

# Industry employment

This section illustrates projected employment change from an industry perspective, showing which industries are projected to gain or lose jobs over the 2006-16 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 thousands of other workers, such as managers and janitors.

Like occupational employment projections, 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). 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 11 percent, and this average is shown as a dotted vertical line in some 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. Many 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 produces). Labor-saving 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 raise crops and livestock.

Likewise, employment in one industry can be affected by changing practices in another. For example, 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 sectors.

The goods-producing sectors are:

◆ **Construction.** Examples of establishments in this sector include electrical contracting firms and construction companies.

◆ **Manufacturing.** Examples include businesses that make computer chips, machinery, and other goods.

◆ **Natural resources and mining.** Establishments in this sector include farms, aquaculture companies, and oil and gas extraction companies.

The service-providing sectors are:

◆ **Educational services.** This sector includes local,



State, and private schools and other providers of education.

◆ **Financial activities.** Included in this sector are finance, insurance, real estate, and rental services organizations.

◆ **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 sector. Examples include hospitals, doctors' offices, and assisted living facilities.

◆ **Information.** This sector 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.

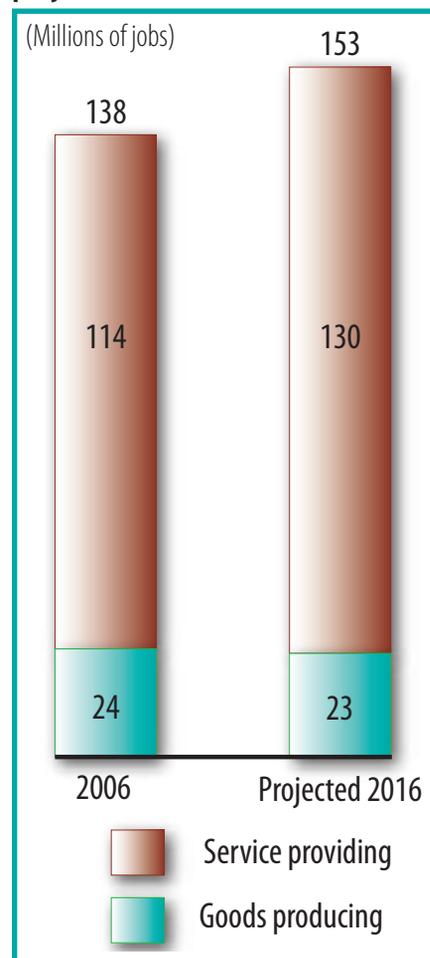
◆ **Leisure and hospitality.** Examples include hotels, restaurants, sports teams, theme parks, performing arts companies, and arcades.

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

◆ **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, airports, messenger services, and power plants.

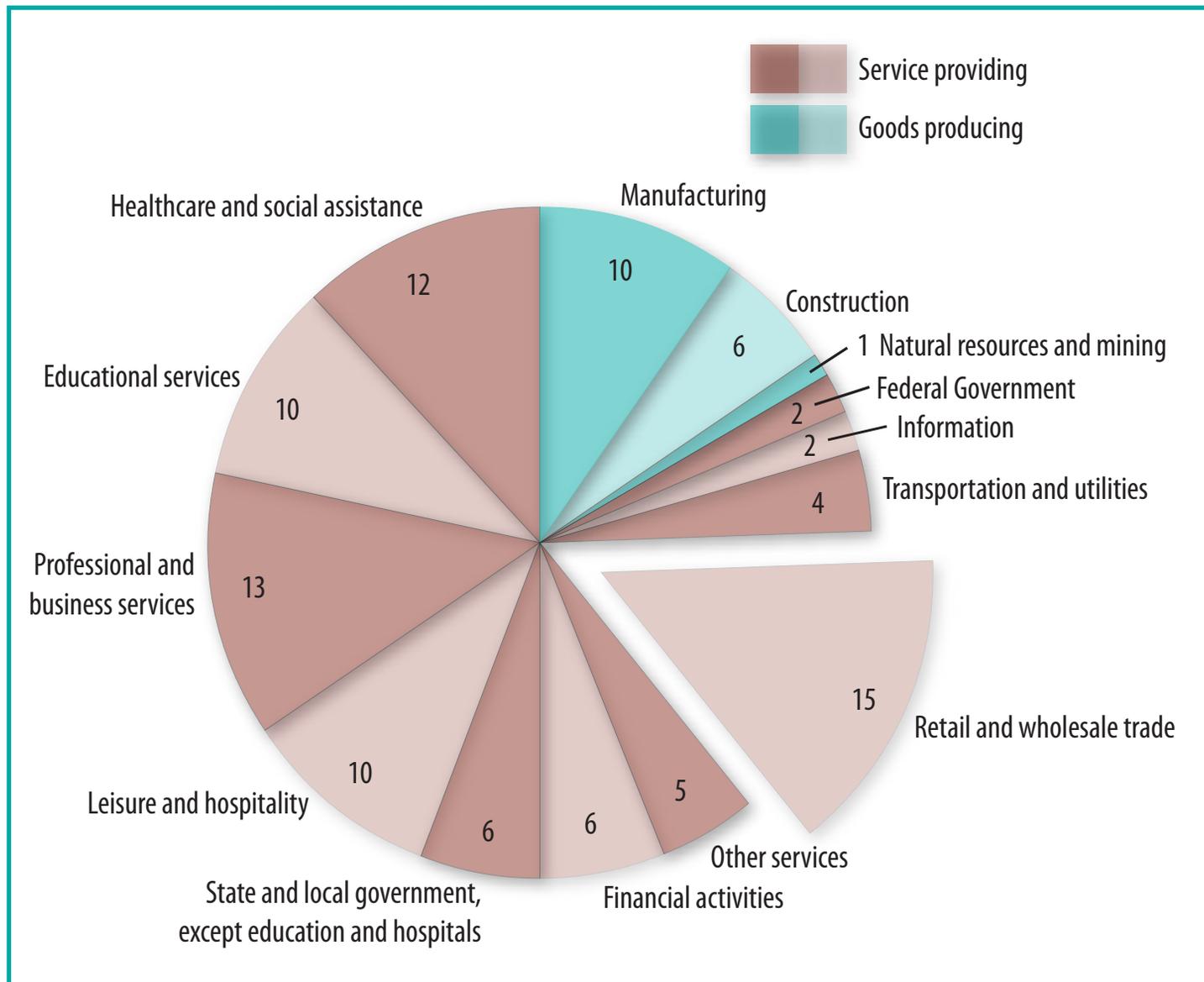
## Wage and salary employment by industry type, 2006 and projected 2016



Service-providing industries are projected to account for most job growth, generating about 16 million new jobs between 2006 and 2016. This growth is due, in part, to increased demand for services and the difficulty of automating service tasks.

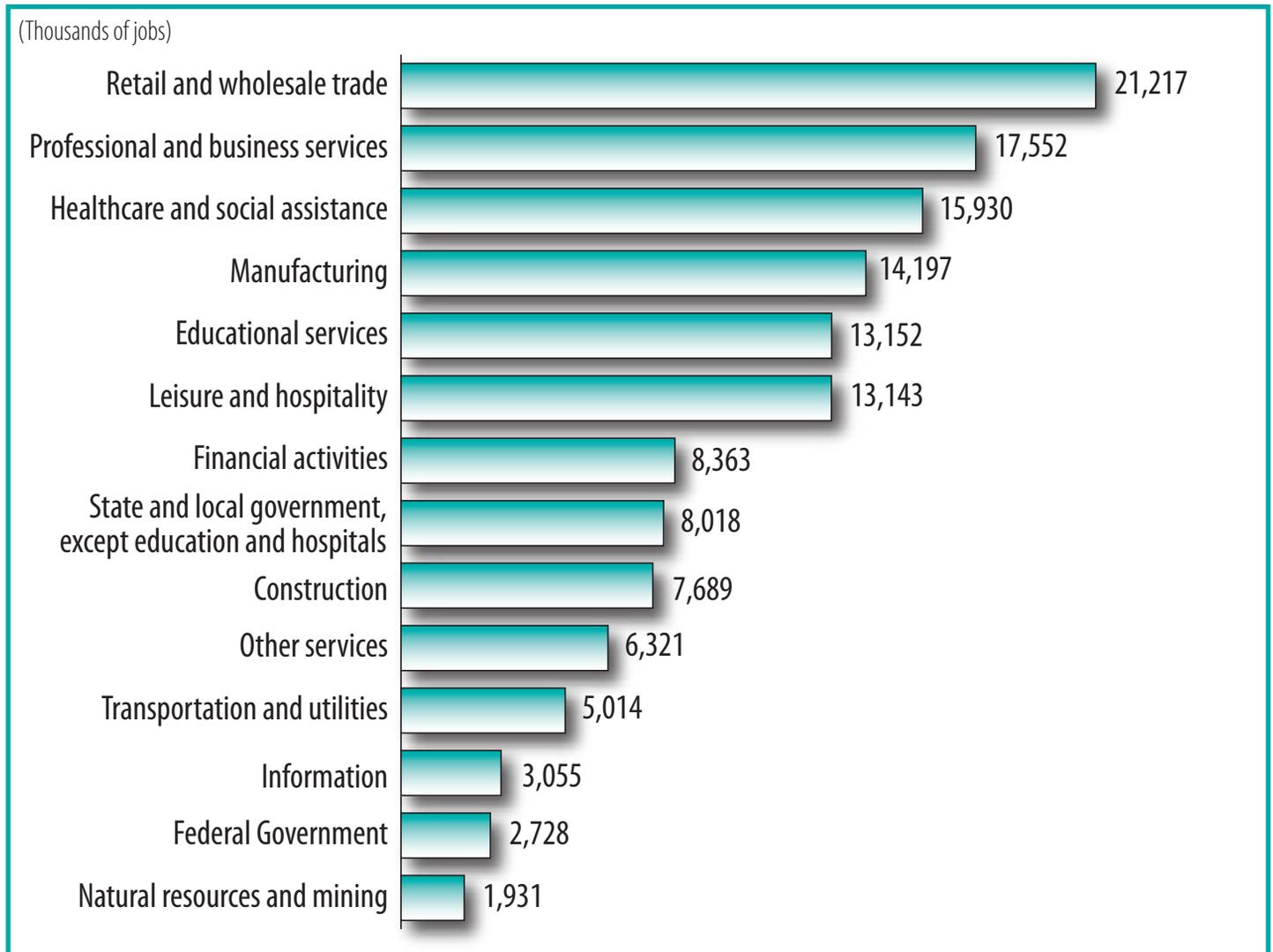
## Employment, 2006

Percent distribution of wage and salary employment by industry sector, 2006



In 2006, about 15 percent of jobs (or more than 1 in 7) were in retail and wholesale trade establishments...

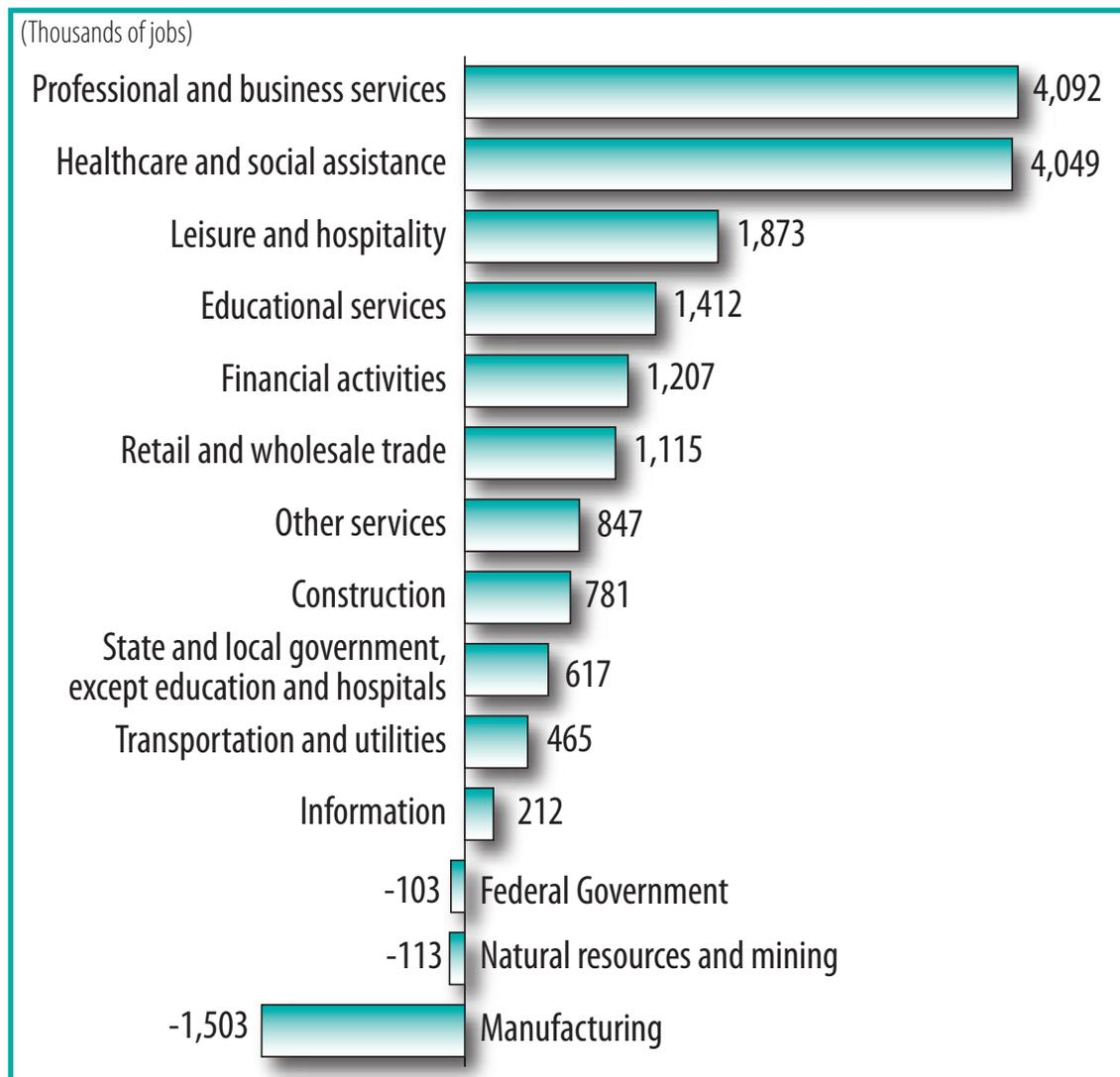
## Wage and salary employment by industry sector, 2006



...which accounted for more than 21 million jobs.

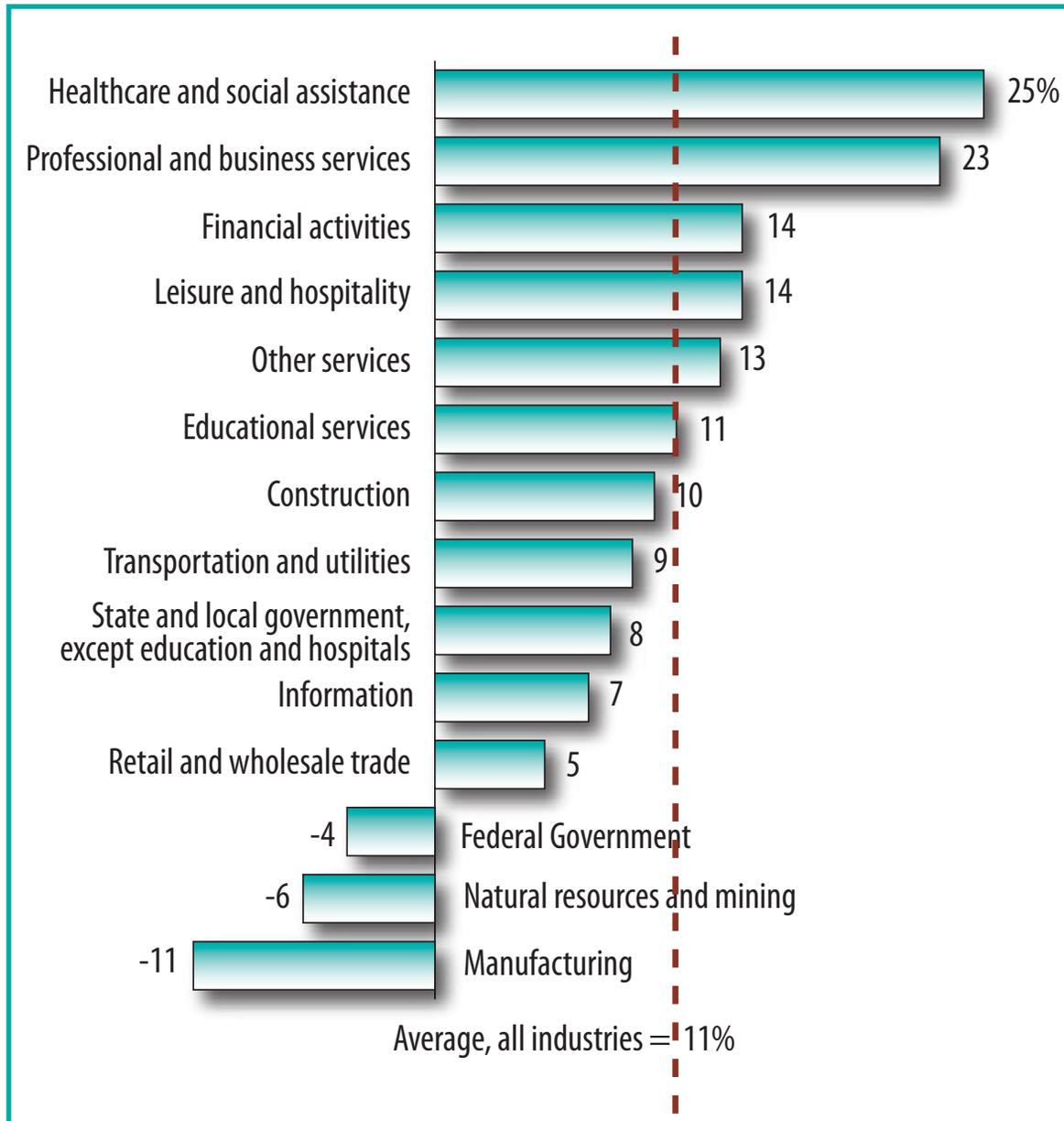
## Employment change

Numeric change in wage and salary employment by industry sector, projected 2006-16



Employment is projected to increase by more than 4 million jobs in both the professional and business services sector and the healthcare and social assistance sector. Growth in professional and business services is led by providers of administrative support services and consulting services. Growth in healthcare and social assistance is driven by increased demand from an aging population.

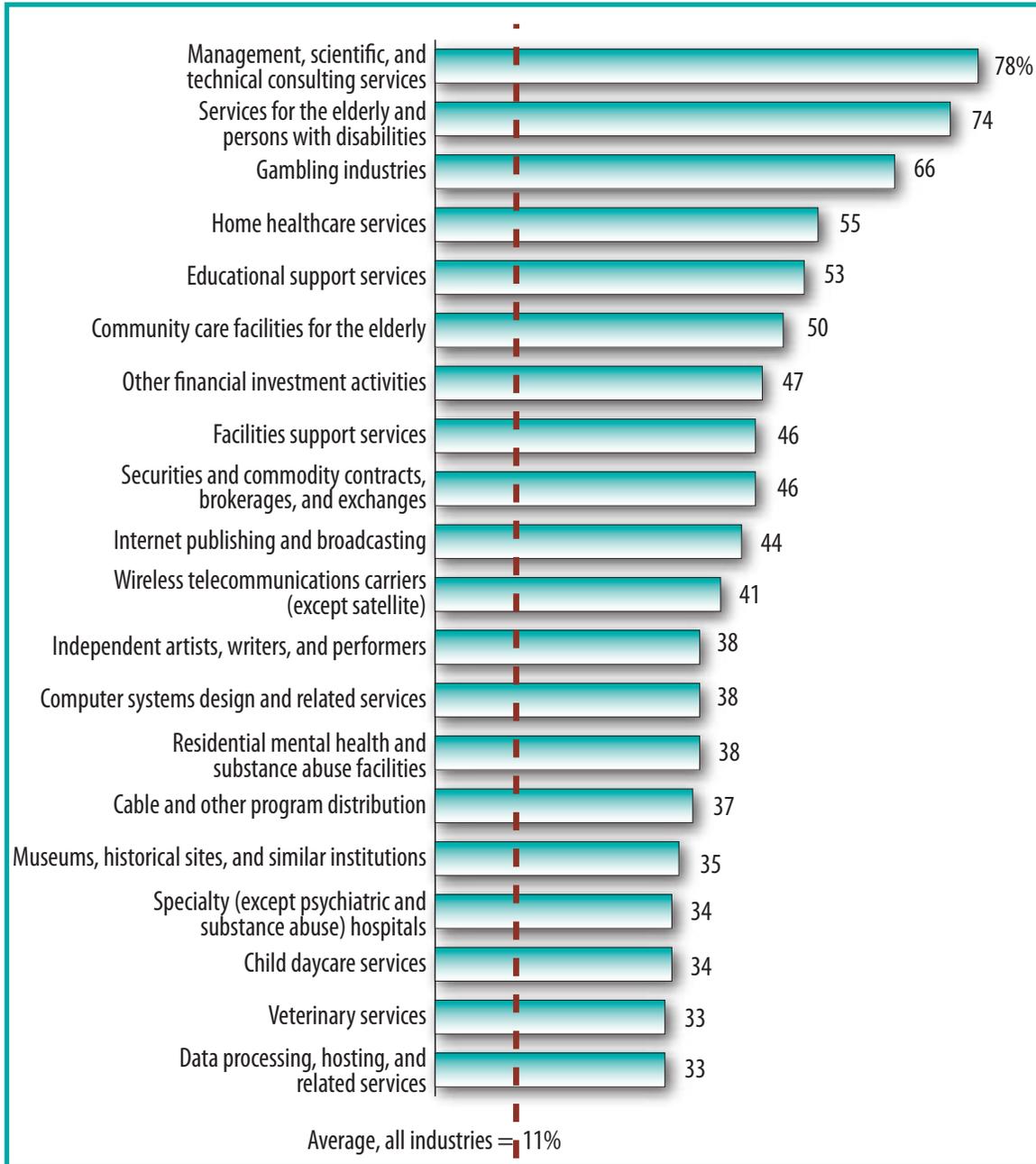
Percent change in wage and salary employment by industry sector, projected 2006-16



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

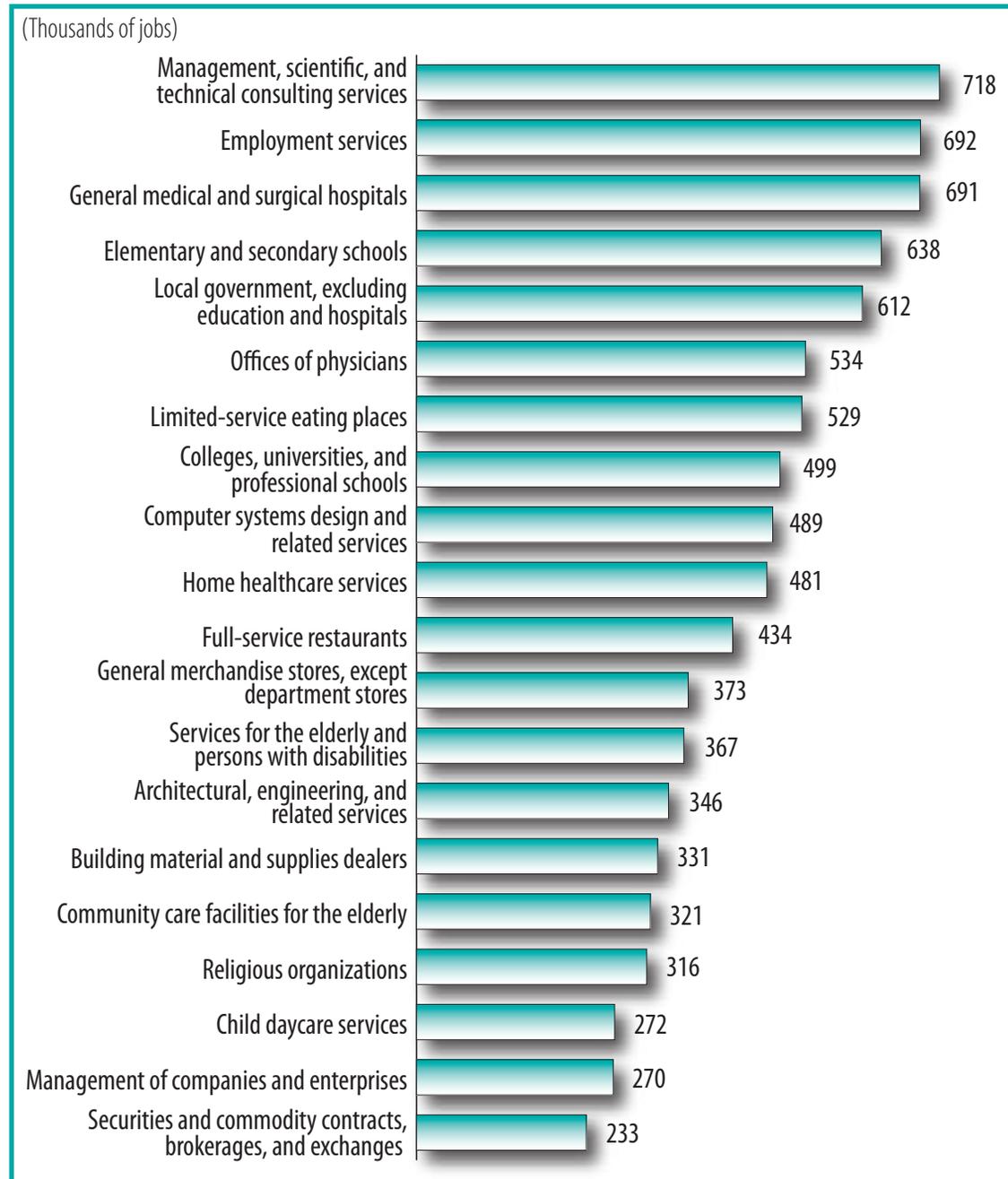
## Fastest growing industries

Percent growth in wage and salary employment by detailed industry, projected 2006-16



Management, scientific, and technical consulting services is projected to be the fastest growing industry over the decade. Firms in this industry help companies respond to globalization, technological changes, and other business challenges.

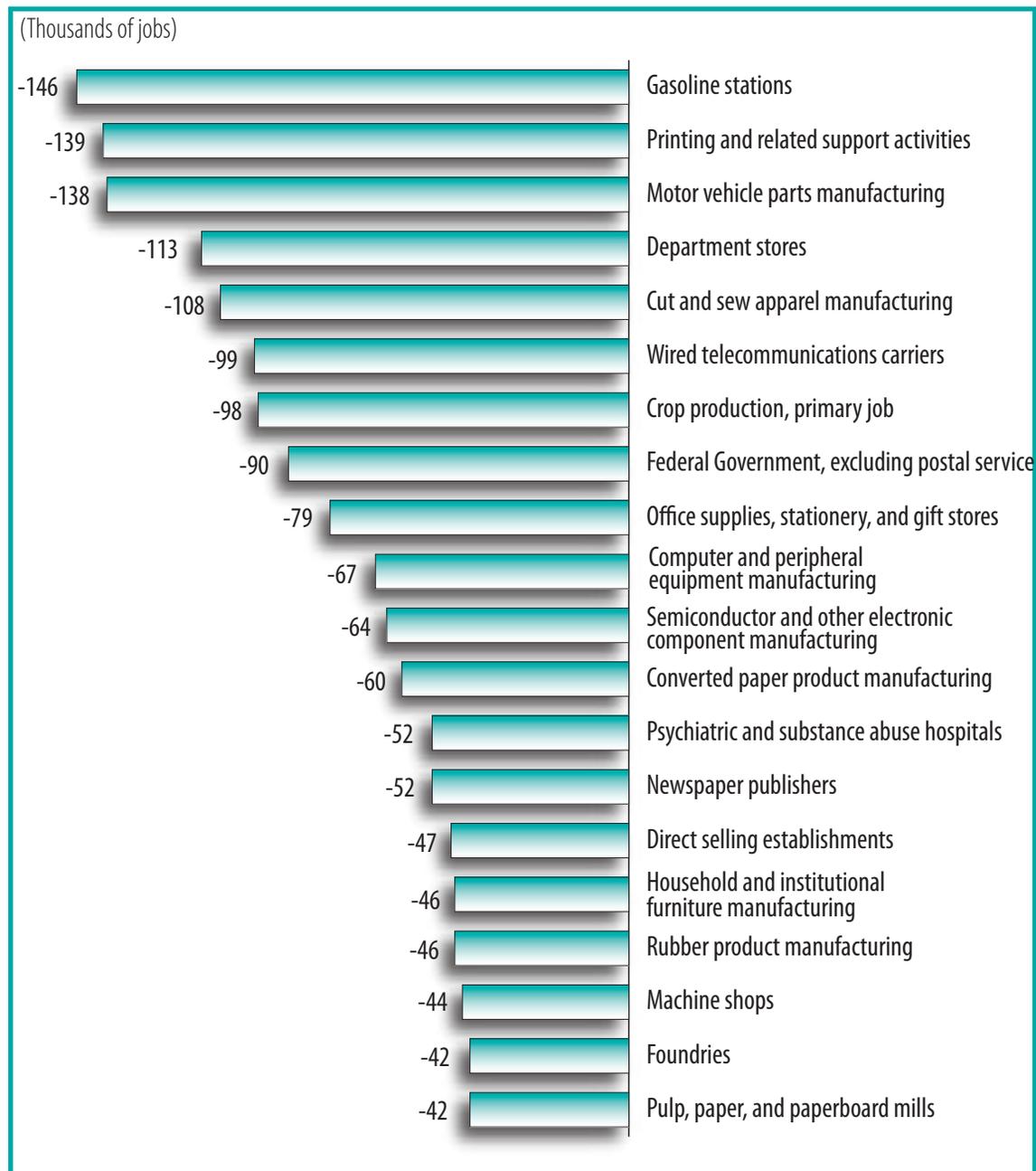
## Numeric growth in wage and salary employment by detailed industry, projected 2006-16



Of the 20 industries projected to gain the most jobs, 8 relate to healthcare, social assistance, and education. These 8 industries are general medical and surgical hospitals; elementary and secondary schools; offices of physicians; colleges, universities, and professional schools; home healthcare services; services for the elderly and persons with disabilities; community care facilities for the elderly; and child daycare services. The employment gains in these industries reflect increasing demand for services from an aging population and rising enrollments in schools.

## Most job losses

Numeric decline in wage and salary employment by detailed industry, projected 2006-16



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.