

## WORKING PAPER SERIES

### NEW ORLEANS REGIONAL COUNCIL FOR BUSINESS ECONOMICS

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#### Working Paper #2 (August 2020)

#### THE WINNERS AND LOSERS IN THE YEAR 2019:

#### 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

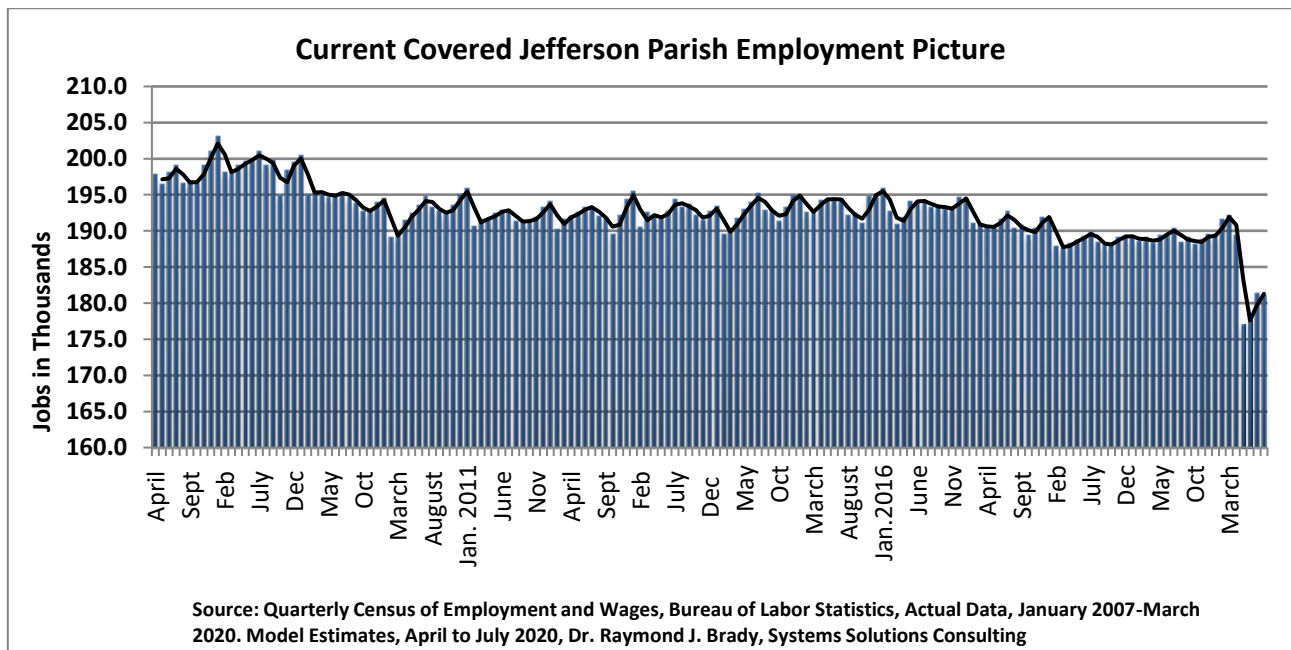
*Quarterly Census of Employment and Wages*- The primary economic product is the tabulation of employment and wages of establishments which report to the Unemployment Insurance (UI) programs of the United States. Employment covered by these UI programs represents about 99.7% of all wage and salary civilian 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, there has been virtually no QCEW job growth between 2017 and 2019.** Annual average QCEW jobs in 2017 were 191,000 jobs. In 2018, annual average jobs were 188,700, and in 2019, the annual average was 189,000 jobs. Because Jefferson has a smaller Leisure and Hospitality sector than New Orleans, the impact of Covid-19 pandemic and business closes and restrictions on the job economy was less severe. January thru July 2020 averaged CEW jobs shrink slightly to 184,400 jobs.

Table 1



**Table 2**  
**Top Ten Private Sector Contributors to Gross Job Gains**

NAICS	Jefferson Parish	2018	2019	Net Change
622	Hospitals	11,031	11,476	445
541	Professional and technical services	9,571	9,878	307
621	Ambulatory health care services	12,429	12,722	293
488	Support activities for transportation	2,380	2,583	203
611	Educational services	1,709	1,901	192
336	Transportation equipment manufacturing	855	1,045	190
524	Insurance carriers and related activities	5,447	5,582	135
485	Transit and ground passenger transportation	614	729	115
722	Food services and drinking places	18,919	19,032	113
447	Gasoline stations	1,090	1,166	76
Sectors Total		64,045	66,114	2,069
Parish Total		189,544	189,845	301

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 2018 and 2019. Between 2018 and 2019, these sectors added 2,069 QCEW jobs to the parish job economy. At the same time, parish wide QCEW jobs increased by 301.

**Table 3**  
**Average Annual Pay**

Year	U.S.	Louisiana	New Orleans MSA	Jefferson
Year 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
Year 2019	\$59,219	\$49,297	\$53,245	\$50,999
% Changes between 2008 and 2019	<b>30.0%</b>	<b>22.1%</b>	<b>18.0%</b>	<b>21.4%</b>
Southern Urban CPI Change 2008-2019 =18.0%				

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

Table 3 presents annual average pay for the select years 2008 to 2019. The data shows that for Jefferson Parish, average annual pay increased by 21.4%. **During the same period, the Southern Urban CPI increased by 18.0%.**

Jefferson Parish average annual pay increased slightly faster than the Southern urban average CPI over this period. The increase in Jefferson was better than the MSA, about the same as the state, but substantially slower than U.S. as a whole. 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 4**  
**Top Ten Private Sector Contributors to Gross Job Gains**

NAICS	Jefferson Parish	2019	2018	Net Change
622	Hospitals	11,476	11,031	445
541	Professional and technical services	9,878	9,571	307
621	Ambulatory health care services	12,722	12,429	293
488	Support activities for transportation	2,583	2,380	203
611	Educational services	1,901	1,709	192
336	Transportation equipment manufacturing	1,045	855	190
524	Insurance carriers and related activities	5,582	5,447	135
485	Transit and ground passenger transportation	729	614	115
722	Food services and drinking places	19,032	18,919	113
447	Gasoline stations	1,166	1,090	76
<b>Sector Total</b>		<b>66,114</b>	<b>64,045</b>	<b>2,069</b>
<b>Parish Wide Total</b>		<b>189,845</b>	<b>190,903</b>	<b>-1,058</b>

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

**Table 5**  
**Top Ten Private Sector Contributors to Gross Job Losses**

NAICS	Jefferson Parish	2019	2018	Net Change
561	Administrative and support services	12864	13364	-500
452	General merchandise stores	5333	5641	-308
811	Repair and maintenance	2255	2396	-141
448	Clothing and clothing accessories stores	2648	2761	-113
424	Merchant wholesalers, nondurable goods	3382	3489	-107
238	Specialty trade contractors	8481	8586	-105
442	Furniture and home furnishings stores	1023	1116	-93
443	Electronics and appliance stores	1009	1096	-87
624	Social assistance	3619	3691	-72
483	Water transportation	1270	1328	-58
<b>Sector Total</b>		<b>41,884</b>	<b>43,468</b>	<b>-1,584</b>
<b>Parish Wide Total</b>		<b>189,845</b>	<b>190,903</b>	<b>-1,058</b>

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

Tables 4 and 5 show the top ten sectors that either gains jobs or lost jobs between 2018 and 2019. The top gainers in Jefferson Parish were hospitals and Professional and technical services sectors. Table 5 shows that administrative and support services lost 500 jobs between 2018 and 2019, along with General Merchandise Stores that lost 308 jobs.

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

Table 6 shows the top ten **employment sectors** in 2016 and the average annual salaries in 2018 and 2019.

**Table 6**

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

	Jefferson Parish	2019	2019		2018	2018
NAICS	Industry	Employment	Salaries		Employment	Salaries
722	Food services and drinking places	19,032	\$18,571		18,919	\$18,061
561	Administrative and support services	12,864	\$34,134		13,364	\$32,986
621	Ambulatory health care services	12,722	\$56,046		12,429	\$55,054
622	Hospitals	11,476	\$77,618		11,031	\$74,128
541	Professional and technical services	9,878	\$71,784		9,571	\$71,242
238	Specialty trade contractors	8,481	\$56,378		8,586	\$54,599
524	Insurance carriers and related activities	5,582	\$79,703		5,641	\$79,658
423	Merchant wholesalers, durable goods	5,428	\$70,440		5,447	\$67,425
452	General merchandise stores	5,333	\$24,268		5,398	\$23,168
445	Food and beverage stores	4,231	\$23,528		4,223	\$23,220
	<b>Parish Annual Average</b>	<b>189,544</b>	<b>\$50,999</b>		<b>189,544</b>	<b>\$49,273</b>

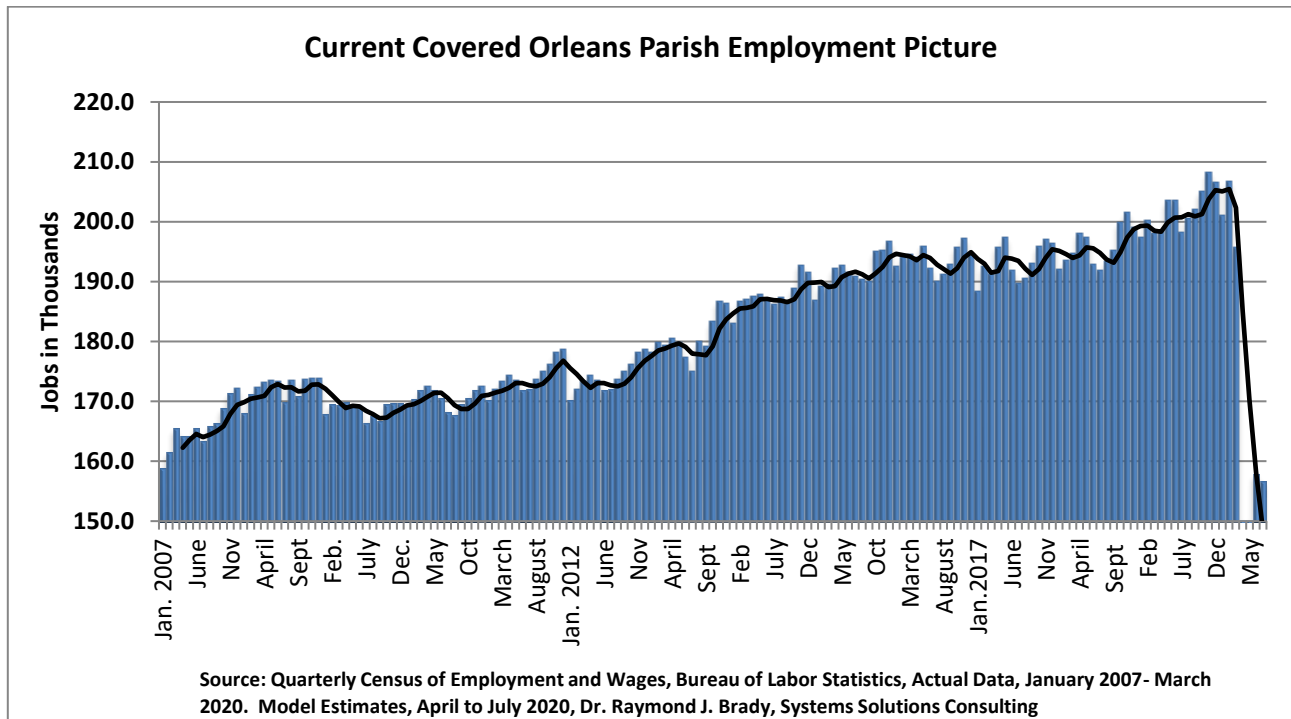
**Source: Quarterly Census of Employment and Wages, Bureau of Labor Statistics, Annual Averages**

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

## Employment Change 2018-2019: Orleans Parish

Table 7 shows Orleans Parish total QCWQ employment growth between 2007 and July 2020

Table 7



Orleans Parish economy has been hit hard by the Covid-19 pandemic, losing more than 22% or an estimated 44,500 QCEW jobs between January 2020 and July 2020. The job economy showed some weakness in 2019 but began show strength again in the first two months of 2020. Between January and February 2020, the city added almost 6,000 QCEW jobs between January and February. Between February and March 2020, the bottom fell out of the economy with the collapse of the Leisure and Hospitality sector due to the Covid-19 Pandemic lockdown. The job economy hit the bottom in April with an estimated loss of more than 69,000 QCEW jobs. The job economy began a slow recovery from that April estimate, adding about 11,000 jobs between April and July. However, this recovery still shows that QCEW jobs in the city of New Orleans were more than 51,000 jobs below the employment peak in November 2019. QCEW data shows that the city had approximately 208,000 jobs in November 2019. **The estimated number of QCEW jobs in July 2020 were 157,000. It is estimated that Leisure and Hospitality jobs were, at least, about 27,000 below the February QCEW data showing 49,600 jobs.**

**Table 8**  
**Average Annual Pay**

Year	U.S.	Louisiana	New Orleans MSA	New Orleans
Year 2008	\$45,563	\$40,381	\$45,108	\$49,948
2009	\$45,559	\$40,579	\$45,121	\$49,514
2010	\$46,751	\$41,461	\$46,108	\$49,804
2011	\$48,043	\$42,380	\$46,827	\$49,844
2012	\$49,289	\$43,284	\$47,083	\$49,006
2013	\$49,804	\$44,011	\$47,509	\$48,810
2014	\$51,361	\$45,338	\$48,437	\$49,689
2015	\$52,937	\$45,919	\$49,492	\$50,157
2016	\$53,611	\$45,624	\$49,458	\$50,150
2017	\$55,375	\$46,498	\$50,488	\$51,018
2018	\$57,265	\$48,097	\$51,848	\$52,222
Year 2019	\$59,219	\$49,297	\$53,245	\$53,691
% Changes between 2008 and 2019	<b>30.0%</b>	<b>22.1%</b>	<b>18.0%</b>	<b>8.0%</b>
Southern Urban CPI Change 2008-2019 =18.0%				

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

Table 8 presents the dilemma facing an economy dominated by Leisure and Hospitality. Before discussing the numbers in Table 8, it is worth noting that the average for the parish reflects the distribution of average pay in the occupations over all industries. Hence, an economy dominated by high paying jobs will have an average that is high. In the case of the New Orleans economy, the average is heavily influenced by the large number of jobs at the lower end of the wage level. For example, using QCEW data, 59% of the **jobs added** between the annual average for 2008 and the annual average for 2019 was in Leisure and Hospitality in Orleans Parish. Over the same period, the ratio of **average pay** in Leisure and Hospitality to the **average for all QCEW jobs in the New Orleans economy** has deteriorated between 2008 and 2019. This implies that wage increase in Leisure and Hospitality had not grown at the average rate of the overall wage level in the New Orleans economy. For example, in 2008 the ratio of average pay in Leisure and Hospitality to the average for all QCEW jobs in Orleans Parish was about 54%. This implies that wages in Leisure and Hospitality were 54% of the overall average for the city. In 2019, that ratio fell to 52%. Therefore, by combining the fact that 59% of the QCEW job **growth** between 2008 and 2019 was in Leisure and Hospitality plus less growth in wage levels in Leisure and Hospitality relative to the overall city-wide average growth has resulted in relative stagnation in the overall average pay as illustrated in Table 8. This is not a problem that can easily be solved because skill development, educational attainment and the health of a critical industry all are mixed in a solution process. However, discussion needs to begin.

**Table 9**  
**Top Ten Private Sector Contributors to Gross Job Gains**

NAICS	Orleans Parish	2019	2018	Net Change
722	Food services and drinking places	30,299	29,111	1,188
541	Professional and technical services	14,342	13,696	646
621	Ambulatory health care services	8,493	7,923	570
611	Educational services	16,857	16,486	371
622	Hospitals	8,388	8,032	356
512	Motion picture and sound recording industries	2,918	2,661	257
624	Social assistance	4,125	3,907	218
551	Management of companies and enterprises	3,057	2,860	197
237	Heavy and civil engineering construction	1,202	1,010	192
492	Couriers and messengers	1,414	1,280	134
<b>Sector Total</b>		<b>91,025</b>	<b>86,966</b>	<b>4,129</b>
<b>Parish Wide Total</b>		<b>200,514</b>	<b>196,901</b>	<b>3,613</b>

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

**Table 10**  
**Top Ten Private Sector Contributors to Gross Job Losses**

NAICS	Orleans Parish	2019	2018	Net Change
561	Administrative and support services	11719	12218	-458
721	Accommodation	11835	12039	-343
448	Clothing and clothing accessories stores	2240	2415	-318
524	Insurance carriers and related activities	1401	1561	-315
444	Building material and garden supply stores	950	1098	-306
711	Performing arts and spectator sports	2945	3071	-264
445	Food and beverage stores	2953	3057	-192
423	Merchant wholesalers, durable goods	1475	1552	-154
511	Publishing industries, except internet	395	459	-111
522	Credit intermediation and related activities	2711	2775	-92
<b>Sector Total</b>		<b>38,624</b>	<b>40,245</b>	<b>-1,621</b>
<b>Parish Wide Total</b>		<b>200,514</b>	<b>196,901</b>	<b>1,241</b>

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

Gross private sector employment gains amounted to 4,129 new jobs in the parish between 2018 and 2019. In Table 9, fifty-eight percent (58%) of the gross job gains were in order: Food Services and Drinking Places, Professional and

Technical Services and Ambulatory Health Care Services. Gross *private sector* job losses accounted for 1,621 jobs. In Table 10, sixty-nine percent (69%) of the job losses were concentrated in the following sectors, by order of loss: Administrative and Support Services, Accommodations and Clothing and Clothing Accessories Stores.

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

Table 11 shows the top ten private sector employment and the average annual salaries in 2019 and 2018.

**Table 11**  
Annual Average Top Ten Employment Sectors and Annual Average Pay

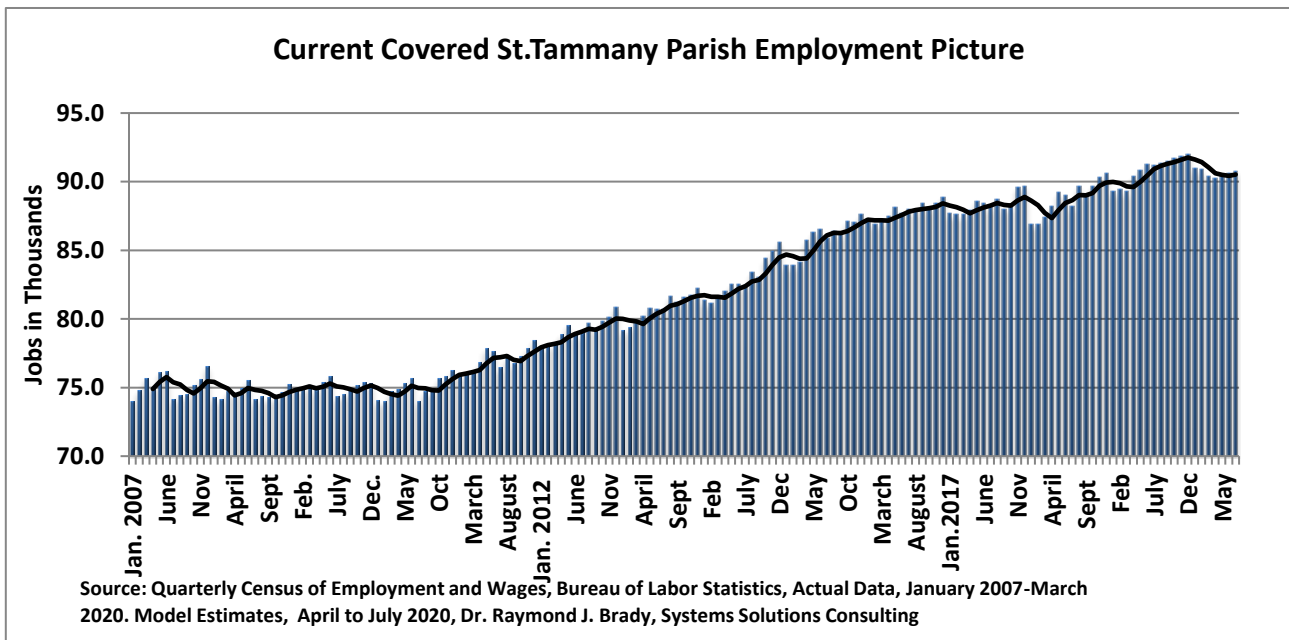
Orleans Parish		2019			2018	
NAICS	Industry	Employment	Salaries		Employment	Salaries
722	Food services and drinking places	30,299	\$24,326		29,111	\$23,884
611	Educational services	16,857	\$54,210		16,486	\$51,447
541	Professional and technical services	14,342	\$88,892		13,696	\$86,586
721	Accommodation	11,835	\$36,574		12,218	\$40,105
561	Administrative and support services	11,719	\$40,546		12,039	\$35,428
621	Ambulatory health care services	8,493	\$59,299		8,032	\$58,779
622	Hospitals	8,388	\$60,262		7,923	\$58,525
624	Social assistance	4,125	\$30,223		3,907	\$28,481
551	Management of companies and Enterprises	3,057	\$110,102		3,071	\$30,843
445	Food and beverage stores	2,953	\$23,384		3,057	\$22,730
	<b>PARISH AVERAGE ANNUAL SALARY</b>	<b>200,514</b>	<b>\$53,691</b>		<b>196,901</b>	<b>\$52,222</b>

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 2018-2019: St. Tammany Parish**

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

**Table 12**





On an annual average basis, St. Tammany's economy added 1,429 QCEW jobs between 2018 and 2019. Table 13 shows the top ten NAICS employment sectors *that added the most jobs* between 2018 and 2019 with food service and drinking places adding the most QCEW jobs.

**Table 13**  
**Top Ten Private Sector Contributors to Gross Job Gains**

NAICS	St. Tammany	2019	2018	Net Change
722	Food services and drinking places	10,951	10,616	335
621	Ambulatory health care services	6,545	6,235	310
561	Administrative and support services	3,443	3,241	202
624	Social assistance	2,316	2,132	184
541	Professional and technical services	4,967	4,805	162
238	Specialty trade contractors	3,403	3,264	139
311	Food manufacturing	404	315	89
423	Merchant wholesalers, durable goods	1,939	1,850	89
492	Couriers and messengers	447	366	81
517	Telecommunications	490	413	77
<b>Sector Total</b>		<b>34,905</b>	<b>33,237</b>	<b>1,668</b>
<b>Parish Total</b>		<b>90,374</b>	<b>88,945</b>	<b>1,429</b>

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

Table 14 shows the top ten three-digit NAICS sectors that loss employment between 2018 and 2019.

**Table 14**  
**Top Ten Sector Contributors to Gross Job Losses**

NAICS	St. Tammany	2019	2018	Net Change
236	Construction of buildings	979	1,509	-530
452	General merchandise stores	2,963	3,082	-119
448	Clothing and clothing accessories s	860	960	-100
237	Heavy and civil engineering construction	1,035	1,134	-99
522	Credit intermediation and related a	1,552	1,612	-60
331	Primary metal manufacturing	0	46	-46
333	Machinery manufacturing	468	511	-43
332	Fabricated metal product MFG	233	259	-26
451	Sports, hobby, music instrument	615	640	-25
493	Warehousing and storage	105	129	-24
<b>Sector Total</b>		<b>12,474</b>	<b>11,701</b>	<b>773</b>
<b>Parish Total</b>		<b>90,374</b>	<b>88,945</b>	<b>1,429</b>

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 15 shows the top ten private sector employment and the average annual salaries in 2018 and 2019.

**Table 15  
TOP JOB SECTORS AND ASSOCIATED AVERAGE PAY IN ST. TAMMANY PARISH**

ST. Tammany Parish		2019		2018	
NAICS	Industry	Employment	Salaries	Employment	Salaries
722	Food services and drinking places	10,951	\$16,728	29,111	\$16,568
621	Ambulatory health care services	6,545	\$59,316	16,486	\$58,319
541	Professional and technical services	4,967	\$67,216	13,696	\$65,952
561	Administrative and support services	3,443	\$38,343	12,218	\$36,450
238	Specialty trade contractors	3,403	\$49,540	12,039	\$47,434
452	General merchandise stores	2,963	\$23,797	8,032	\$22,484
624	Social assistance	2,316	\$19,871	7,923	\$18,969
622	Hospitals	2,303	\$54,800	3,907	\$52,454
445	Food and beverage stores	2,273	\$23,217	3,071	\$22,863
623	Nursing and residential care facilities	2,028	\$30,992	3,057	\$28,756
<b>PARISH AVERAGE ANNUAL SALARY</b>		90,374	\$47,835	88,945	\$46,946

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

Table 16 lists select sectors and compares average salaries for 2019 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 16**

2019 Average Annual Salaries for Select Industries					
NAICS		U.S.	Orleans	Jefferson	St. Tammany
5121	Motion picture and video industries	\$73,325	\$49,320	\$29,926	*
5411	Legal services	\$103,103	\$107,348	\$71,099	\$62,006
5415	Computer systems design and related services	\$122,915	\$89,570	\$78,118	\$80,281
5417	Scientific research and development services	\$141,377	\$74,594	\$91,347	\$118,654
6111	Elementary and secondary schools (private)	\$43,602	\$48,757	\$39,711	\$37,129
6113	Colleges and universities	\$43,415	\$60,250	\$42,494	*
7211	Traveler accommodation	\$33,726	\$36,656	*	\$18,358
7225	Restaurants	\$20,145	\$24,461	\$17,805	\$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 suggest 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 skills 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 or specialized employment in these firms. 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) comprising the New Orleans MSA, and (b) identify the top employment industries in each parish, and salaries associated with industries.

Key conclusions, as found in Table 16, are: (a) average pay in Traveler Accommodation (NAICS 7211) and in Restaurants (NAICS 7225) exceeds the average in the United States; (b) however, average pay in Motion Picture Production, Computer Systems Design and Scientific Research substantial lags that of the U.S. The higher pay in the Traveler Accommodations and Restaurants (NAICS 7211 and 7225) suggests that New Orleans (as of the 2019 data) was a key traveler destination and hence creating greater demand for these industries, affecting labor input value. Correspondingly, the type of industry structure in the Motion Picture and Video industry (NAICS 5121) does not generate the labor value, associated with the overall industry in the U.S. This comment can be applied clearly to the overall average salaries in Computer Systems Design (NAICS 5415) and in private sector (NAICS 5417) Scientific Research and Development Services. With reference to NAICS 5415 and 5417, these industries probably do not generate the average value-added as the U.S. industries. It is noted that in NAICS 5417, average salaries are higher both in Jefferson and St. Tammany.