

Industry employment

This section illustrates projected employment change from an industry perspective, showing which industries are projected to gain or lose jobs over the 2004-14 decade. Workers are grouped into an industry according to the type of good produced or service provided by the establishment in which they work. Everyone who works in a hospital, for example, is part of the hospital industry, regardless of his or her job duties. The hospital industry includes not only healthcare workers, such as doctors and nurses, but also hundreds of other workers, such as managers, secretaries, and janitors.

Like occupational employment projections, industry employment projections are shown in terms of numeric change (change in the total number of jobs) and percent change (the rate of job growth or decline). But unlike employment totals in the occupational charts, employment totals in this section cover only wage-and-salary workers and do not include self-employed or unpaid family workers. Wage-and-salary employment growth is projected to average 14 percent, and this average is shown as a dotted line in some of the charts.

As discussed in the introduction to this issue of the *Quarterly*, job growth or decline in some industries affects particular occupations significantly. The number of jobs for daycare workers and preschool teachers, for example, is highly dependent on the growth of the child daycare services industry. Most occupations, however—from human resources managers to computer systems analysts—are found in nearly every industry.

Employment growth in industries depends on industry output (the total amount produced) and worker productivity (how much each worker can produce).

Laborsaving technologies and methods can increase productivity, limiting employment growth even as output increases. Even as agricultural output is projected to increase, for example, employment in farms is projected to decline as advanced methods and machines reduce the number of workers needed to produce crops.

Likewise, employment in one industry can be affected by changing practices in another. For example, the increased use of contractors and consultants has led to greater employment in the management, scientific, and technical consulting services industry—but to reduced employment in the many industries that previously hired management and technical analysts as employees.

Industries shown in the charts are defined primarily according to the 2002 North American Industry Classification System. Industries fall into either goods-producing or service-providing divisions. The goods-producing divisions are as follows:

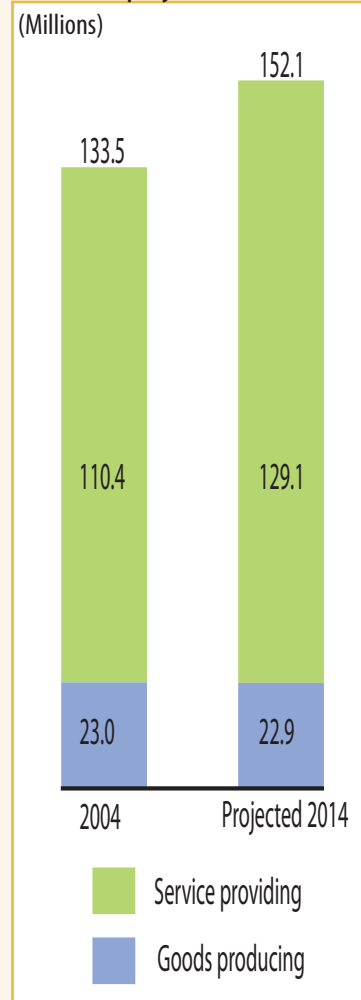
- ◆ **Construction.** Examples in this industry include electrical contracting firms and construction companies.
- ◆ **Manufacturing.** Examples include businesses that make computer chips, clothing, and other goods.
- ◆ **Natural resources and mining.** Establishments in this industry include farms, aquaculture companies, and oil and gas extraction companies.

The service-providing divisions are:

- ◆ **Educational services.** This division includes local, State, and private schools and other providers of education.
- ◆ **Financial activities.** Included in this industry group are finance, insurance, real estate, and rental services organizations.



Numeric wage-and-salary employment by industry type, 2004 and projected 2014



Service-providing industries are projected to account for most job growth, generating almost 19 million new jobs between 2004 and 2014. This is due, in part, to increased demand for services and the difficulty of automating service tasks.

◆ **Healthcare and social assistance.** Healthcare and social assistance providers—including public and private providers of healthcare and private providers of social assistance—are part of this division. Examples include hospitals, doctors’ offices, and assisted living facilities.

◆ **Information.** This division includes print, software, and database publishing firms; movie, video, and sound production and distribution establishments; broadcasting and telecommunications providers; and information and data processing providers.

◆ **Leisure and hospitality.** Examples include hotels, restaurants, sports teams, theme parks, performing arts companies, and arcades.

◆ **Professional and business services.** Examples include temporary help firms, consulting services, computer systems design companies, and waste management establishments.

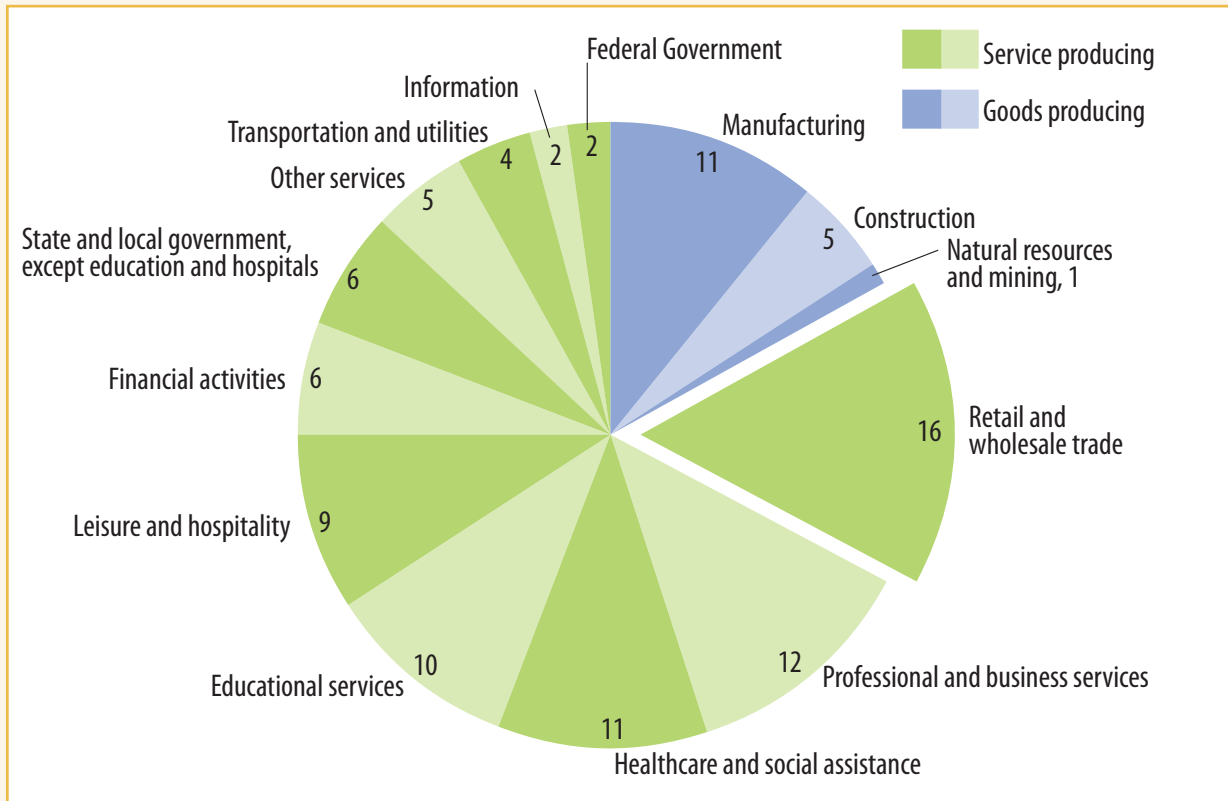
◆ **Public administration.** This division consists of the Federal, State, and local government establishments that administer government programs and provide for public safety.

◆ **Trade, transportation, and utilities.** Examples include wholesale and retail stores, airports, messenger services, and power plants.

Industry employment

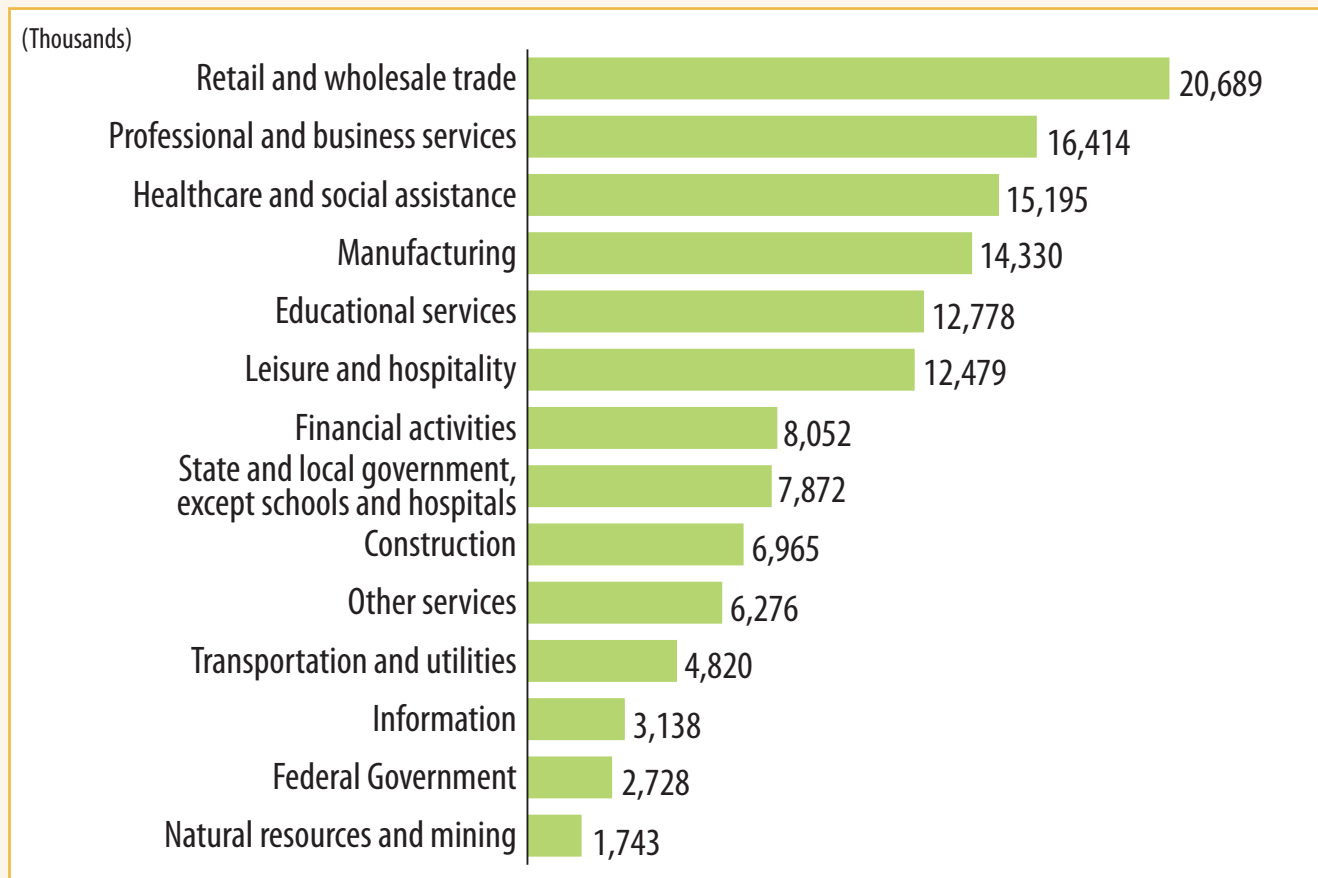
Employment, 2004

Percent distribution of wage-and-salary employment by industry sector, 2004



In 2004, nearly 16 percent of jobs (or about 1 in 6) were in retail and wholesale trade establishments...

Numeric wage-and-salary employment by industry sector, 2004

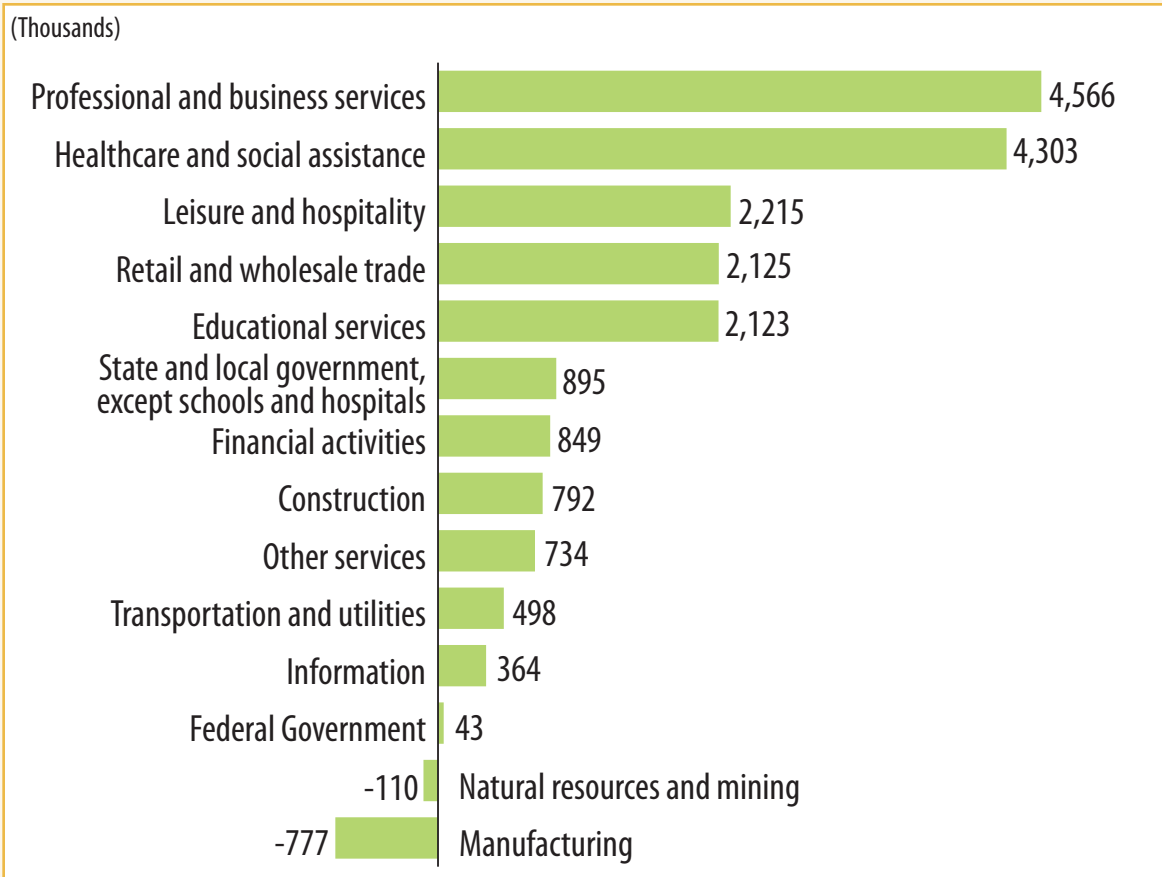


...which accounted for more than 20 million jobs.

Industry employment

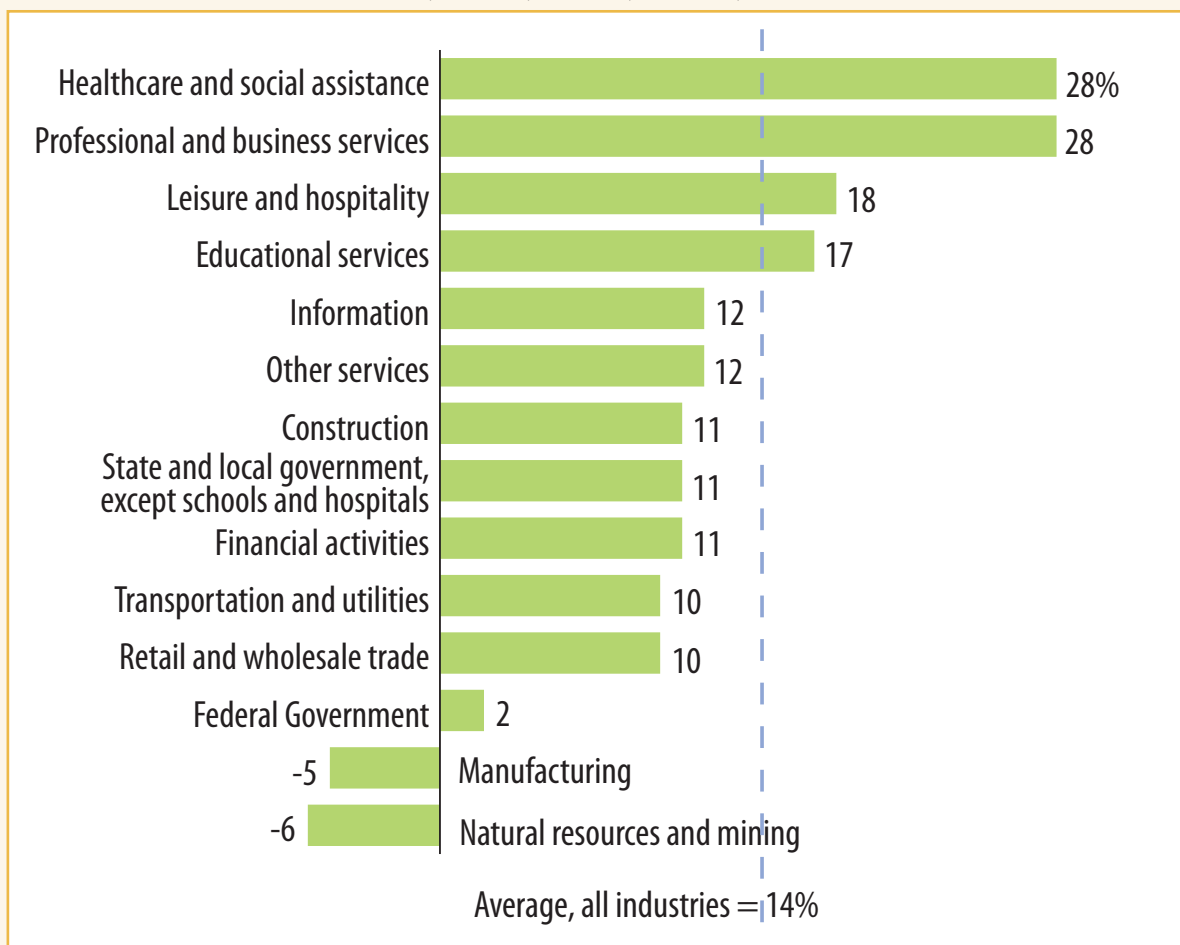
Employment change

Numeric change in wage-and-salary employment by industry sector, projected 2004-14



Employment in professional and business services is projected to increase by nearly 4.6 million jobs. Growth in this sector is led by providers of administrative support services and consulting services.

Percent change in wage-and-salary employment by industry sector, projected 2004-14

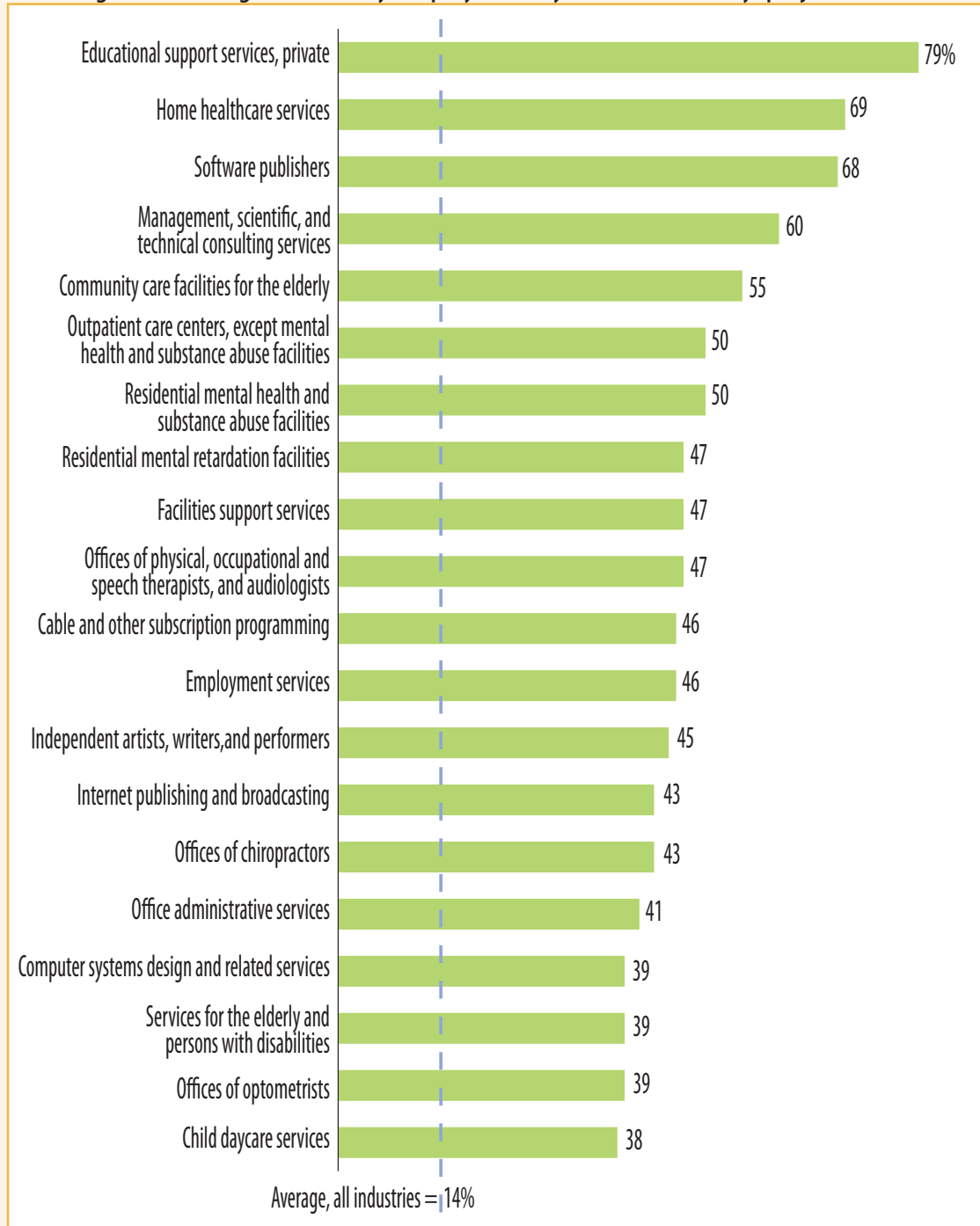


Both the healthcare and social assistance sector and the professional and business services sector are projected to grow twice as fast as the average for all industries.

Industry employment

Fastest growing industries

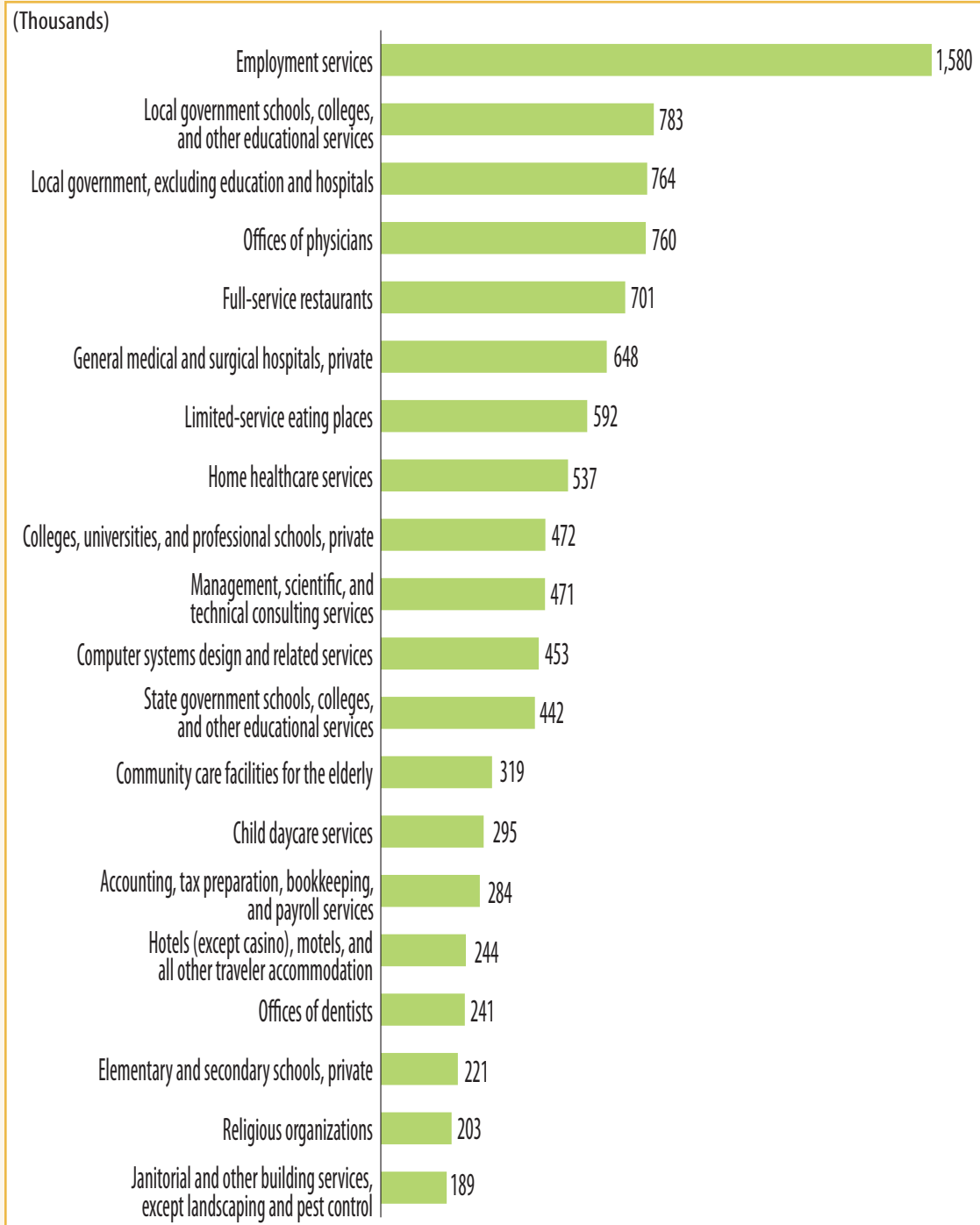
Percent growth in wage-and-salary employment by detailed industry, projected 2004-14



Private educational support services, projected to be the fastest growing industry over the 2004-14 decade, includes educational consulting, guidance counseling, and testing organizations. Several healthcare-related industries also are projected to be among the fastest growing, reflecting increased demand from an aging population.

Most new jobs

Numeric growth in wage-and-salary employment by detailed industry, projected 2004-14

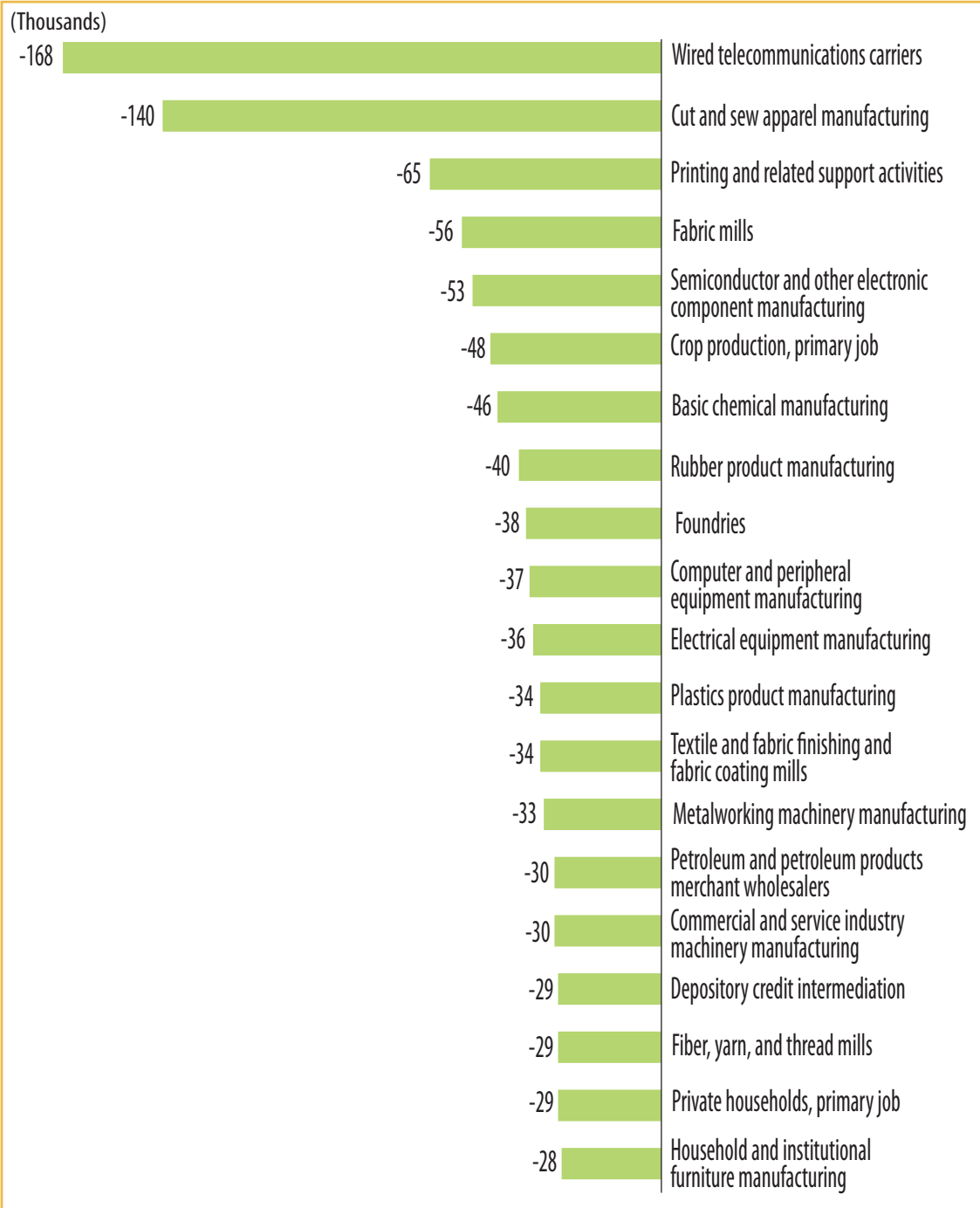


The 20 industries projected to gain the most jobs are expected to account for more than half of all wage-and-salary growth. Nine out of 20 relate to education or healthcare.

Industry employment

Most job losses

Numeric decline in wage-and-salary employment by detailed industry, projected 2004-14



Of the 20 industries projected to lose the most jobs, 15 are in the manufacturing sector. Declines in industry employment usually are the result of falling demand for specific goods and services, increased imports that reduce domestic production, or the use of technology that increases worker productivity. Declining employment may lead to unfavorable job prospects, but the need to replace workers who leave an industry often creates some job openings.