

Rhode Island Employment & Wage Analysis



2011

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

Summary of Findings

The annual report entitled “Rhode Island Employment and Wage Analysis,” highlights Rhode Island’s employment and wage data in 2011 and provides a comparison to annual employment and wage data from 2010. Key findings for 2011 include:

- ▶ Between 2010 and 2011, Rhode Island added 2,235 private sector jobs, the first annual private sector job gain since 2006.
- ▶ The 2011 average annual wage in the private sector increased by \$996 from 2010.
- ▶ The Health Care & Social Assistance sector employed 20 percent of the private sector workforce.
- ▶ The Accommodation & Food Services sector added 597 (+1.4%) jobs between 2010 and 2011.
- ▶ Thirteen private industry sectors experienced employment gains between 2010 and 2011.
- ▶ Annual wage growth was reported in seventeen of the nineteen private industry sectors.
- ▶ Management of Companies & Enterprises was the highest paying sector, with workers averaging \$103,185 in 2011.*

**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.

Rhode Island Employment & Wage Analysis by Industry, 2011

Rhode Island private employment averaged 389,240 in 2011, an increase of 2,235 (+0.6%) jobs from 2010. This marks the first over-the-year private sector employment gain since 2006, as 2,841 (+0.7%) jobs were added between 2005 and 2006. Between the economic downturn years of 2007 to 2010, a total of 30,589 private sector jobs were lost.

| | Private Sector Annual Averages | | | |
|--------------------|--------------------------------|----------|------------|------|
| | 2011 | 2010 | Difference | |
| Employment | 389,240 | 387,005 | 2,235 | 0.6% |
| Annual Wage | \$43,526 | \$42,530 | \$996 | 2.3% |

Thirteen of the nineteen private industry sectors experienced job gains between 2010 and 2011, while six industry sectors reported employment losses.

The 2011 average annual wage in the private sector was \$43,526, an increase of \$996 (+2.3%) from the \$42,530 earned in 2010. Seventeen industry sectors reported a wage increase, while just two sectors reported an annual wage decline during this period.

Private Employment Analysis

The Accommodation & Food Services sector added 597 (+1.4%) workers between 2010 and 2011, the largest employment increase among the nineteen private industry sectors. The food services and drinking places sub-sector added 380 (+1.0%) jobs during this period while the accommodations sub-sector increased by 217 (+5.2%) positions.

| | Largest Over-the-Year Employment Gains | | | |
|---|--|--------|------------|------|
| | 2011 | 2010 | Difference | |
| Accommodation & Food Services | 42,565 | 41,968 | 597 | 1.4% |
| Mgt.of Companies & Enterprises | 9,849 | 9,327 | 522 | 5.6% |
| Transportation & Warehousing | 9,164 | 8,711 | 453 | 5.2% |

Between 2010 and 2011, the Management of Companies & Enterprises sector workforce increased by 522 (+5.6%), the second largest employment increase during this period. The

increase of 5.6 percent in the Management of Companies & Enterprises workforce represents the largest gain on a percentage basis, followed by Transportation & Warehousing (+5.2%).

Other notable employment gains were reported in the Transportation & Warehousing (+453), Wholesale Trade (+358), Other Services (+350), Administrative & Waste Services (+223), Educational Services (+180) and Information (+156) sectors.

Smaller annual job gains were noted in the Professional & Scientific & Technical Services (+69), Manufacturing (+24), Real Estate, Rental & Leasing (+13), Mining (+4) and Retail Trade (+2) sectors.

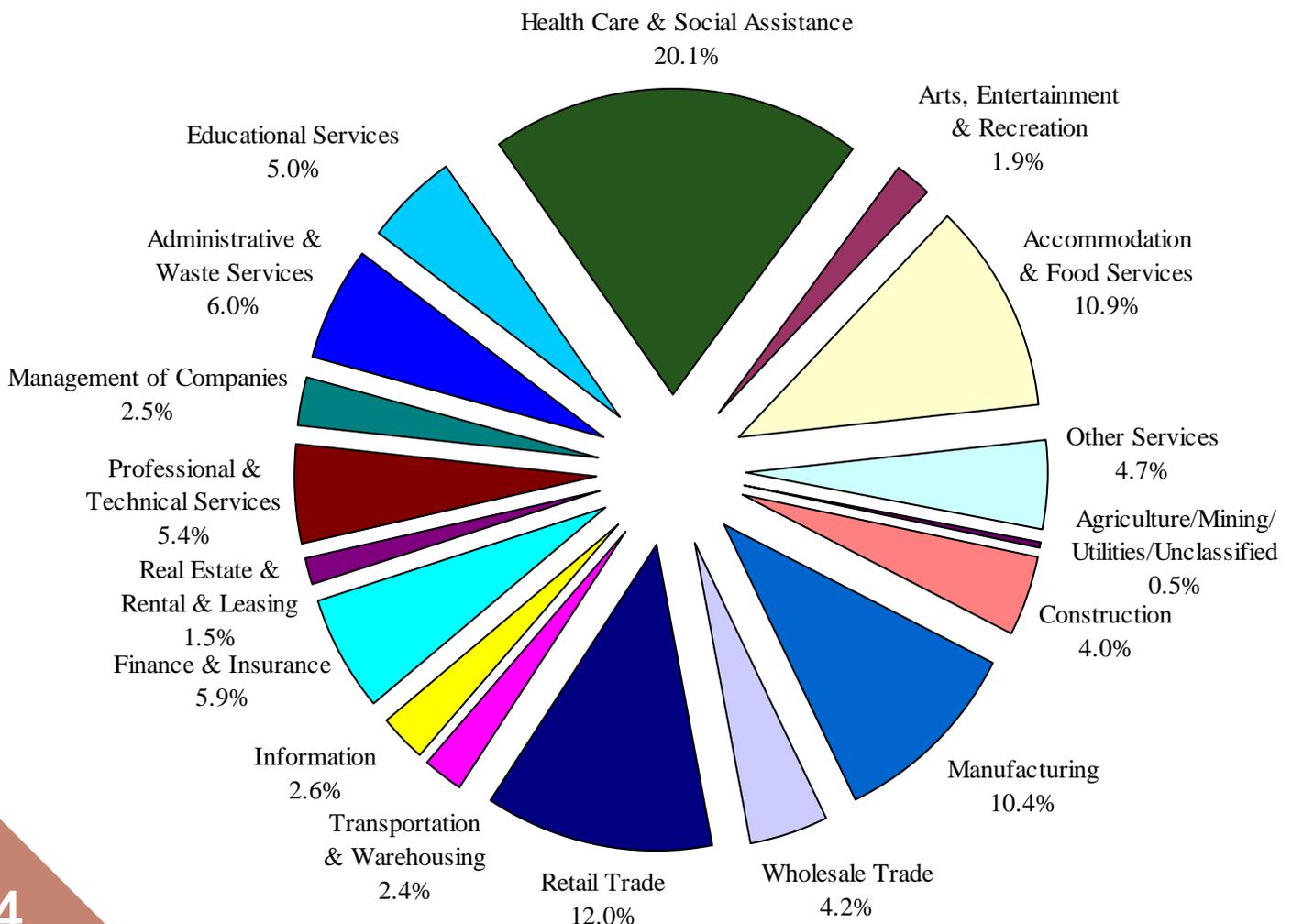
In addition to the percentage gains reported in the Management of Companies & Enterprises and Transportation & Warehousing sectors, the Wholesale Trade (+2.3%), Mining (+2.3%), Other Services (+1.9%), Information (+1.6%), Accommodation & Food Services (+1.4%) and Administrative & Waste Services (+1.0%) sectors also increased their workforce by at least one percent.

Six sectors reported employment declines between 2010 and 2011, with the Finance & Insurance sector losing 365 jobs, a 1.6 percent decrease. The credit intermediation services subsector accounted for 319 of the 365 job losses, while employment within the insurance carriers subsector decreased by 151 positions.

The Construction sector reported the second largest employment decline during this period, shedding 263 (-1.6%) jobs. The specialty trade contractors sub-sector lost 167 positions, followed by the construction of buildings (-53) and heavy civil engineering construction (-42) sub-sectors.

Smaller employment losses between 2010 and 2011 were reported in the Utilities (-54), Arts, Entertainment & Recreation (-39), Health Care & Social Assistance (-17) and Agriculture, Forestry, Fishing & Hunting (-11) sectors.

Rhode Island Private Employment 2011



Between 2010 and 2011, the Utilities sector lost the most jobs on a percentage basis, decreasing its workforce by 4.8 percent. The Finance & Insurance and Construction sectors each lost 1.6 percent of their workforce over the year.

| Largest Over-the-Year Employment Losses | | | | |
|---|--------|--------|------------|-------|
| | 2011 | 2010 | Difference | |
| Finance & Insurance | 23,041 | 23,406 | -365 | -1.6% |
| Construction | 15,681 | 15,944 | -263 | -1.6% |
| Utilities | 1,077 | 1,131 | -54 | -4.8% |

Health Care & Social Assistance represented the largest employment segment in 2011, employing 78,200 workers and accounting for 20.1 percent of the private sector employment. Retail Trade (46,881), Accommodation & Food Services (42,565), Manufacturing (40,354) and Administrative & Waste Services (23,401) complete the top five employment sectors in 2011.

Mining represented the smallest segment of the state's employment, employing 177 workers in 2011. Agriculture, Forestry, Fishing & Hunting (704) was the only other sector to employ less than a thousand workers in 2011.

Private Wage Analysis

Over \$16.9 billion in private sector wages was paid in 2011, an increase of nearly \$483.0 million (+2.9%) from 2010. As noted earlier, the annual average wage in 2011 was \$43,526, while the average weekly wage in the private sector increased to \$837 or \$19 more than the \$818 earned in 2010.

In all, ten private industry sectors reported earnings higher than the 2011 private sector average annual wage of \$43,526.

| Top 5 Sectors by Wage Increase | | | | |
|---------------------------------|-----------|-----------|------------|------|
| Sector | 2011 | 2010 | Difference | |
| Utilities | \$90,360 | \$83,249 | \$7,111 | 8.5% |
| Finance & Insurance | \$78,197 | \$73,450 | \$4,747 | 6.5% |
| Information | \$64,026 | \$61,341 | \$2,685 | 4.4% |
| Mgt. of Companies & Enterprises | \$103,185 | \$101,240 | \$1,945 | 1.9% |
| Manufacturing | \$50,827 | \$49,217 | \$1,610 | 3.3% |

Management of Companies & Enterprises employees averaged \$103,185, the highest average wage in 2011. The Utilities sector paid an average of \$90,360, the second highest annual wage. The Finance & Insurance (\$78,197),

Professional & Technical Services (\$64,927), Information (\$64,026), Wholesale Trade (\$63,773), Construction (\$52,750) and Manufacturing (\$50,827) sectors all averaged earnings over fifty-thousand dollars in 2011.

The Mining (\$49,986) and Educational Services (\$46,145) sectors were the remaining sectors to report 2011 annual earnings above the private sector average of \$43,526.

Accommodation & Food Services (\$16,596), Arts, Entertainment & Recreation (\$24,442) and Agriculture, Forestry, Fishing & Hunting (\$25,490) reported the lowest annual wage in 2011, reflecting the seasonal and part-time nature of these sectors.

As mentioned earlier, employees of the Management of Companies & Enterprises sector averaged \$103,185 in 2011. This sector's total wages accounted for 6.0 percent of the \$16.9 billion paid to the private sector workforce, while representing only 2.5 percent of the state's private sector workforce.

Between 2010 and 2011, the Utilities sector experienced the largest numeric year-over-year wage gain, with the annual wage increasing by \$7,111, an 8.5 percent increase. The 8.5 percent increase also represents the largest annual wage increase on a percentage basis, followed by Finance & Insurance (+6.5%).

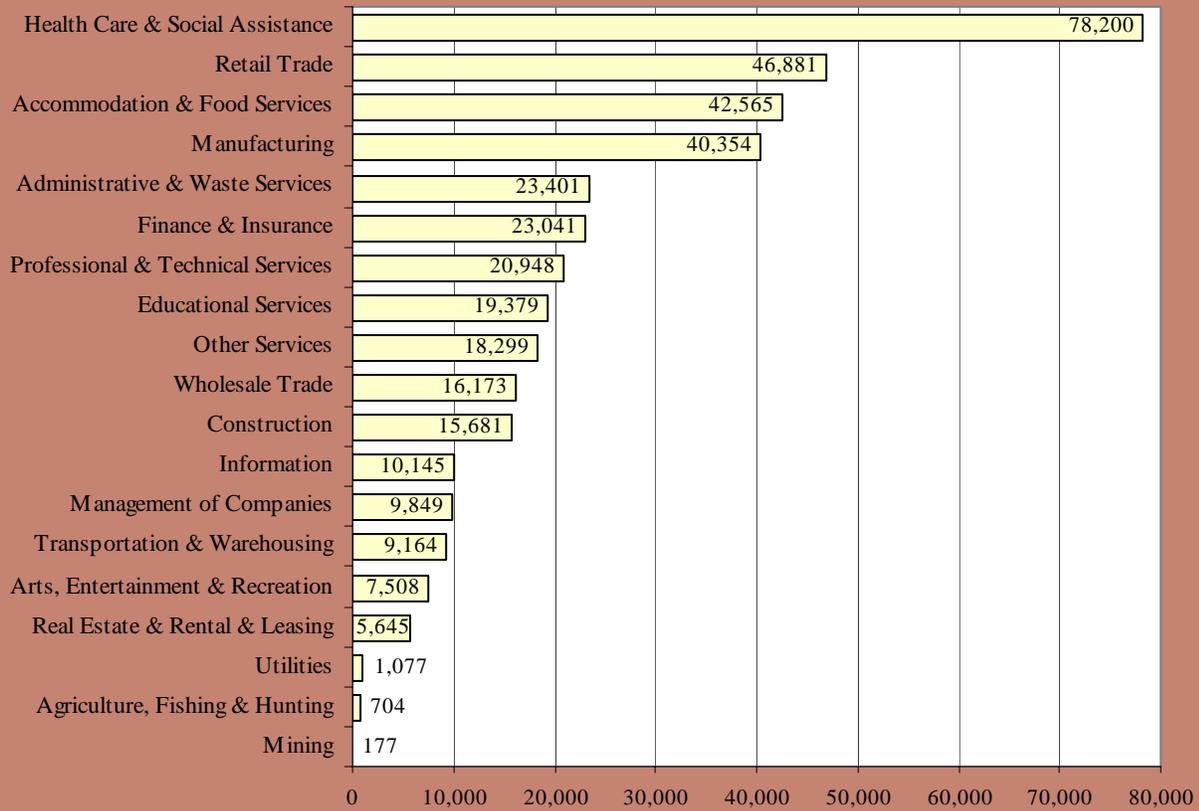
The annual wage in the Finance & Insurance sector grew by \$4,747, the second largest numeric wage increase during this period. Employees of the Information (+\$2,685), Management of Companies & Enterprises (+\$1,945), Manufacturing (+\$1,610), Construction (+\$1,205), Real Estate, Rental & Leasing (+\$1,095) and Professional & Technical Services (+\$1,066) sectors were also recipients of at least a one-thousand dollar wage increase during this period.

Between 2010 and 2011, the Mining sector and the Retail Trade sector were the only two sectors to report an annual wage decline, with wages decreasing by \$256 and \$387, respectively.

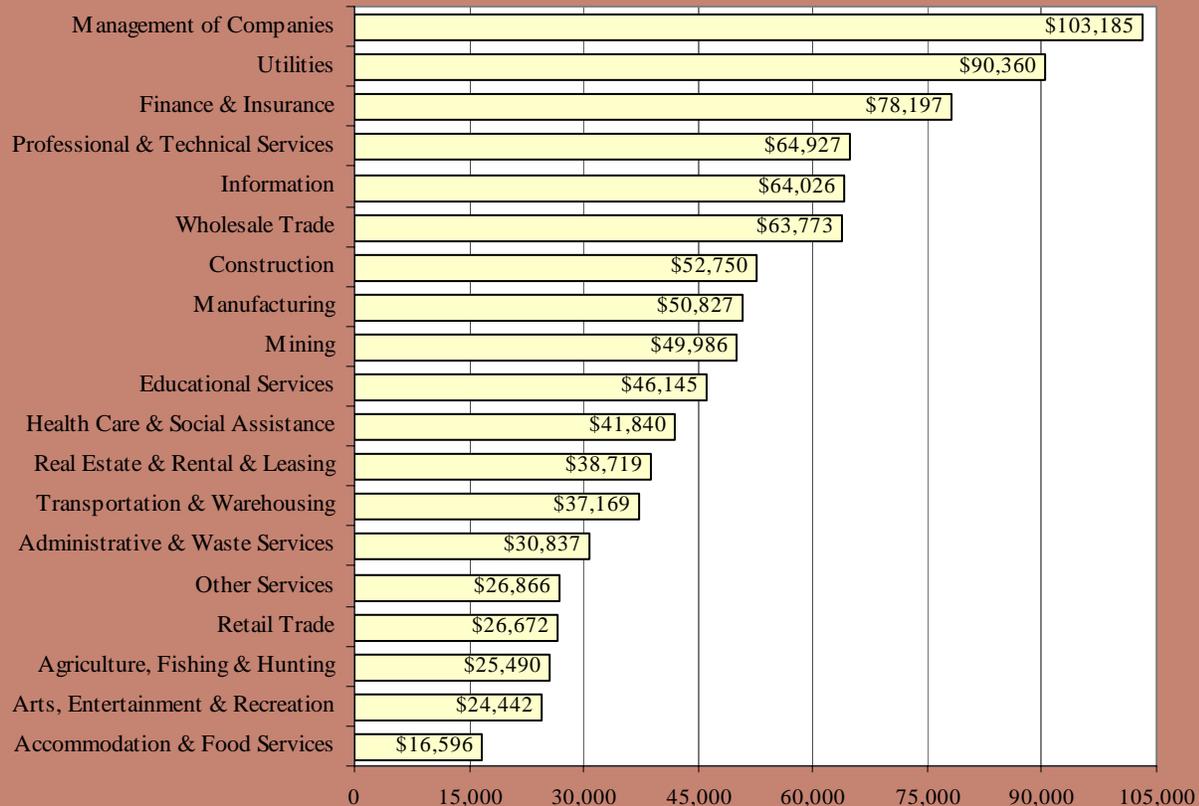
Quarterly bonuses and exercised stock options are included in the calculation and therefore may impact the average annual wage and annual wage increase.

| NAICS Sector | Statewide - Private Sector 2011 | | | Over-the-Year Difference 2010-2011 | | |
|-----------------------------------|---------------------------------|------------------|---------------------|------------------------------------|---------------|---------------------|
| | Employment | Total Wages | Average Annual Wage | Employment | Total Wages | Average Annual Wage |
| Total Private Only | 389,240 | \$16,942,221,360 | \$43,526 | 2,235 | \$482,989,423 | \$996 |
| Agriculture, Fishing & Hunting | 704 | \$17,945,182 | \$25,490 | -11 | \$129,983 | \$574 |
| Mining | 177 | \$8,847,476 | \$49,986 | 4 | \$155,667 | -\$256 |
| Utilities | 1,077 | \$97,317,921 | \$90,360 | -54 | \$3,162,855 | \$7,111 |
| Construction | 15,681 | \$827,180,211 | \$52,750 | -263 | \$5,342,872 | \$1,205 |
| Manufacturing | 40,354 | \$2,051,055,401 | \$50,827 | 24 | \$66,139,937 | \$1,610 |
| Wholesale Trade | 16,173 | \$1,031,401,138 | \$63,773 | 358 | \$31,904,133 | \$574 |
| Retail Trade | 46,881 | \$1,250,423,330 | \$26,672 | 2 | -\$18,069,050 | -\$387 |
| Transportation & Warehousing | 9,164 | \$340,619,984 | \$37,169 | 453 | \$23,595,352 | \$775 |
| Information | 10,145 | \$649,546,461 | \$64,026 | 156 | \$36,813,598 | \$2,685 |
| Finance & Insurance | 23,041 | \$1,801,741,169 | \$78,197 | -365 | \$82,559,674 | \$4,747 |
| Real Estate & Rental & Leasing | 5,645 | \$218,571,229 | \$38,719 | 13 | \$6,675,498 | \$1,095 |
| Professional & Technical Services | 20,948 | \$1,360,096,936 | \$64,927 | 69 | \$26,743,553 | \$1,066 |
| Mgt of Companies & Enterprises | 9,849 | \$1,016,265,404 | \$103,185 | 522 | \$71,996,093 | \$1,945 |
| Administrative & Waste Services | 23,401 | \$721,618,980 | \$30,837 | 223 | \$25,391,533 | \$799 |
| Educational Services | 19,379 | \$894,239,200 | \$46,145 | 180 | \$20,114,385 | \$615 |
| Health Care & Social Assistance | 78,200 | \$3,271,917,223 | \$41,840 | -17 | \$55,536,933 | \$719 |
| Arts, Entertainment, & Recreation | 7,508 | \$183,510,229 | \$24,442 | -39 | \$4,317,517 | \$698 |
| Accommodation & Food Services | 42,565 | \$706,411,416 | \$16,596 | 597 | \$24,901,659 | \$357 |
| Other Services | 18,299 | \$491,622,332 | \$26,866 | 350 | \$14,150,886 | \$264 |

Sectors by Average Annual Employment - 2011



Sectors by Average Annual Wage - 2011





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