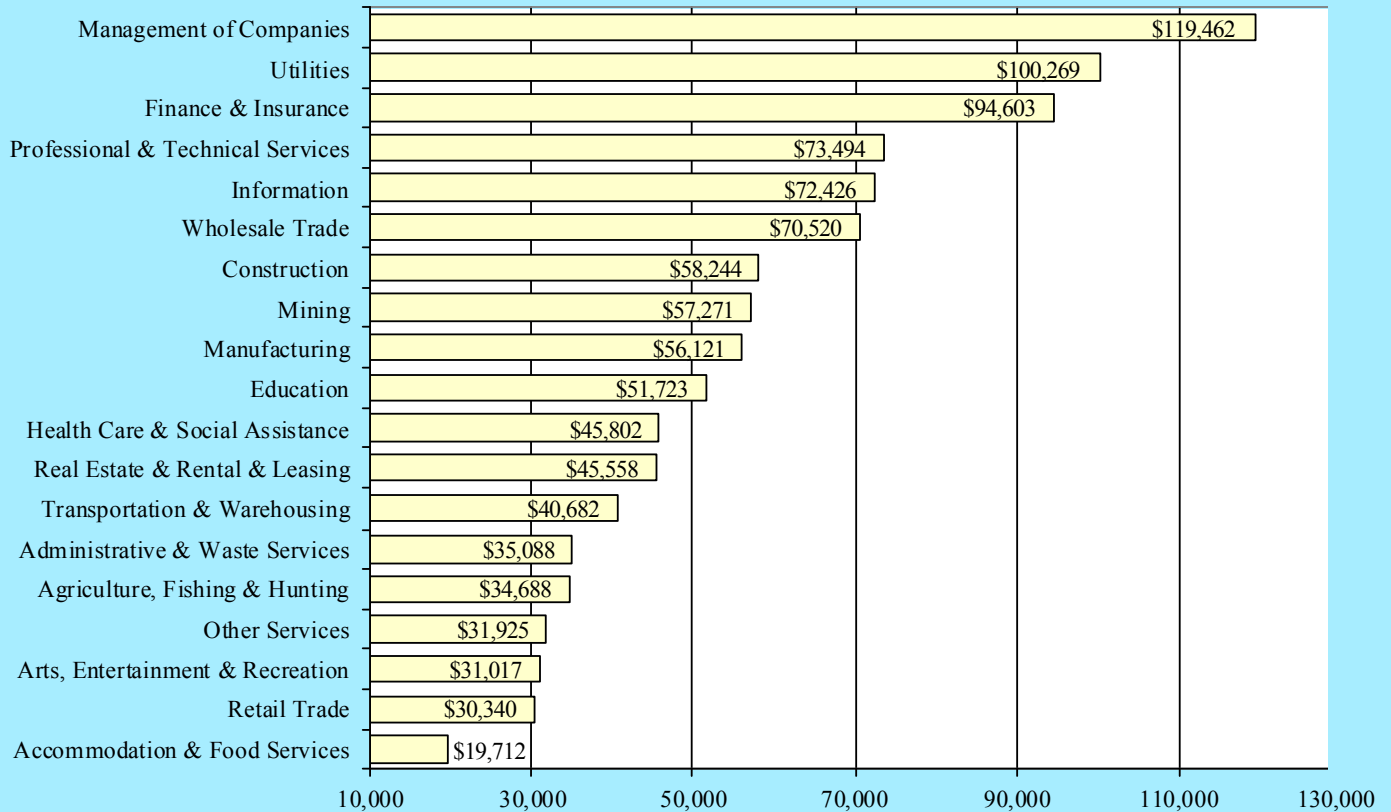


Private Employment by 2016 Annual Earnings



■ \$60,000 & above ■ \$35,000 - \$59,999 ■ Less than \$35,000

Sectors by Average Annual Wage - 2016



| NAICS Sector | Statewide - Private Sector 2016 | | | Over-the-Year Difference 2015-2016 | | |
|-----------------------------------|---------------------------------|------------------|---------------------|------------------------------------|---------------|---------------------|
| | Employment | Total Wages | Average Annual Wage | Employment | Total Wages | Average Annual Wage |
| Total Private Only | 414,501 | \$20,542,020,595 | \$49,558 | 3,465 | \$509,884,842 | \$823 |
| Agriculture, Fishing & Hunting | 776 | \$26,918,264 | \$34,688 | 24 | \$2,565,592 | \$2,305 |
| Mining | 200 | \$11,454,119 | \$57,271 | -1 | -\$315,353 | -\$1,284 |
| Utilities | 1,081 | \$108,391,301 | \$100,269 | -1 | \$5,954,833 | \$5,596 |
| Construction | 18,134 | \$1,056,192,354 | \$58,244 | 1,123 | \$91,396,520 | \$1,528 |
| Manufacturing | 40,421 | \$2,268,458,762 | \$56,121 | -729 | -\$27,008,005 | \$338 |
| Wholesale Trade | 16,663 | \$1,175,069,050 | \$70,520 | -259 | \$7,462,420 | \$1,520 |
| Retail Trade | 48,190 | \$1,462,072,379 | \$30,340 | 137 | \$30,567,667 | \$550 |
| Transportation & Warehousing | 9,938 | \$404,301,240 | \$40,682 | 137 | \$11,703,731 | \$625 |
| Information | 8,066 | \$584,184,735 | \$72,426 | -543 | -\$15,610,633 | \$2,755 |
| Finance & Insurance | 24,621 | \$2,329,231,404 | \$94,603 | -24 | \$73,289,965 | \$3,066 |
| Real Estate & Rental & Leasing | 6,108 | \$278,270,584 | \$45,558 | 91 | \$8,054,485 | \$650 |
| Professional & Technical Services | 24,392 | \$1,792,668,495 | \$73,494 | 515 | \$52,830,869 | \$627 |
| Mgt of Companies & Enterprises | 13,378 | \$1,598,165,858 | \$119,462 | 820 | \$81,904,619 | -\$1,278 |
| Administrative & Waste Services | 27,873 | \$978,002,926 | \$35,088 | 732 | \$37,519,580 | \$436 |
| Educational Services | 19,125 | \$989,198,555 | \$51,723 | 155 | \$13,028,632 | \$264 |
| Health Care & Social Assistance | 80,023 | \$3,665,234,131 | \$45,802 | -254 | \$27,011,431 | \$481 |
| Arts, Entertainment, & Recreation | 9,311 | \$288,796,122 | \$31,017 | 351 | \$26,372,464 | \$1,728 |
| Accommodation & Food Services | 48,204 | \$950,206,279 | \$19,712 | 940 | \$62,957,733 | \$940 |
| Other Services | 17,952 | \$573,109,924 | \$31,925 | 250 | \$20,330,794 | \$698 |



Rhode Island Department of Labor & Training
Labor Market Information Unit
1511 Pontiac Ave.
Cranston, RI 02920
(401) 462-8740
www.dlt.ri.gov/lmi
dlt.lmi@dlt.ri.gov

DLT is an Equal Opportunity Employer/Program.
Auxiliary aids and services are available upon request to individuals with disabilities.
TTY via RI Relay: 711

Published June 2017