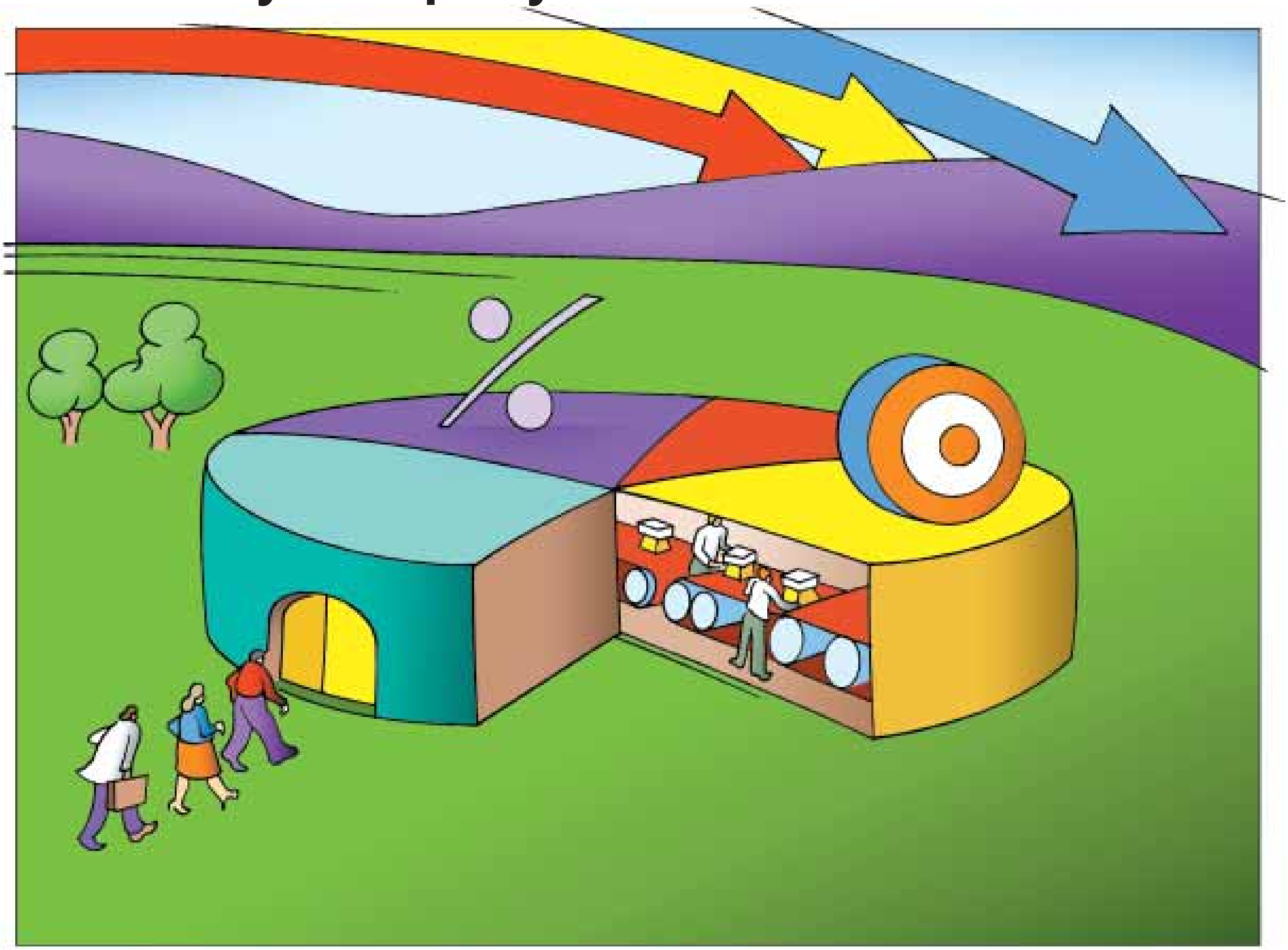
Industry employment



BLS develops employment projections for 184 specific industries and several industry groupings. An industry includes all of the establishments that provide a particular type of good or service.

Like occupational 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 other charts, employment totals shown 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 16 percent. That average is shown as a vertical line on charts presenting percent change.

As discussed in the introduction to this special issue of the *Quarterly*, job growth or decline in some industries significantly affects particular occupations. The educational services industry, for example, employed 78 percent of educational, vocational, and school counselors in 2002, so the large employment increase in the industry explains the high growth of the occupation. Most occupations, however—from human resources managers to receptionists and information clerks—are employed across many industries.

Employment growth in industries depends on industry output (the level of production) and worker productivity (the efficiency of workers). Laborsaving technologies and methods can increase productivity, limiting employment growth even as output increases.

Likewise, employment in one industry can be affected by changing practices in another. For example, the use of contractors or consultants has led to increased employment in the management, scientific, and technical consulting services industry but to reduced employment in the industries that previously hired their employees directly. Beginning with this set of projections, industries are grouped differently from the way they have been in the past. The new groupings are based, with a few adjustments, on the 2002 North American Industry Classification System, which replaces the Standard Industrial Classification system.

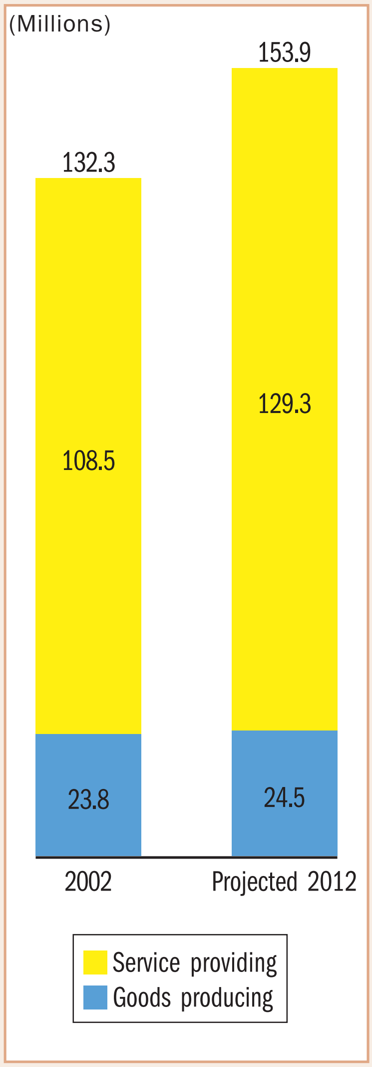
Industries fall into either goods-producing or service-providing sectors. Goods-producing sectors are:

- **Agriculture, forestry, fishing, and hunting and mining.** Examples from this division include natural gas extraction and farming operations.
- **Construction.** Examples include bridgebuilding and home-construction companies.
- **Manufacturing.** Examples include establishments that make computer chips, breakfast cereals, and other goods.

Service-providing sectors are:

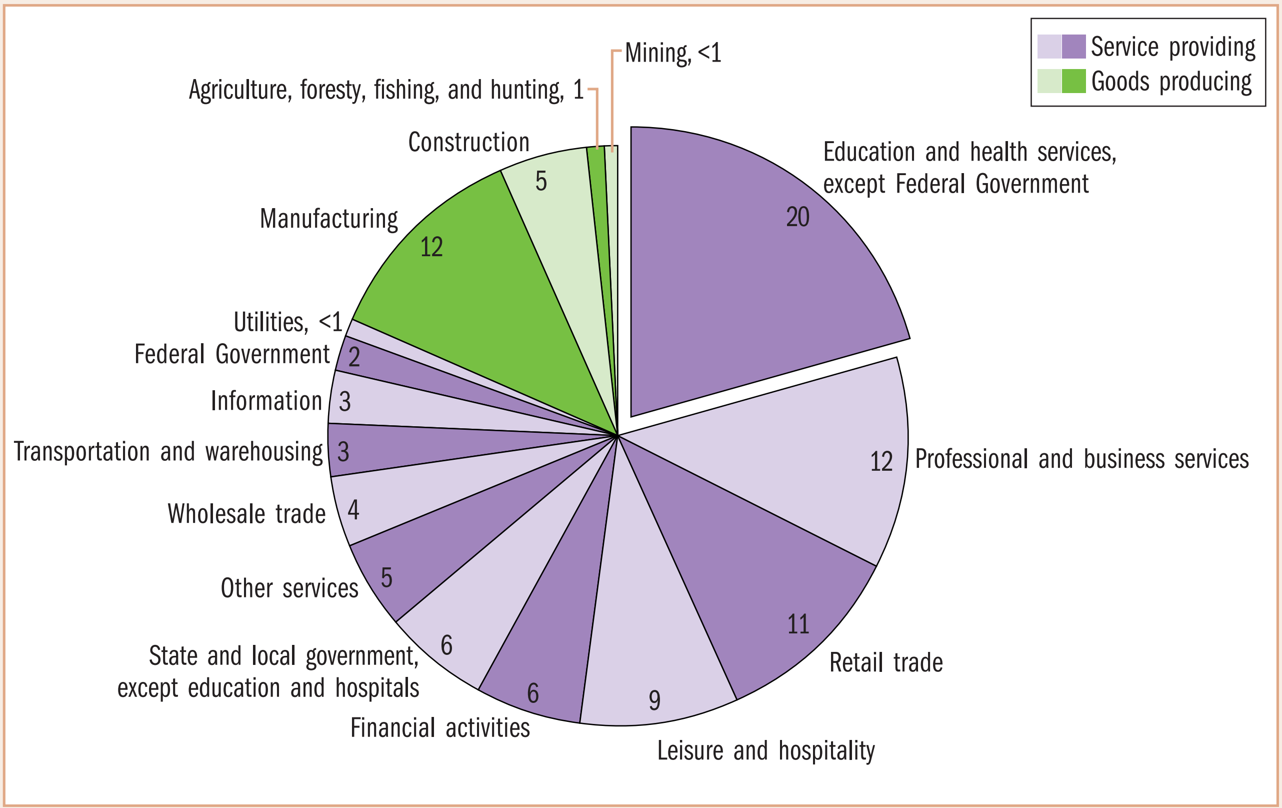
- **Wholesale and retail trade, transportation, and utilities.** Examples include wholesale and retail stores, airports, and power plants.
- **Information.** This includes print, software, and database publishing firms; movie, video, and sound production and distribution establishments; broadcasting and telecommunications providers; and information and data processing providers, including libraries.
- **Financial activities.** Industries include finance, insurance, real estate, and rental services.
- **Professional and business services.** Examples include temporary help firms, consulting services, scientific and technical services, and waste management establishments.
- **Education and health services.** This sector includes public and private health and education services and privately run social services. (The 2002 North American Industry Classification System includes only private establishments.)
- **Leisure and hospitality.** Examples include hotels, restaurants, sports teams, theme parks, performing arts companies, and arcades.
- **Public administration.** This sector consists of the Federal, State, and local governments, except for government-run hospitals and schools. (The North American Industry Classification System, in contrast, includes all government establishments.)

Numeric wage-and-salary employment by industry type, 2002 and projected 2012



Service-providing industries are projected to account for the most job growth, generating almost 21 million new jobs between 2002 and 2012. This is due, in part, to increased demand for services and the difficulty of automating service tasks.

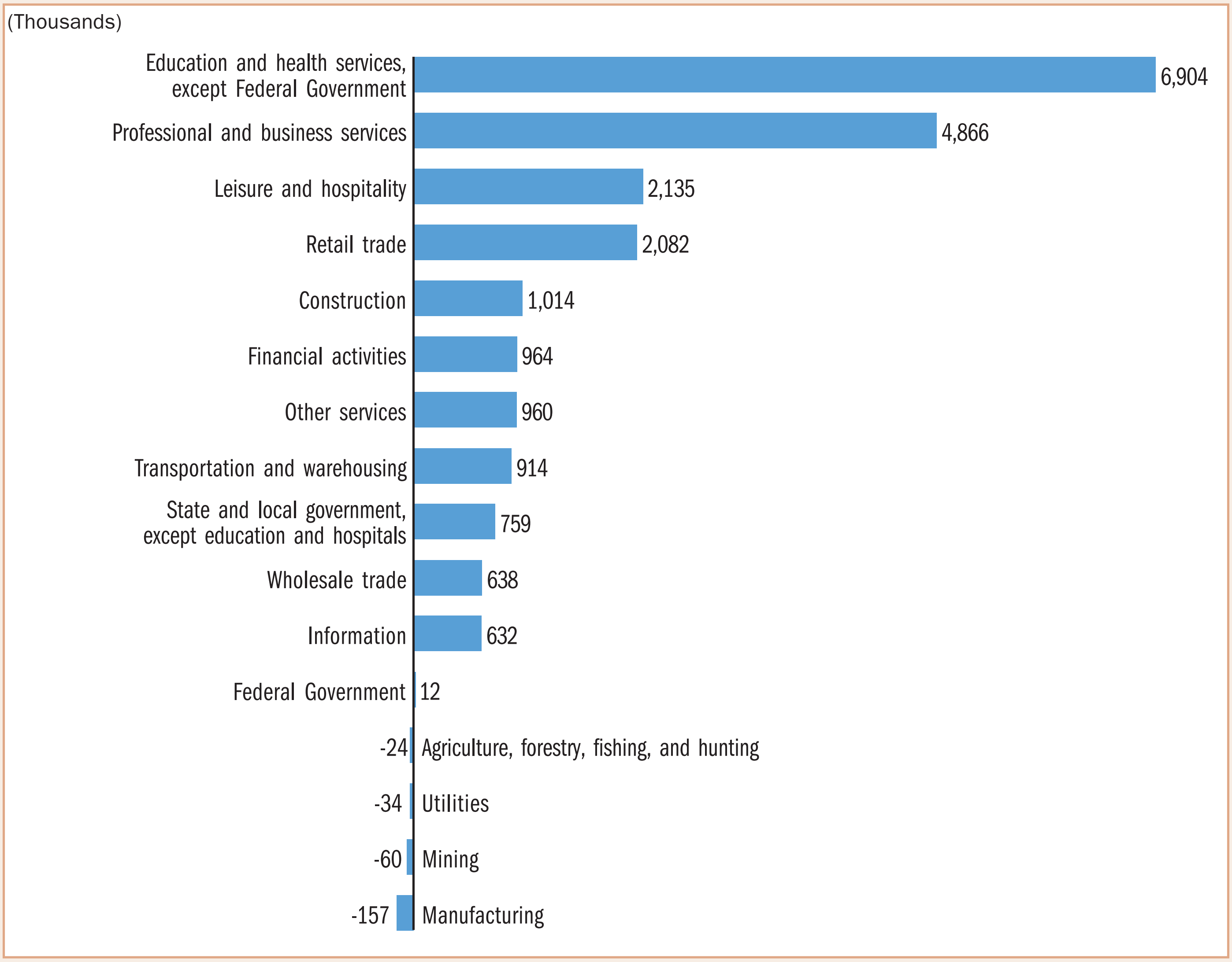
Percent distribution of wage-and-salary employment by industry sector, 2002



In 2002, about 1 in 5 jobs were in the education and health services sector.

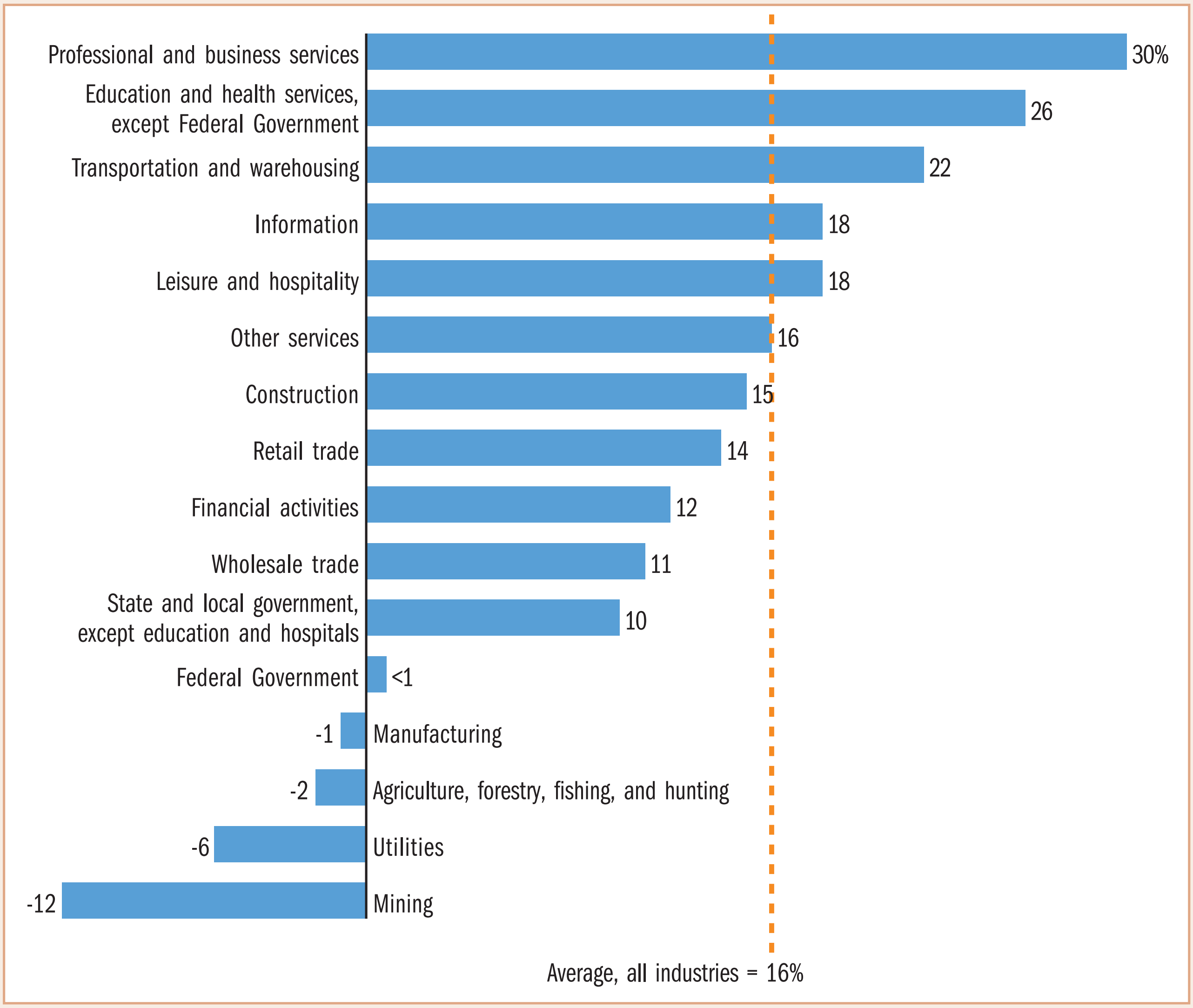
Employment change

Numeric change in wage-and-salary employment by industry sector, projected 2002-12



Employment in education and health services is projected to grow the most, by nearly 7 million jobs. Manufacturing is expected to continue to have a large share of jobs, but the number of jobs in this sector is projected to decrease.

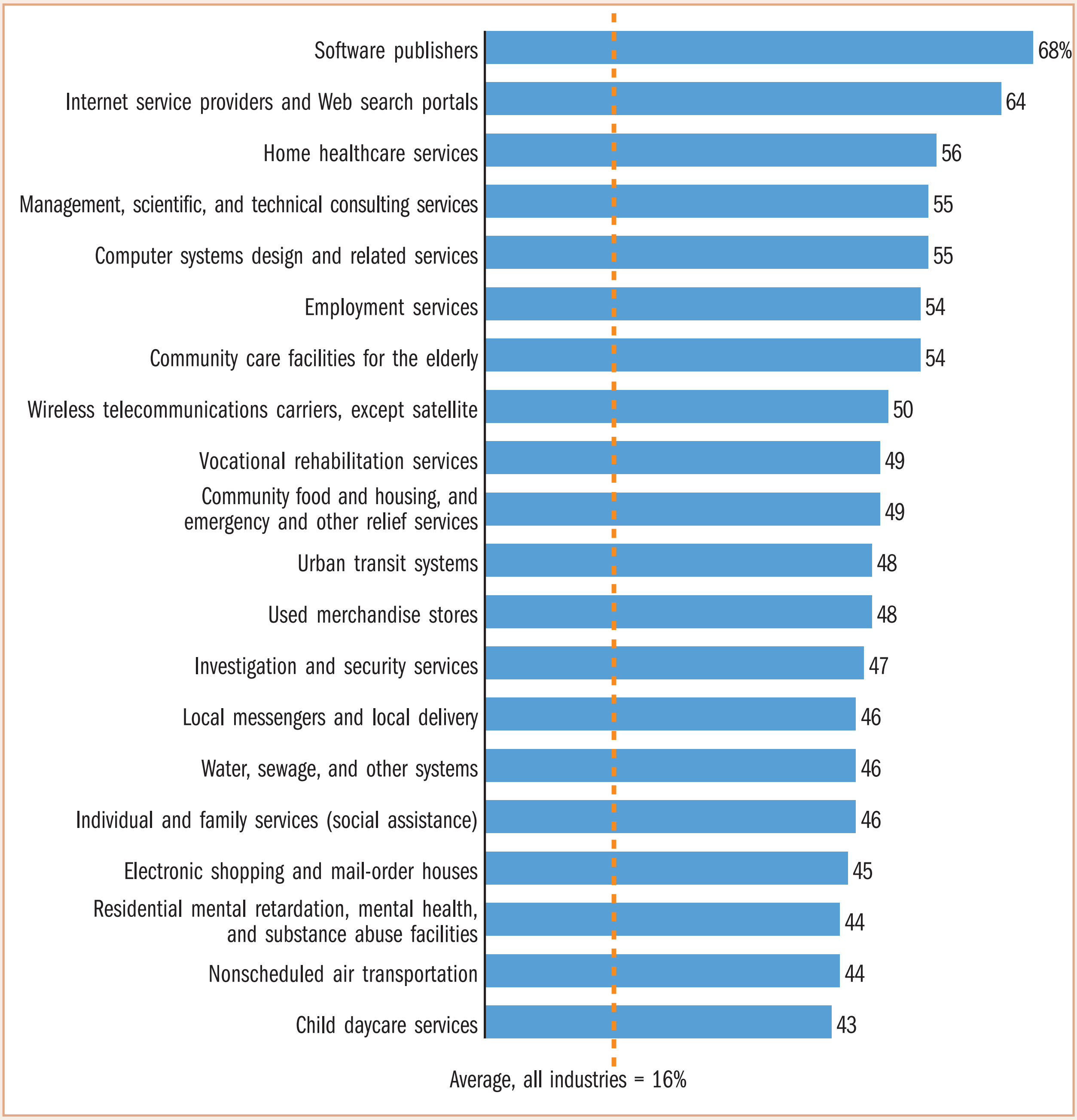
Percent change in wage-and-salary employment by industry sector, projected 2002-12



Two of the fastest growing sectors—professional and business services and information—are dominated by establishments related to technology.

Fastest growing industries

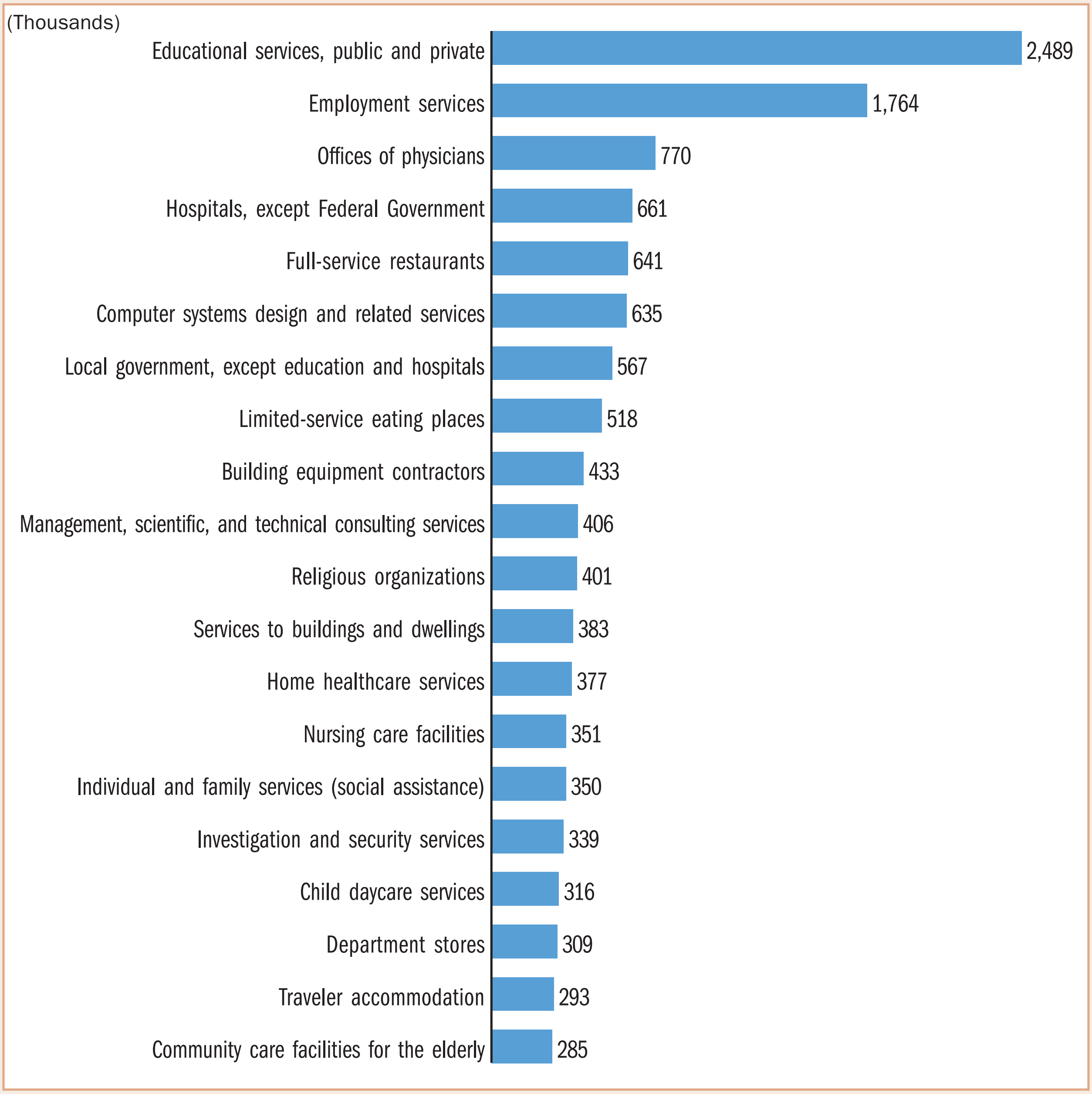
Percent growth in wage-and-salary employment by detailed industry, projected 2002-12



Computer-related industries are expected to continue their rapid employment growth, constituting 3 of the 5 industries that are projected to grow fastest between 2002 and 2012. Several other types of industries also are projected to grow more than twice as fast as the average.

Most new jobs

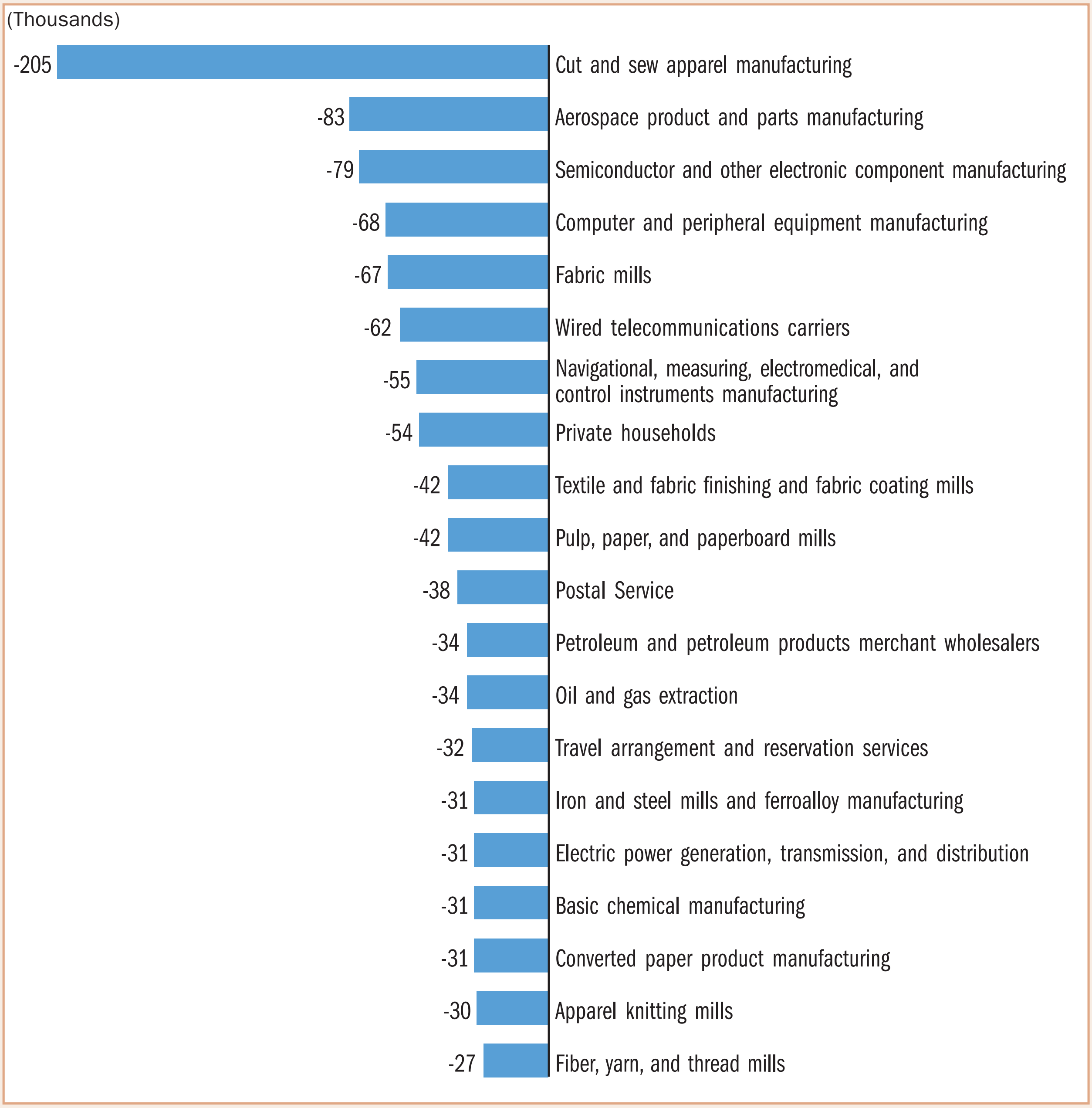
Numeric growth in wage-and-salary employment by detailed industry, projected 2002-12



Eight of the industries projected to add the most jobs also are expected to be among the fastest growing: Employment services; computer systems design and related services; management, scientific, and technical consulting services; home healthcare services; individual and family services; investigation and security services; child daycare services; and community care facilities for the elderly.

Most job losses

Numeric decline in wage-and-salary employment by detailed industry, projected 2002-12



Of the 20 industries expected to lose the most jobs, 13 are in the manufacturing sector. Declines in industry employment usually are caused by falling demand for certain goods and services, by increased imports that reduce domestic production, or by 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.