Industry employment

This section illustrates projected employment change for industries over the 2010–20 decade. Workers are grouped into an industry according to the type of good produced or service provided by the establishment for which they work. For example, everyone who is on a construction company's payroll is part of the construction industry, regardless of his or her job duties. The construction industry includes not only construction workers, such as carpenters and roofers, but also other workers, such as office managers and truck drivers.

Industry employment projections are shown in terms of numeric change (growth or decline in the total number of jobs) and percent change (the rate of job growth or decline). Unlike the employment totals in the occupational charts, however, the employment totals in this section cover only wage and salary workers and do not include self-employed or unpaid family workers.

Employment growth for all wage and salary workers is projected to average about 15 percent between 2010 and 2020. This average is shown as a dotted vertical line in two 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 registered nurses, for example, is highly dependent on the growth of the hospital industry. Many occupations, however—from accountants 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 produces). Labor-saving technologies and methods can increase productivity, limiting employment growth even as output increases. For example, even as domestic manufacturing output is projected to increase, employment in factories is projected to decline as advanced methods and machines reduce the number of workers needed to produce goods.

Industries shown in the charts are defined primarily according to the 2007 North American Industry Classification System (NAICS), a system used by the federal government to classify establishments into industry categories. Industries fall into one of two groups: goods producing or service providing.

The goods-producing industries are as follows:

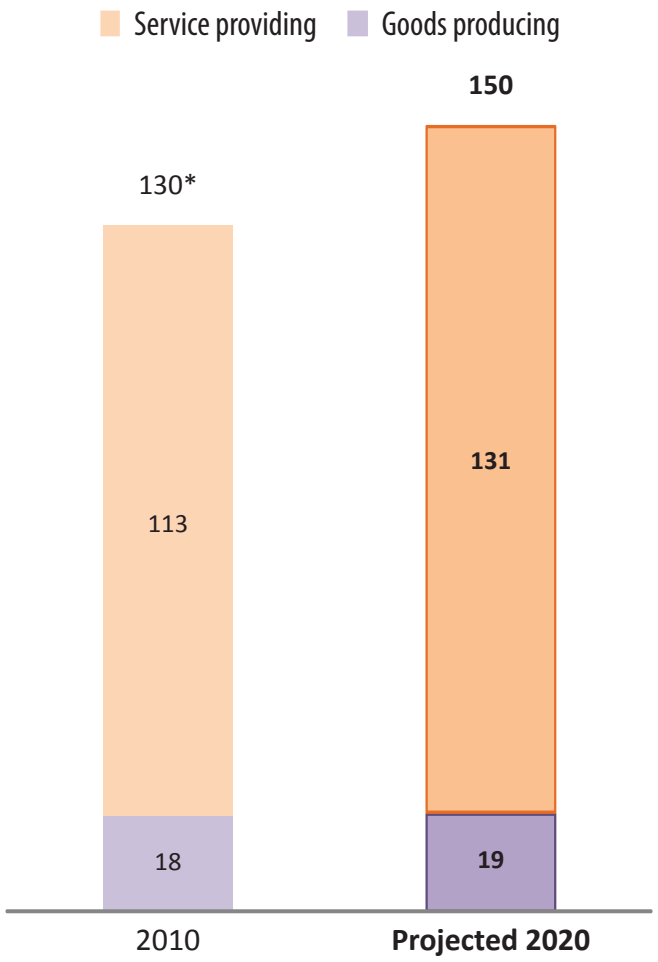
- ***Construction.*** Examples of establishments in this sector include electrical contracting firms and excavating companies.
- ***Manufacturing.*** Examples include businesses that make motor vehicle parts, snack foods, and other goods.
- ***Mining.*** Establishments in this sector include quarries, mines, and oil and gas extraction companies.

The service-providing industries are as follows:

- ***Educational services.*** This sector includes local, state, and private schools and other providers of education.
- ***Financial activities.*** This sector includes banks, insurance companies, real estate offices, and rental services organizations.

- ***Health care and social assistance.*** Health care and social assistance providers—including public and private providers of health care and private providers of social assistance—are part of this sector. Examples include medical laboratories, optometrists' offices, and nursing homes.
- ***Information.*** This sector includes print, software, and database publishing firms; broadcasting and telecommunications providers; and information and data processing providers.
- ***Leisure and hospitality.*** Examples include hotels, restaurants, theme parks, and performing arts companies.
- ***Professional and business services.*** Examples include law firms, consulting services, and temporary help firms.
- ***Public administration.*** This sector consists of government establishments that administer programs and provide for public safety. Federal, state, and local government (except education and hospitals) are classified here.
- ***Trade, transportation, and utilities.*** Included here are wholesale and retail trade establishments, taxi services, and sewage treatment facilities.

Wage and salary employment by industry type, 2010 and projected 2020, in millions of jobs

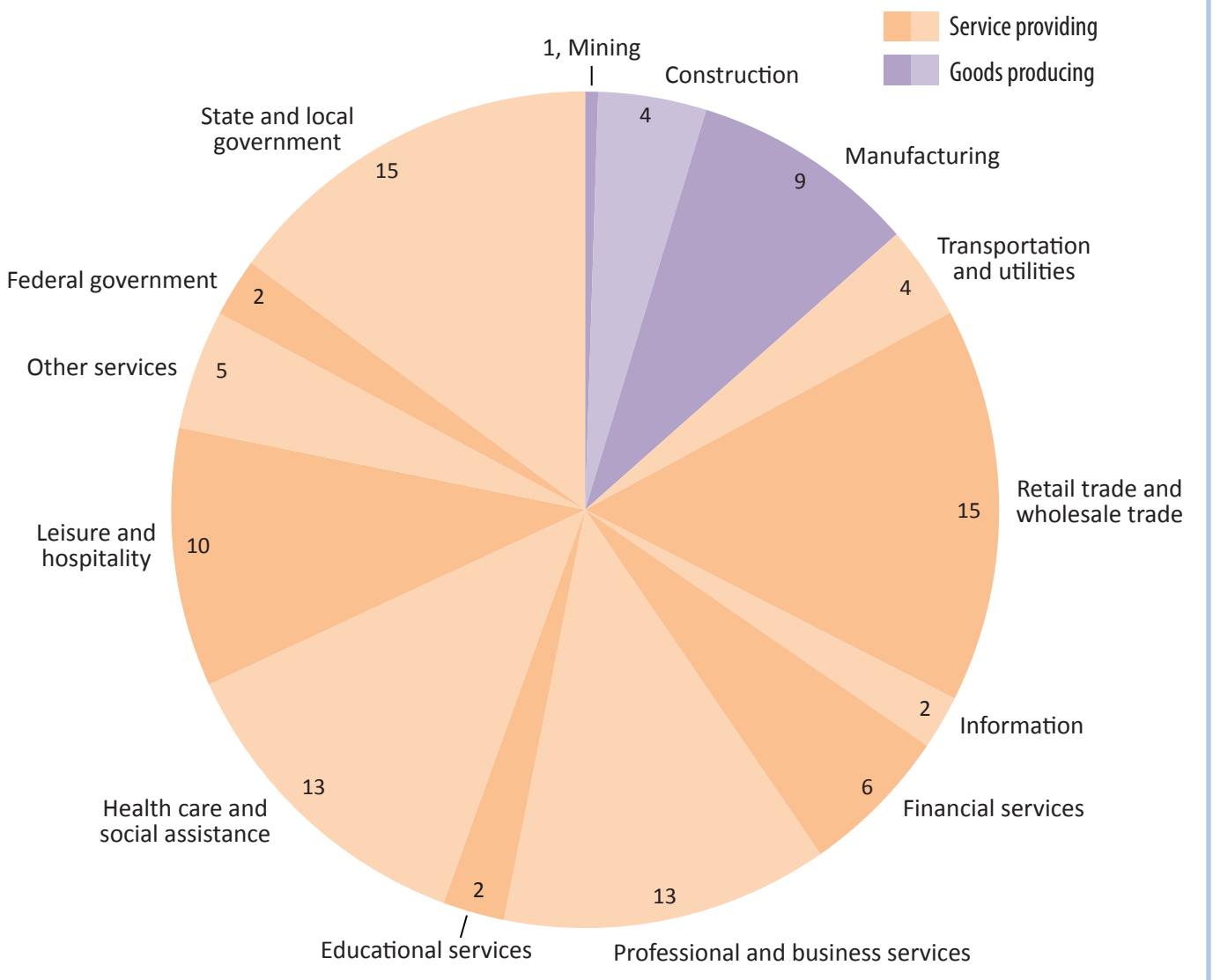


**Note: Data do not sum to total because of rounding.*

Service-providing industries are projected to account for the most job growth between 2010 and 2020. In goods-producing industries, employment is projected to stay about the same over the decade.

Employment, 2010

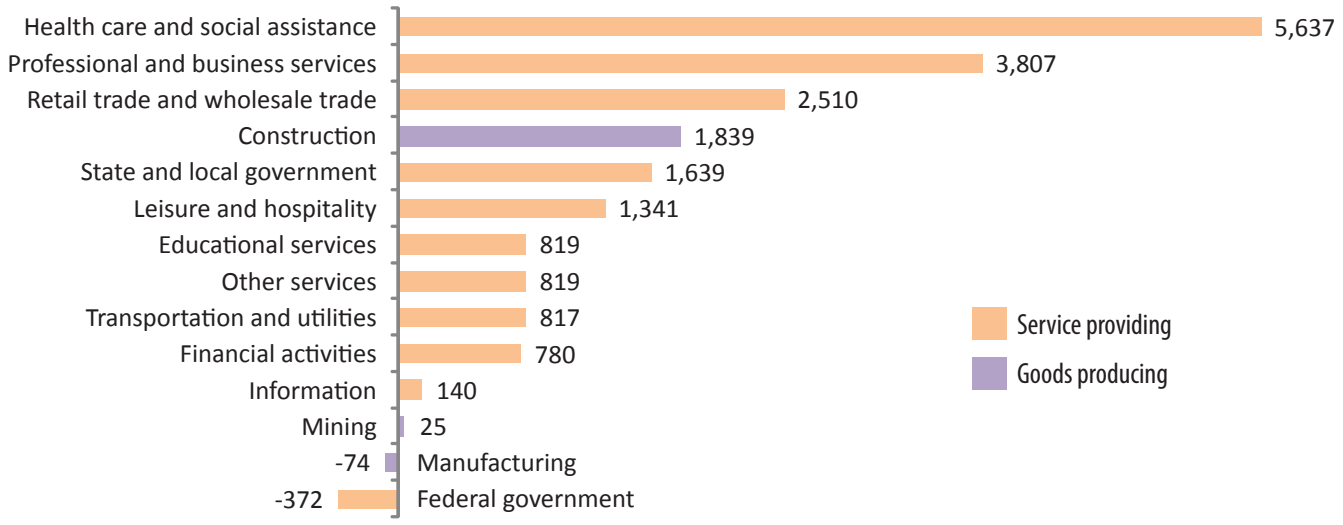
Percent distribution of wage and salary employment by industry sector, 2010



In 2010, four industry sectors—retail trade and wholesale trade, state and local government, professional and business services, and health care and social assistance—accounted for more than half of all employment.

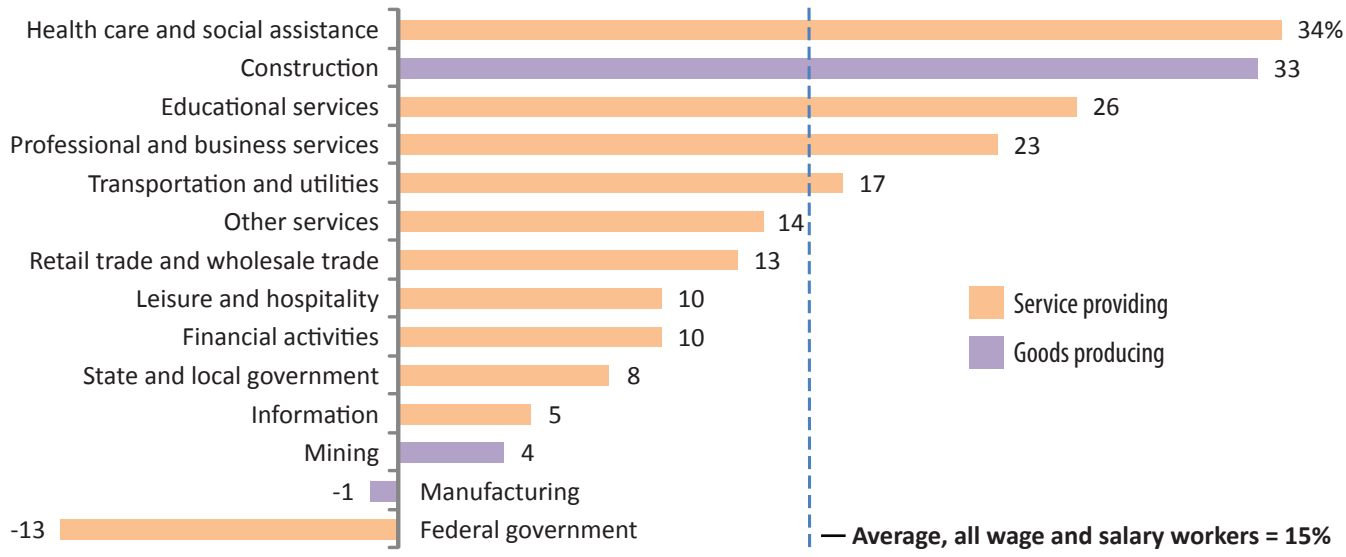
Employment change

Numeric change in employment of wage and salary workers by industry sector, projected 2010–20, in thousands of jobs



Employment is projected to increase by more than 5.6 million in the health care and social assistance sector. Home health care services and individual and family services are expected to lead growth in this sector. Growth in professional and business services is expected to be led by providers of management, scientific, and technical consulting services.

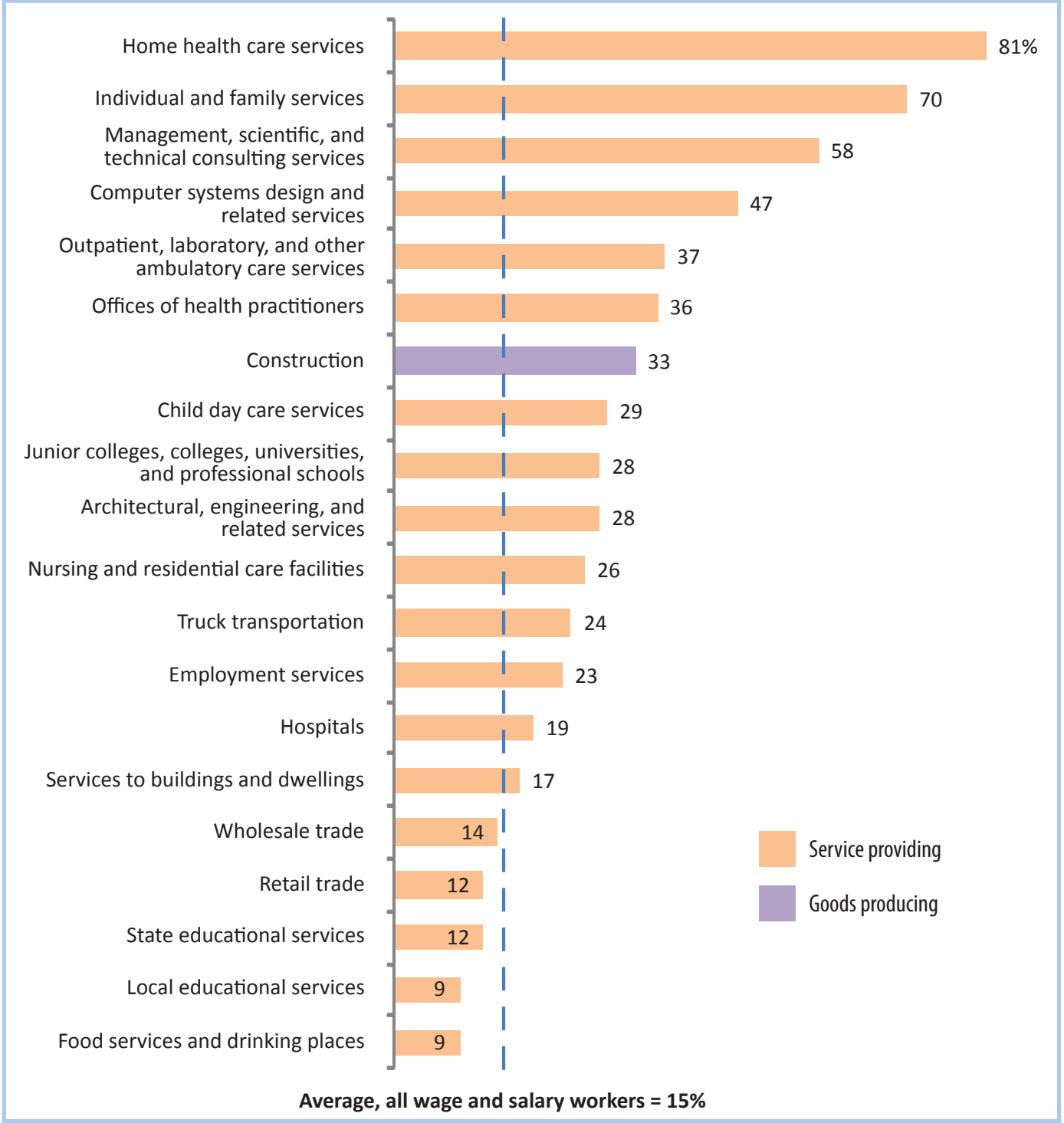
Percent change in employment of wage and salary workers by industry sector, projected 2010–20



Both the health care and social assistance sector and the construction sector are projected to grow more than twice as fast as the average for all industries between 2010 and 2020. Growth in health care and social assistance is expected to be driven by increased demand from an aging population. In construction, projected rapid employment growth represents a partial recovery of significant job losses that occurred between 2007 and 2009.

Fastest growing industries

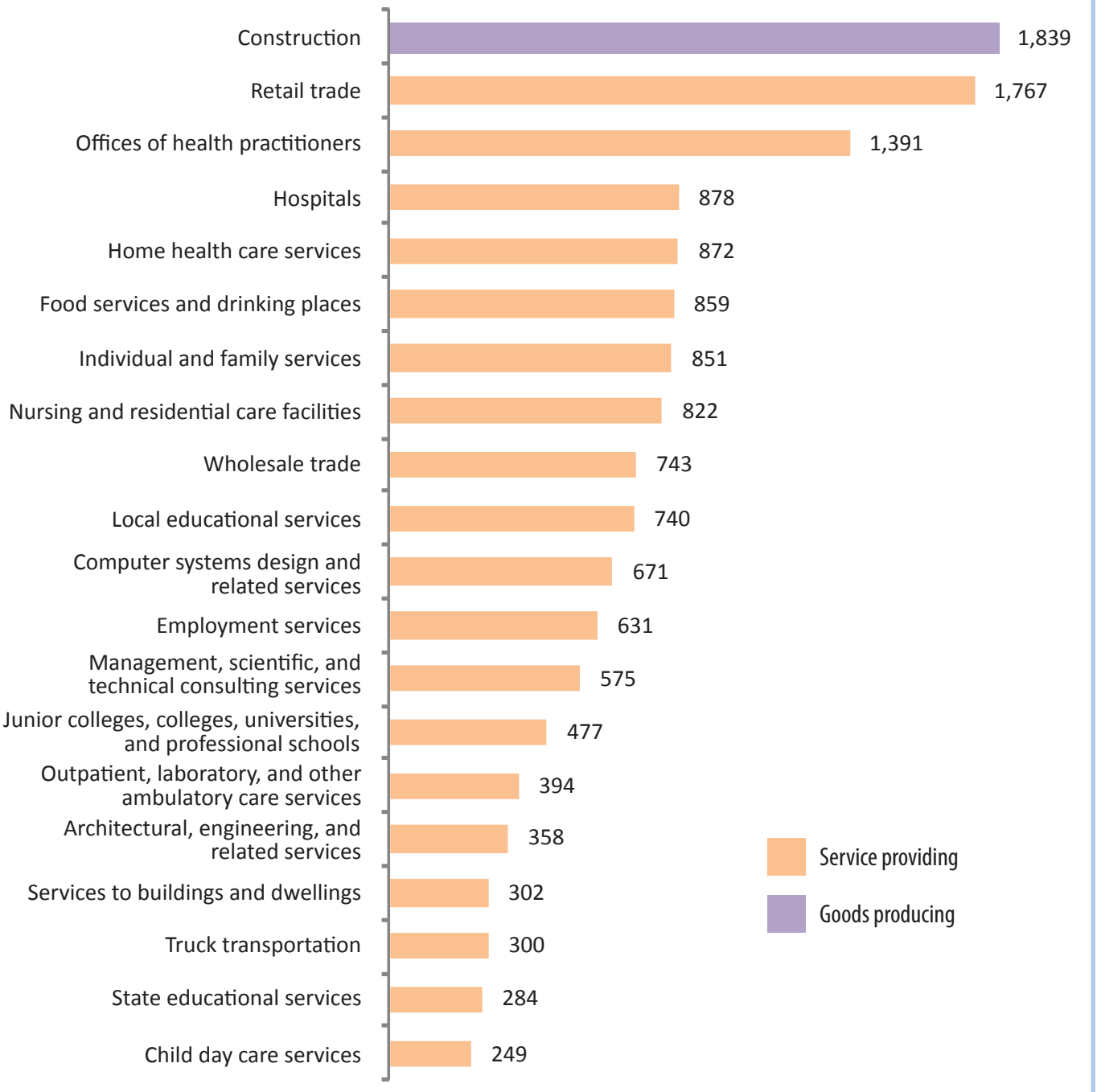
Percent growth in employment of wage and salary workers by detailed industry, projected 2010–20



Nearly all of the detailed industries that are projected to grow fastest between 2010 and 2020 are service-providing ones. Five of these are related to healthcare.

Most new jobs

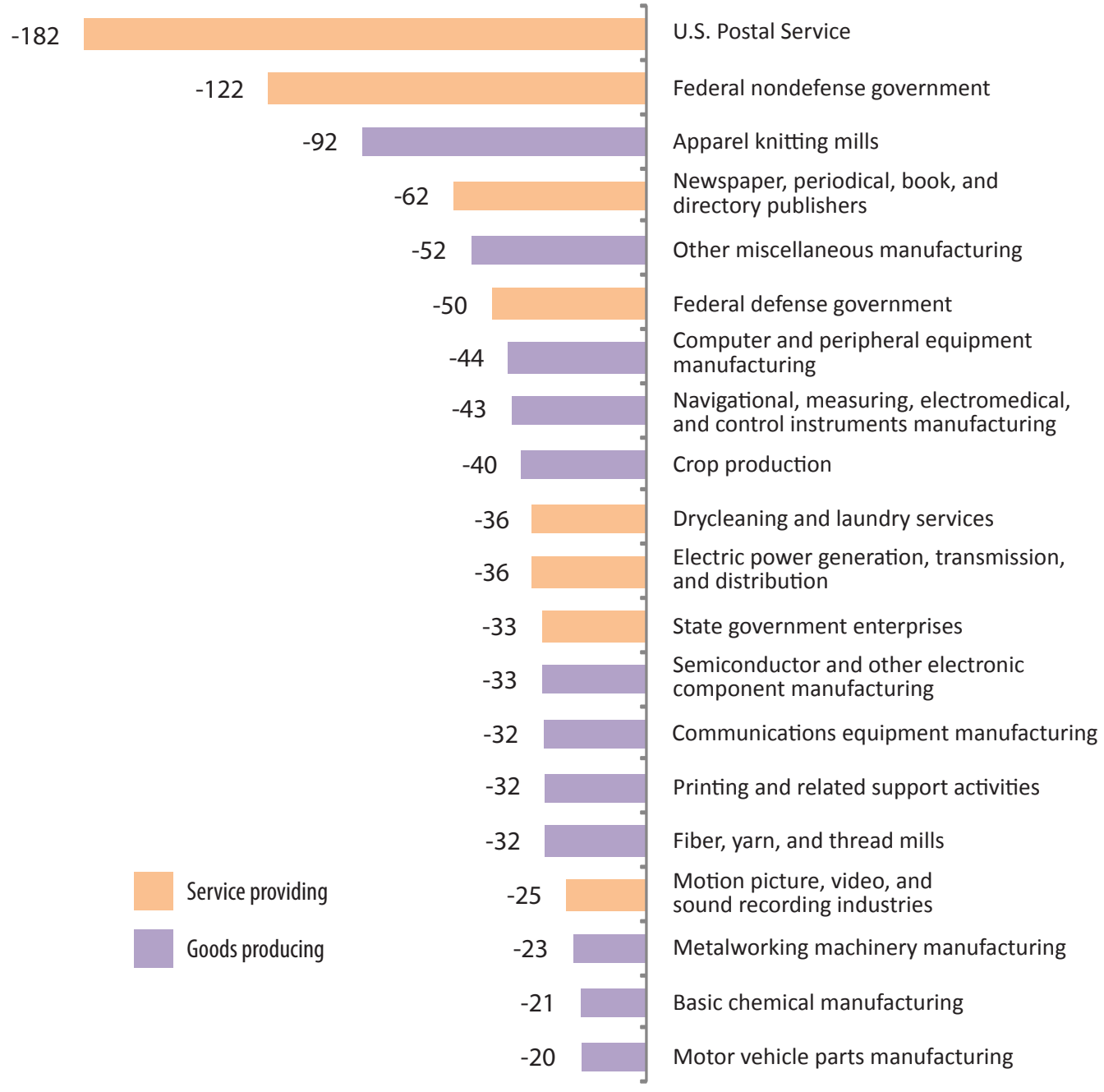
Numeric growth in employment of wage and salary workers by detailed industry, projected 2010–20, in thousands of jobs



All of the projected growth in construction is to regain jobs that were lost during the 2007–09 recession, but these 1.8 million jobs will not be enough to return construction employment to its pre-recession level. Five other industries projected to gain the most jobs are related to health care: offices of health practitioners; hospitals; home health care services; nursing and residential care facilities; and outpatient, laboratory, and other ambulatory care services.

Most job losses

Numeric decline in employment of wage and salary workers by detailed industry, projected 2010–20, in thousands of jobs



Declines in industry employment are usually 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.