Rhode Island Employment & Wage Analysis

2010

A publication of the Labor Market Information Unit
The annual report entitled “Rhode Island Employment and Wage Analysis,” highlights Rhode Island’s employment and wage data in 2010 and provides a comparison to annual employment and wage data from 2009. Key findings for 2010 include:

- Rhode Island lost 819 private sector jobs between 2009 and 2010, the smallest over-the-year private sector job loss in three years.

- The 2010 average annual wage in the private sector increased by $1,210 from 2009.

- The Health Care & Social Assistance sector employed over 20 percent of the private sector employment.

- The Health Care & Social Assistance sector added 1,305 (+1.7%) jobs, between 2009 and 2010.

- Eleven private industry sectors experienced employment losses between 2009 and 2010.

- 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 $101,204 in 2010.*

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*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](http://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 private employment averaged 387,005 in 2010, a decrease of 819 (-0.2%) jobs from 2009. This marks the smallest over-the-year private sector employment loss in three years, as 20,076 (-4.9%) jobs were lost between 2008 and 2009 and 9,828 (-2.4%) jobs were lost between 2007 and 2008.

Eleven of the nineteen private industry sectors experienced job losses between 2009 and 2010, while eight industry sectors reported employment gains.

The 2010 average annual wage in the private sector was $42,530, an increase of $1,210 (+2.9%) from the $41,320 earned in 2009. Seventeen industry sectors reported a wage increase, while just two sectors reported an annual wage decline during this period.

Private Employment Analysis

The Manufacturing sector lost 1,417 (-3.4%) workers between 2009 and 2010, the largest employment decline among the nineteen private industry sectors. Seventeen of the twenty-one Manufacturing subsectors reported job losses, with the largest losses occurring in Miscellaneous Manufacturing (-320), Fabricated Metal Product Manufacturing (-157) and Chemical Manufacturing (-142).

Between 2009 and 2010, the Construction sector workforce decreased by 1,236 (-7.2%), the second largest employment decline during this period. The Specialty Trade Contractors subsector lost 882 jobs during this period. Large losses were also reported in the Construction of Buildings (-318) subsector and a modest decline reported in the Heavy & Civil Engineering (-40) subsector.

Smaller but notable employment losses were reported in the Real Estate, Rental & Leasing (-343), Wholesale Trade (-282), Professional & Technical Services (-248), Finance & Insurance (-222), Retail Trade (-192) and Information (-123) sectors.

Modest annual job losses occurred in the Arts, Entertainment & Recreation (-90), Mining (-21) and Agriculture, Forestry, Fishing & Hunting (-14) sectors.
The Mining sector reported the largest employment decline on a percentage basis during this period, losing 21 workers or 10.8 percent of its workforce. The Construction sector experienced the second largest employment loss on a percentage basis, losing 7.2 percent of its workforce, followed by Real Estate, Rental & Leasing (-5.7%).

Eight sectors reported employment growth between 2009 and 2010, with the Health Care & Social Assistance sector adding 1,305 jobs, a 1.7 percent increase. The Ambulatory Health Care Services subsector accounted for 680 of the 1,305 jobs, while employment within the Nursing & Residential Care Facilities subsector increased by 303.

The Administrative & Waste Services and Accommodation & Food Services sectors added sizeable employment as well, increasing the workforce by 971 and 639, respectively. The Administrative & Support Services subsector added 952 employee’s over-the-year, while employment in the Food Services & Drinking Places subsector increased by 564.

Notable gains were also reported in the Other Services (+169), Management of Companies & Enterprises (+119) and Educational Services (+116) sectors. Modest employment increases were noted in Transportation & Warehousing (+28) and Utilities (+12).
Between 2009 and 2010, the Administrative & Waste Services sector added the most jobs on a percentage basis, increasing its workforce by 4.4 percent. Health Care & Social Assistance employment increased by 1.7 percent, followed by Accommodation & Food Services (+1.5%).

Health Care & Social Assistance represented the largest employment segment in 2010, employing 78,217 workers and accounting for 20.2 percent of the private sector employment. Retail Trade (46,879), Accommodation & Food Services (41,968), Manufacturing (40,330) and Finance & Insurance (23,406) complete the top five employment sectors in 2010.

Mining represented the smallest segment of the state’s employment, employing 173 workers in 2010. Agriculture, Forestry, Fishing & Hunting (715) was the only other sector to employ less than a thousand workers.

**Private Wage Analysis**

Over $16.4 billion in private sector wages was paid in 2010, an increase of $434.4 million (+2.7%) from 2009. As noted earlier, the annual average wage in 2010 was $42,530, while the average weekly wage in the private sector increased to $818 or $23 more than the $795 earned in 2009.

In all, ten private industry sectors reported earnings higher than the 2010 private sector average annual wage of $42,530.

Management of Companies & Enterprises employees averaged $101,240, the highest average wage in 2010. The Utilities sector paid an average of $83,249, the second highest annual wage. The Finance & Insurance ($73,450); Professional & Technical Services ($63,861), Wholesale Trade ($63,199), Information ($61,341), Construction ($51,545) and Mining ($50,242) sectors all averaged earnings over fifty-thousand dollars in 2010.

The remaining sectors to earn above the 2010 average annual private sector wage were the Manufacturing ($49,217) and Education ($45,530) sectors.

Accommodation & Food Services ($16,239) and Arts, Entertainment & Recreation ($23,744) reported the lowest annual wage in 2010, reflecting the seasonal and part-time nature of these sectors.
As mentioned earlier, employees of the Management of Companies & Enterprises sector averaged $101,240 in 2010. This sector’s total wages accounted for 5.7 percent of the $16.4 billion paid to the private sector workforce, while representing only 2.4 percent of the state’s private sector workforce. In addition, the Management of Companies & Enterprises sector experienced the largest year-over-year wage gain numerically and on a percentage basis, with the annual wage increasing by $8,822 (+9.5%) between 2009 and 2010.

Salaries in the Finance & Insurance sector grew by $5,511 (+8.1%), the second largest annual wage gain during this period. Employees of the Wholesale Trade (+$3,160), Mining (+$2,973), Manufacturing (+$2,018) and Professional & Technical Services (+$1,984) sectors were also recipients of a significant wage increase during this period.

Between 2009 and 2010, the Construction sector reported the largest annual wage decline, with wages decreasing by $661 or 1.3 percent. This also represents the largest annual wage decline on a percentage basis.

Agriculture, Forestry, Fishing & Hunting (-$183) was the remaining sector to experience an annual wage decline during this period.

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