

WORKING PAPER SERIES

NEW ORLEANS REGIONAL COUNCIL FOR BUSINESS ECONOMICS

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Working Paper #2 (Revised June 2019)

THE WINNERS AND LOSERS IN THE YEAR 2018:

AVERAGE ANNUAL EMPLOYMENT AND SALARIES IN JEFFERSON, ORLEANS AND ST. TAMMANY PARISHES

DATA SOURCE

Quarterly Census of Employment and Wages (QCEW), Bureau of Labor Statistics, U.S. Department of Labor

DEFINITIONS

Quarterly Census of Employment and Wages- The primary economic product is the tabulation of employment and wages of establishments which report to the Unemployment Insurance (UI) programs of the United States. Employment covered by these UI programs represents about 99.7% of all wage and salary civilian employment in the country. It counts only filled jobs, whether full or part-time, temporary or permanent, by place of work. Wages include bonuses, stock options, severance pay, profit distributions, cash value of meals and lodging, tips and other gratuities, and, in some States, employer contributions to certain deferred compensation plans such as 401(k) plans.

INDUSTRY ANALYSIS

Employment Change 2015-2019: Jefferson Parish

Jefferson Parish’s employment economy peaked in June 2008 at 201,900 QCEW jobs. The parish has experienced either job losses or weak QCEW job growth since that peak. As shown in Table 1 QCEW, it appears that job contractions may have ended by January 2018 with a slight improvement in average job growth in 2018. Preliminary data suggest that this improvement has continued into 2019. Latest model estimates show that QCEW jobs in Jefferson Parish were 189,600 in April 2019. It is estimated that the parish added 1,000 QCEW jobs between January and April 2019.

Table 1

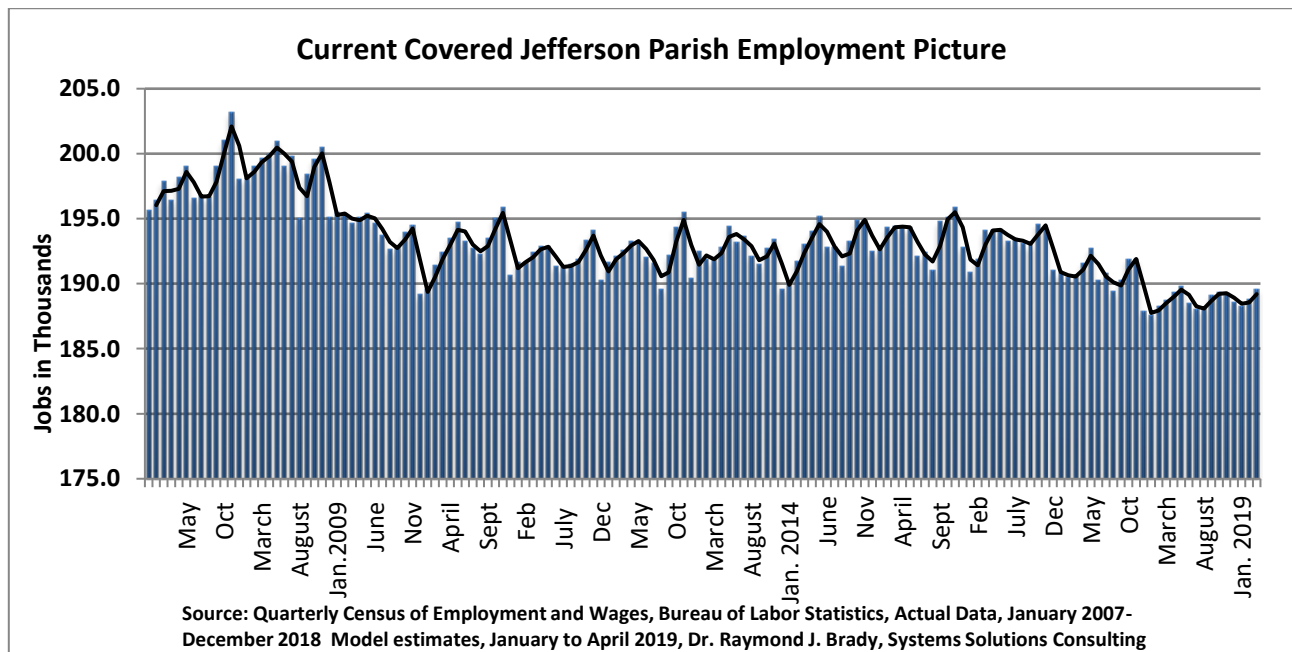


Table 2

Top Ten Private Sector Contributors to Gross Job Gains

NAICS	Jefferson Parish	2017	2018	Net Change
238	Specialty trade contractors	7,955	8,586	631
523	Securities, commodity contracts, investments	-	360	360
621	Ambulatory health care services	12,139	12,429	290
237	Heavy and civil engineering construction	1,896	2,039	143
423	Merchant wholesalers, durable goods	5,279	5,398	119
493	Warehousing and storage	1,371	1,463	92
518	Data processing, hosting and related services	217	307	90
722	Food services and drinking places	18,837	18,919	82
611	Educational services	1,628	1,709	81
811	Repair and maintenance	2,330	2,396	66
Sectors Total		51,652	53,606	1,954
Parish Total		190,903	189,544	-1,019

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Table 2 ranks the top ten NAICS sectors that added the most QCEW jobs between 2017 and 2018. Between 2017 and 2018, these sectors added 1,954 QCEW jobs to the parish job economy. At the same time, parish wide QCEW jobs contracted by 1,019.

Table 3
Average Annual Pay

Year	U.S.	Louisiana	New Orleans MSA	Jefferson
2007	\$44,458	\$38,229	\$43,255	\$40,612
2008	\$45,563	\$40,381	\$45,108	\$42,007
2009	\$45,559	\$40,579	\$45,121	\$42,390
2010	\$46,751	\$41,461	\$46,108	\$43,429
2011	\$48,043	\$42,380	\$46,827	\$44,560
2012	\$49,289	\$43,284	\$47,083	\$44,793
2013	\$49,804	\$44,011	\$47,509	\$44,668
2014	\$51,361	\$45,338	\$48,437	\$45,384
2015	\$52,937	\$45,919	\$49,492	\$46,733
2016	\$53,611	\$45,624	\$49,458	\$47,034
2017	\$55,375	\$46,498	\$50,488	\$48,203
2018	\$57,265	\$48,097	\$51,848	\$49,273
% Changes between 2010 and 2018	22.5%	16.0%	12.4%	13.5%
Southern Urban CPI Change 2010-2018 =14.3%				

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics

Table 3 presents annual average pay for the select years 2007 to 2018. The data shows that for Jefferson Parish, average annual pay increased by 13.5%. **During the same period, the Southern Urban CPI increased by 14.3%.**

In short, the increase in average pay in the New Orleans MSA and Jefferson Parish, in particular, did not increase as fast as the CPI rate of inflation. One (possible) reason for the lackluster average pay change in Jefferson and in the New Orleans MSA is the relative growth of jobs paying less than the current average for the target year. The implication of this distributional change in job growth is downward pressure on the calculated average.

Table 3
Average Annual Pay for All Employment Industries

Year	U.S.	Louisiana	New Orleans MSA	Jefferson
2004	\$39,354	\$31,880	\$34,487	\$32,549
2006	\$42,535	\$36,604	\$42,435	\$39,601
2007	\$44,458	\$38,229	\$43,255	\$40,612
2008	\$45,563	\$40,381	\$45,108	\$42,007
2009	\$45,559	\$40,579	\$45,121	\$42,390
2010	\$46,751	\$41,461	\$46,108	\$43,429
2011	\$48,043	\$42,380	\$46,827	\$44,560
2012	\$49,289	\$43,284	\$47,083	\$44,793
2013	\$49,804	\$44,011	\$47,509	\$44,668
2014	\$51,361	\$45,338	\$48,437	\$45,384
2015	\$52,937	\$45,919	\$49,492	\$46,733
2016	\$53,611	\$45,624	\$49,458	\$47,034

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Table 4
Top Ten Private Sector Contributors to Gross Job Losses

NAICS	Jefferson Parish	2018	2017	Net Change
541	Professional and technical services	9,571	9,998	-427
622	Hospitals	11,031	11,435	-404
213	Support activities for mining	319	561	-242
524	Insurance carriers and related activities	5,447	5,688	-241
452	General merchandise stores	5,641	5,855	-214
312	Beverage and tobacco product manufacturing	648	833	-185
236	Construction of buildings	2,079	2,260	-181
442	Furniture and home furnishings stores	1,116	1,277	-161
334	Computer and electronic product manufacturing	304	450	-146
448	Clothing and clothing accessories stores	2,761	2,906	-145
Sector Total		38,917	41,263	-2,346
Parish Wide Total		189,544	190,903	-1,359

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

As Table 2 illustrates, among the top ten sectors that showed an employment increase, the parish had a gross gain of 4,813 jobs. Table 4 looks at the top ten sectors having job losses between 2017 and 2018. Among the top ten sectors showing job contraction, there was a gross loss of 2,346 jobs.

AVERAGE ANNUAL SALARIES IN THE TOP TEN EMPLOYMENT SECTORS IN JEFFERSON PARISH

Table 5 shows the top ten employment sectors in 2016 and the average annual salaries in 2017 and 2018.

Table 5

Annual Average Employment and Pay for Top 10 Employment Industries in Jefferson

Jefferson Parish		2018	2018	2017	2017
NAICS	Industry	Employment	Salaries	Employment	Salaries
722	Food services and drinking places	18,919	\$18,061	18,837	\$17,610
561	Administrative and support services	13,364	\$32,986	13,386	\$32,337
621	Ambulatory health care services	12,429	\$55,054	12,139	\$53,410
622	Hospitals	11,031	\$74,128	11,435	\$72,369
541	Professional and technical services	9,571	\$71,242	9,998	\$70,491
238	Specialty trade contractors	8,586	\$54,599	7,955	\$52,641
452	General merchandise stores	5,641	\$23,168	5,855	\$22,352
524	Insurance carriers and related activities	5,447	\$79,658	5,688	\$75,689
423	Merchant wholesalers, durable goods	5,398	\$67,425	5,279	\$65,753
445	Food and beverage stores	4,223	\$23,220	4,184	\$23,121
Parish Annual Average		189,544	\$49,273	190,903	\$48,203

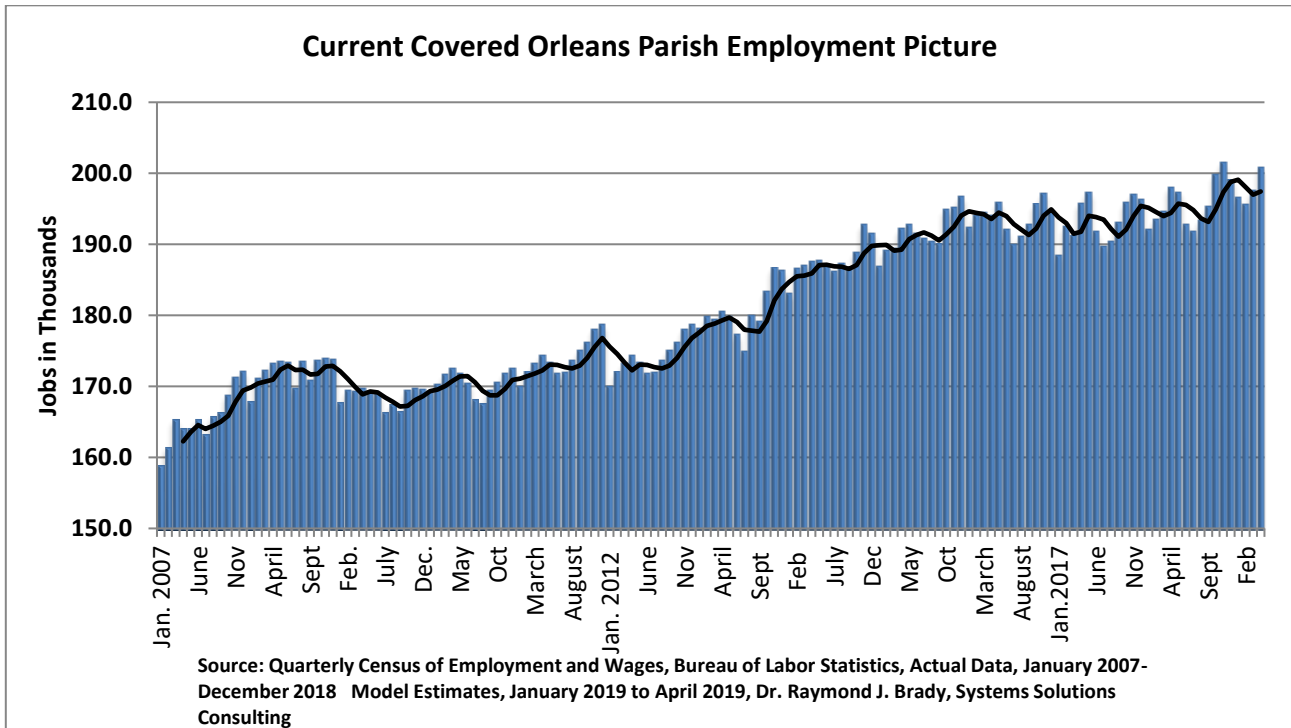
Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Statistical note: Average salary for an industry is over all occupations.

Employment Change 2017-2018: Orleans Parish

Table 6 shows Orleans Parish total QCWQ employment growth between 2007 and April 2019.

Table 6



Between January 2012 and December 2015, the city of New Orleans added about 27,000 QCEW jobs. As Table 6 illustrates, this can be best described as a “high job growth period.” After this period and until the latest data point of April 2019, the job economy has oscillated between job additions and job losses. The latest QCEW job estimate shows that New Orleans added 4,200 QCEW jobs. On an annual average basis, Orleans Parish added 2,500 QCEW jobs between 2017 and 2018. Between 2017 and 2016, annual average employment in Orleans Parish fell by 400 jobs April 2019 QCEW jobs were estimated at 200,700.

Table 7
Top Ten Private Sector Contributors to Gross Job Gains

NAICS	Orleans Parish	2017	2018	Net Change
722	Food services and drinking places	27,713	29,111	1,398
621	Administrative and support services	6,799	7,923	1,124
561	Accommodation	11,463	12,218	755
611	Performing arts and spectator sports	15,874	16,486	612
492	Social assistance	869	1,280	411
512	Educational services	2,312	2,661	349
721	Management of companies and enterprises	11,831	12,039	208
488	General merchandise stores	2,117	2,318	201
236	Ambulatory health care services	1,070	1,189	119
531	Credit intermediation and related activities	2,105	2,208	103
Sector Total		82,153	87,433	5,280
Parish Wide Total		193,841	196,901	1,241

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Gross *private sector* employment gains amounted to 5,280 new jobs in the parish between 2017 and 2018. In Table 7, sixty-two percent (62%) of the gross job gains were in order: Food Services and Drinking Places, Administrative and Support Services and Accommodations. Gross *private sector* job losses accounted for 2,553 jobs. In Table 8, forty-three percent (43%) of the job losses were concentrated in the following sectors, by order of loss: Professional and Technical Services, Credit and Related Activities and Social Assistance.

Table 8
Top Ten Private Sector Contributors to Gross Job Losses

NAICS	Orleans Parish	2017	2018	Net Change
541	Professional and technical services	14,154	13,696	-458
522	Credit intermediation and related activities	3,118	2,775	-343
624	Social assistance	4,225	3,907	-318
483	Water transportation	529	214	-315
551	Management of companies and enterprises	3,166	2,860	-306
622	Hospitals	8,296	8,032	-264
237	Heavy and civil engineering construction	1,202	1,010	-192
711	Performing arts and spectator sports	3,225	3,071	-154
445	Food and beverage stores	3,168	3,057	-111
623	Nursing and residential care facilities	2,922	2,830	-92
Sector Total		44,005	41,452	-2,553
Parish Wide Total		193,841	196,901	1,241

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

AVERAGE ANNUAL SALARIES IN THE TOP TEN EMPLOYMENT SECTORS IN ORLEANS PARISH

Table 9 shows the top ten private sector employment and the average annual salaries in 2015 and 2016.

Table 9
Annual Average Top Ten Employment Sectors and Annual Average Pay

Orleans Parish		2017		2018	
NAICS	Industry	Employment	Salaries	Employment	Salaries
722	Food services and drinking places	27,713	\$22,931	29,111	\$23,884
611	Educational services	15,874	\$51,834	16,486	\$51,447
541	Professional and technical services	14,154	\$86,358	13,696	\$86,586
561	Administrative and support services	11,463	\$37,673	12,218	\$40,105
721	Accommodation	11,831	\$35,342	12,039	\$35,428
622	Hospitals	8,296	\$57,324	8,032	\$58,779
621	Ambulatory health care services	6,799	\$55,335	7,923	\$58,525
624	Social assistance	4,225	\$27,149	3,907	\$28,481
711	Performing arts and spectator sports	3,225	\$26,798	3,071	\$30,843
445	Food and beverage stores	3,168	\$22,108	3,057	\$22,730
	PARISH AVERAGE ANNUAL SALARY	193,841	\$51,018	196,901	\$52,222

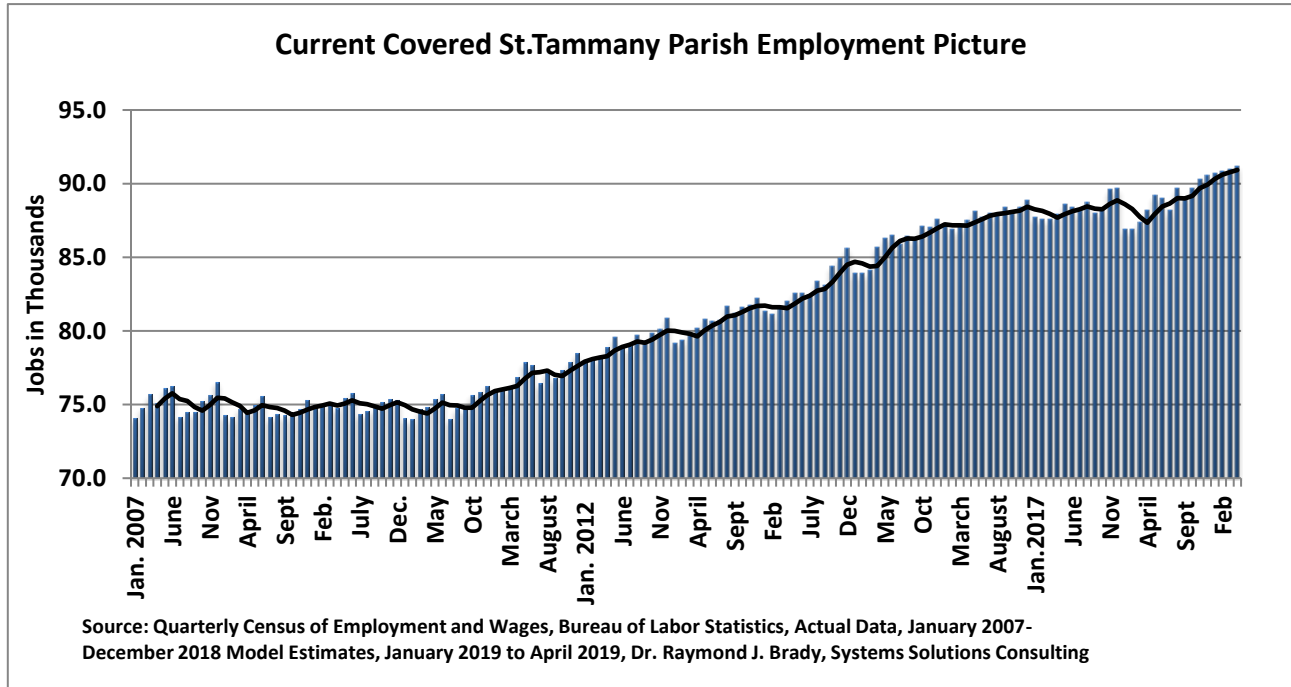
Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Statistical note: Annual average salary for an industry is over all occupations. Changes in the average may reflect changes in the distribution of occupations with the industry rather than increases or decreases in the annual average salary *over all* occupations within the industry.

Employment Change 2017-2018: St. Tammany Parish

St. Tammany Parish has become a major employment center in the New Orleans MSA.

Table 10



On an annual average basis, St. Tammany’s economy added 500 QCEW jobs between 2017 and 2018 or a 0.6% increase over this period. Annual average QCEW employment was in 2018 was 88,800 jobs. The April 2019 estimate was 91,200. Table 11 shows the top ten NAICS employment sectors *that added the most jobs* between 2017 and 2018 with food service and drinking places adding the most QCEW jobs.

Table 11

Top Ten Private Sector Contributors to Gross Job Gains

NAICS	St. Tammany	2017	2018	Net Change
211	Oil and gas extraction	0	944	944
236	Construction of buildings	1,044	1,509	465
621	Ambulatory health care services	5,838	6,235	397
523	Securities, commodity contracts, investments	0	311	311
238	Specialty trade contractors	3,101	3,264	163
488	Support activities for transportation	496	634	138
541	Professional and technical services	4,674	4,805	131
493	Warehousing and storage	0	129	129
623	Nursing and residential care facilities	1,911	2,019	108
423	Merchant wholesalers, durable goods	1,748	1,850	102
Sector Total		18,812	21,700	2,888
Parish Total		88,357	88,945	588

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Table 12 shows the top ten three-digit NAICS sectors that loss employment between 2017 and 2018.

Table 12
Top Ten Sector Contributors to Gross Job Losses

NAICS	St. Tammany	2017	2018	Net Change
551	Management of companies and enterprises	1934	1435	-499
213	Support activities for mining	294	0	-294
325	Chemical manufacturing	400	123	-277
622	Hospitals	2575	2313	-262
561	Administrative and support services	3474	3241	-233
452	General merchandise stores	3286	3082	-204
722	Food services and drinking places	10753	10616	-137
453	Miscellaneous store retailers	753	670	-83
448	Clothing and clothing accessories stores	1036	960	-76
721	Accommodation	725	651	-74
Sector Total		12474	11701	-773
Parish Total		88,357	88,945	588

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

AVERAGE ANNUAL SALARIES IN THE TOP TEN EMPLOYMENT SECTORS IN ST. TAMMANY PARISH

Table 13 shows the top ten private sector employment and the average annual salaries in 2017 and 2018.

Table 13
TOP JOB SECTORS AND ASSOCIATED AVERAGE PAY IN ST. TAMMANY PARISH

St. Tammany Parish	2017		2018	
Industry	Employment	Salaries	Employment	Salaries
Food services and drinking places	10,753	\$16,212	10,616	\$16,568
Ambulatory health care services	5,838	\$57,709	6,235	\$58,319
Professional and technical services	4,674	\$63,068	4,805	\$65,952
Specialty trade contractors	3,101	\$46,481	3,264	\$47,434
Administrative and support services	3,474	\$41,223	3,241	\$36,450
General merchandise stores	3,286	\$21,698	3,082	\$22,484
Hospitals	2,575	\$50,212	2,313	\$52,454
Food and beverage stores	2,200	\$21,879	2,216	\$22,863
Social assistance	2,184	\$17,228	2,132	\$18,969
Nursing and residential care facilities	1,911	\$27,721	2,019	\$28,756
PARISH AVERAGE ANNUAL SALARY		\$45,268		\$46,946

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

Table 14 lists select sectors and compares average salaries for 201 from QCEW data between the United States and the economic development targeted industries. Motion picture and sound recording, computer systems design, and scientific research and development were selected because these sectors reflect areas where the economic development community seeks to develop. Accommodations and restaurants reflect a major portion of the post-Katrina job growth. All sectors are compared against the average for the United States.

Table 14

2018 Average Annual Salaries for Select Industries					
NAICS		U.S.	Orleans	Jefferson	St. Tammany
5121	Motion picture and video industries	\$70,835	\$49,962	\$19,886	*
5411	Legal services	\$99,434	\$104,737	\$68,990	\$62,006
5415	Computer systems design and related services	\$117,482	\$85,748	\$74,515	\$80,281
5417	Scientific research and development services	\$137,087	\$69,625	\$96,235	\$118,654
6111	Elementary and secondary schools (private)	\$42,233	\$48,310	\$39,604	\$37,129
6113	Colleges and universities	\$66,360	\$55,439	\$39,177	*
7211	Traveler accommodation	\$32,381	\$35,508	\$24,047	\$18,358
7225	Restaurants	\$19,321	\$24,013	\$17,276	\$16,284

Note: * means data are suppressed because of confidentiality restrictions.

Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages

The table provides some critical observations. First, salaries in the three sectors the economic development community seeks to promote (motion pictures, computer and software design and scientific research, except for NAICS 5417 in St. Tammany Parish, are substantially below the average for the U.S. This suggests that the current occupational structure of these industries in the select sample perform tasks that are (a) either at the lower end of the industry occupations within these industries or (b) do not command the technical and problems in that industry that would demand higher average pay.

On the other hand, accommodations and restaurants average salaries in Orleans parish are well both above the U.S. and the sample parishes. This confirms the fact that New Orleans is both a tourist entertainment and corporate meeting center and destination. Legal services average salaries in Orleans are above the national average. This suggests a concentration of corporate employment in these firms in that parish. The higher average salary in Orleans parish for private elementary and secondary schools suggests a concentration of charter schools and special private schools.

CONCLUSION

The objectives of working paper # 2 are twofold: (a) first, to identify the top industries that, in the most recent period, added or lost jobs in the three core parishes (Jefferson, Orleans and St. Tammany) that comprise the New Orleans MSA, and (b) second, to identify the top employment industries in each parish, and salaries associated with industries. The results show that Jefferson's total job creation remains mixed with losses occurring between 2017 and 2018. In Orleans Parish, data shows a definite slowdown in job creation in starting in late 2015 and continuing into 2018, with some uptick in the first four months of 2019.