

# Workers in key industries getting most pay raises

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In this Dec. 5, 2013 file photo, Russell Girsh motions to his driller to turn the equipment on at an oil rig near Watford City, N.D. Oil and gas workers earned an average 11 percent more an hour in April than they did a year ago, according to the Bureau of Labor Statistics. That's more than five times the average gain across all industries. (AP Photo/Williston Herald, Jerry Burnes, File)

(AP)—If you hope to get a raise that finally feels like one, it helps to work in the right industry.

Historically, at this stage in the economy's recovery, pay would be rising in most sectors. But five years after the Great Recession officially ended, raises remain sharply uneven across industries and, as a whole, have barely kept up with prices. Overall pay has been rising about 2 percent a year, roughly equal to inflation.

The best raises have gone to workers with specialized skills in a few booming industries—energy, transportation, health care, technology. Those in retail or government have been less fortunate.

"If you're in an in-demand field, with the right skill set, the chance of getting a raise is much higher," says Katie Bardaro, an economist at PayScale, a pay-tracking firm.

Typically in a recovery, raises in a few industries lead to raises in others as workers become confident enough to quit one job for another for more pay.

This time, the subpar recovery has slowed pay gains. Technology has played a role, too. It's lifted pay for people who work, for example, with programs that sift data from your mobile devices so companies can pitch products matched to your interests. Yet workers in industries upended by the Internet, such as retailers left behind by e-commerce, have been hurt.

Here are industry standouts—and laggards—on pay:

## **OIL AND GAS**

Fracking—the pumping of liquid and sand into the ground to squeeze oil from rocks—is opposed by environmentalists worried about pollution. But it's driven a boom in jobs and wages. Oil and gas workers earned an average 11 percent more an hour in April than they did a year ago, according to the Bureau of Labor Statistics. That's more than five times

the average gain across all industries.

## **TEMP SURGE**

Though many temp workers would like full-time jobs with benefits, at least their pay is climbing. Robert Half International, a staffing firm, says higher pay for its temps forced it to raise the rates it charges employers by 2.6 percent in the first quarter, a point higher than its increase late last year.

## **HIGH-TECH**

Non-managers at computer-system design companies earned an average 4.1 percent more in April than a year ago, the latest in a string of increases beginning in 2012. Their pay hadn't risen in the three prior years. Pay is strong for specialists in "Big Data"—digital information that includes data culled from mobile devices to spot trends or build digital dossiers on people.

Also hot are people who use technology to help [health care providers](#) digitize medical records. Nearly three-quarters of health care providers are having trouble attracting workers with expertise in e- records, according to a survey last year by Towers Watson, a consultant.

## **BLUE COLLAR BOUNCE**

As manufacturing picks up, trucking companies are desperate for drivers. And not surprisingly, truckers are earning more. Hourly pay for transportation and warehouse workers was 4.4 percent higher than a year earlier in each of the past three months—a streak unmatched in over three decades.



In this March 25, 2014 file photo, a technician inside a trailer monitors and directs the pressure and mix of water, sand and chemicals pumped during a hydraulic fracturing operation at an Encana Corp. well pad near Mead, Colo. Oil and gas workers earned an average 11 percent more an hour in April than they did a year ago, according to the Bureau of Labor Statistics. That's more than five times the average gain across all industries. (AP Photo/Brennan Linsley, File)

Ryder Systems, which rents trucks, said in a call with financial analysts that it's facing upward pressure on drivers' wages. Many drivers retired or left the industry during the financial crisis when demand plunged.

"I definitely am making more money," said Darrell Beyer, 56, a driver from Kingman, Arizona.

So are workers at companies that make construction equipment. They earned an average 11 percent more an hour in the past year, according to

the BLS.

Pay for non-managerial and production workers—who fill 80 percent of private non-farm jobs—is rising 2.3 percent annually. In previous recoveries, raises for these workers peaked at about 4 percent three or four years after they'd begun climbing. That raises at least the possibility that their pay will keep rising.

## **HOUSING**

Many of the skilled workers who are needed to build homes fled to other careers after the housing bust. Now, there aren't enough of them. Home construction workers have received an average 3.3 percent raise a year, according to the BLS, since their wages started rising in 2012. They'd fallen 4 percent over the previous two years.

Buck Consultants, a pay adviser, foresees raises for all construction workers, including those involved in commercial and industrial buildings, averaging more than 3 percent for a second straight year.

Among the industry laggards on pay:

## **RETAILERS**

Consumers are spending more, but that's not helping workers at some stores who earn the minimum wage or little more. Though some cities and states have enacted higher minimums, the minimum in 28 states is no more than the federal mandate of \$7.25 an hour.

Wages for liquor-store staff rose less than 1 percent in April from a year earlier, according to the BLS. At electronics stores, pay actually fell 4 percent. Perhaps some of their money was going to workers at Internet

retailers: Their pay jumped 3 percent.

Fast food workers aren't seeing much relief, either.

"I've been earning \$7.25 for six or seven years now," said Mary Coleman, a food preparer at Popeyes in Milwaukee. "It's hard to make ends meet."

## **GOVERNMENT**

Government budget cuts mean meager wage gains for local, state and federal workers. Wages rose less than 1 percent in 2013, according to Haver Analytics, a data provider. "The unions aren't pushing for more," said David Van De Voort, a principal at Buck Consultants. "They're focused on job security and retaining benefits."

## **ARTS**

Struggling with a fall in donations, theaters, orchestras and other arts groups appear to be retrenching. Workers in the broad category of art, entertainment and recreation, including actors, writers and musicians, earned 1.1 percent less in the first quarter than a year ago, according to a PayScale survey.

Overall, most U.S. workers have fared much better than that. But inflation has eroded their gains. From the start of the recovery in June 2009 through April, pay for non-managerial and production workers has dropped 0.2 percent after accounting for inflation. By this point in the previous three recoveries, wages had risen an average 2.3 percent after inflation.

Still some economists think the outlook for broader pay gains has brightened. More people are quitting jobs than at any time in six years, a



sign of confidence. A third of small businesses say they plan to raise pay within six months, double the proportion a year ago.

And the unemployment rate among workers who lost jobs less than six months ago is 4.1 percent, below its three-decade average. These short-term unemployed are the ones employers tend to draw upon to fill jobs. Fewer of them suggest pressure to keep present employees content by raising [pay](#).

"There comes a point where that excess supply (of workers) gets mopped up and wages begin to climb," says David Kelly, chief global strategist at JPMorgan Funds.

Still, many economists, including Federal Reserve Chair Janet Yellen, disagree. She says the still-high 6.3 percent unemployment rate for all workers, which includes 3.4 million people out of work for more than six months, gives employers reason to restrict raises.

The gloomy camp includes [workers](#) themselves. Nearly half of all households expect their inflation-adjusted income to decline over the next 12 months, a University of Michigan survey found last month.

That in itself could limit raises: If you don't think conditions are ripe for a raise, you're not likely to ask for one.

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