

# FOR MANY, IT'S A DECADE OF DECLINE

Wages earned by many Americans haven't grown in recent years, even as unemployment has declined. Here, we break down the many decreases and the modest increases in wages by occupation.

For 12 of the 22 major occupation groups tracked by the Bureau of Labor Statistics' Occupational Employment Statistics program, average annual pay\* in 2014 was less than it was in 2004. Wondering which "major" group includes your occupation? Visit [www.bls.gov/oes/current/oes\\_stru.htm](http://www.bls.gov/oes/current/oes_stru.htm).

## Average annual wage\* for all occupations and major occupation groups, 2004–14<sup>1</sup>

Occupation group	Real average annual wage		% Change
	2004	2014	2004–14
Personal care   Service	\$ 27,323	\$ 24,980	-8.6
Sales and related ❖	\$ 40,370	\$ 38,660	-4.2
Production ❖	\$ 36,698	\$ 35,490	-3.3
Installation   Maintenance   Repair	\$ 46,650	\$ 45,220	-3.1
Office   Administrative support ❖	\$ 36,372	\$ 35,530	-2.3
Building   Grounds cleaning   Maintenance	\$ 26,934	\$ 26,370	-2.1
Transportation   Material moving ❖	\$ 34,943	\$ 34,460	-1.4
Farming   Fishing   Forestry	\$ 25,455	\$ 25,160	-1.2
Education   Training   Library ❖	\$ 52,741	\$ 52,210	-1.0
Healthcare support	\$ 29,103	\$ 28,820	-1.0
Construction   Extraction	\$ 47,026	\$ 46,600	-0.9
Community   Social service	\$ 45,672	\$ 45,310	-0.8
Food preparation   Serving related ❖	\$ 21,971	\$ 21,980	0.0
Life   Physical   Social science	\$ 70,087	\$ 70,070	0.0
Protective service	\$ 43,667	\$ 43,980	0.7
Legal	\$ 100,155	\$ 101,110	1.0
Arts   Design   Entertainment   Sports   Media	\$ 54,784	\$ 55,790	1.8
Computer   Mathematical	\$ 82,107	\$ 83,970	2.3
Business   Financial operations	\$ 70,664	\$ 72,410	2.5
Management	\$ 107,199	\$ 112,490	4.9
Architecture   Engineering	\$ 77,394	\$ 81,520	5.3
Healthcare practitioners   Technical	\$ 71,829	\$ 76,010	5.8
<b>All occupations</b>	<b>\$ 46,399</b>	<b>\$ 47,230</b>	<b>1.8</b>

❖ Occupation employed more than 8 million people in 2014

### Year-over-year change in GDP,\* 2004–14<sup>2</sup>

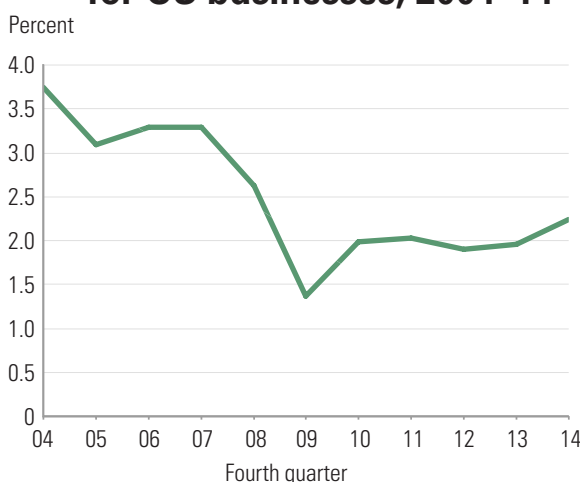


When asked why wage growth—or the lack thereof—matters, Cleveland Fed economist **Joel Elvery** notes that personal consumption accounts for roughly 70 percent of the country's gross domestic product (GDP).

"When wages are flat, it limits the amount of expansion in personal consumption, so it stifles the growth of the economy," he says.

Indeed, GDP and wages have had slow growth in common in recent years.

### Growth in compensation costs for US businesses, 2004–14<sup>1</sup>



There's reason for optimism, however. Consider the Employment Cost Index,<sup>1</sup> which is one measure of what employers are spending on labor, including wages and benefits.

In the fourth quarter of 2014, the year-over-year change in compensation grew at a rate (2.25 percent) not seen since the fourth quarter of 2008. In other words: Wage growth has picked up a bit.

Read more in the Cleveland Fed's *Forefront* magazine about the drivers of slow wage growth: [tinyurl.com/kg8x5qb](http://tinyurl.com/kg8x5qb)

\*Adjusted for inflation. All wages are in 2014 dollars.

Sources: <sup>1</sup>Bureau of Labor Statistics, US Department of Labor; <sup>2</sup>Bureau of Economic Analysis