

Delaware Annual Economic Report 2011



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Delaware

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Introduction

The 2011 Delaware Annual Economic Report has written contributions from two people at the Office of Occupational and Labor Market Information (OOLMI), Delaware Department of Labor. Each section is marked by the author's initials: George Sharpley, Ph.D., Economist and Chief (**GS**) or Thomas Dougherty, Labor Market Information Supervisor (**TD**). The report was edited by Lyn Anderson, Production Coordinator, OOLMI.



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Overview of Employment by Industry

Construction

Employment in the Construction sector was essentially flat in Delaware from 2010 to 2011, measured as annual averages for each year. There were 19,290 private sector jobs here during 2010, and 19,280 in 2011. However, measured from December 2010 to December 2011, the industry lost 1,170 jobs. This difference between annual averages, where employment was nearly unchanged, and calendar 2011, where jobs fell by nearly six percent, reflects the economic bottom which occurred early in 2010, and an economic recovery which began in mid-2010, and lost momentum in mid-2011. Private industry employment was 27,420 in 2007, just prior to the recession. There are an additional 1,500 construction workers employed by state government, but they are included under State Government in this report.

Construction employed 4.8 percent of the state's workforce and paid 5.0 percent of the total wages in Delaware in 2011, just over \$1 billion. This is down by over \$340 million from the peak in this industry in 2006. The average wage here increased by 6.8 percent in 2011, to \$52,468. This varies considerably by county, with the Sussex County average at \$41,515; Kent County at \$43,410, and New Castle County at \$54,815. The number of jobs fell by 330 in New Castle County from 2010, by 80 in Kent County, and by 40 in Sussex County (these declines were almost completely offset by an increase in employment at firms classified as multi-county, to leave state employment down by only 10 jobs). Since the recession began in 2007, Construction jobs dropped relatively more in Kent County, where they fell by 43 percent. The decline in Sussex County was 33 percent, and in New Castle County, 30 percent. In 2011,

there were 12,590 Construction jobs in New Castle County, 3,720 in Sussex County, and 2,020 in Kent County.

There are three sub-sectors which make up the Construction industry: *Construction of Buildings, Heavy and Civil Engineering Construction, and Specialty Trade Contractors*. Over the past year, this last sub-sector increased employment by 280 jobs in the state (2.4 percent). The number of jobs in building construction fell by 80 (1.7 percent), while there was a relatively large decline in Heavy and Civil Engineering private employment of 210 jobs (8.1 percent).

Since 1990, the lowest number of jobs in this industry was 18,260, in 1994. The peak was 29,260 in 2006. The Construction industry has stabilized, but not yet begun to recover from the recession. Its 2011 total is between the levels achieved in the state in 1994 and 1995.



Manufacturing

Employment in Manufacturing declined by 480 jobs, or 1.8 percent, from 2010 to 2011, continuing a long-term trend. This sector has gained jobs in Delaware in only 4 out of the past 21 years. The 2011 average of 25,670 jobs represents 6.4 percent of Delaware's total employment. Total wages paid in 2011 were \$1.44 billion, which was 7.1 percent of all wages paid in the state. The average wage in this sector was \$56,203 in 2011, a decline of 1.5 percent from 2010. The average wage shows great variation across the counties, in part due to the different types of manufacturing in different areas of the state.

There are 20 sub-sectors in Manufacturing. *Food Manufacturing* is by far the largest among them in Delaware, with 8,760 jobs in 2011, more than one-third the sector's total. Food Manufacturing represents nearly three-quarters of Sussex County's Manufacturing employment. It is also a relatively low-paying industry, leading to average pay in Manufacturing in Sussex County of \$34,481 in 2011. In Kent County, Food Manufacturing makes up 23 percent of total Manufacturing jobs, with *Paper Manufacturing* just slightly larger. Average annual pay in Manufacturing in Kent County was \$51,674 in 2011. *Computer and Electronic Product Manufacturing* is the largest sub-sector in New Castle County, accounting for 24 percent of jobs in the sector. *Chemical Manufacturing* and *Plastics and Rubber Products Manufacturing* are the next largest subsectors. All pay relatively high wages, leading to New Castle County's \$76,855 average wage in 2011. In 2011, there were 11,740 Manufacturing jobs in New Castle County, 10,550 in Sussex County, and 3,250 in Kent County.

Industry sub-sectors which gained jobs in 2011 were led by *Petroleum and Coal Products Manufacturing*, which added 270 jobs. *Fabricated Metal Product Manufacturing* and *Plastics and Rubber Products Manufacturing* were the next biggest gainers, with each adding 140 jobs. Job losses came mainly in *Chemical Manufacturing*, which declined by 710 jobs, though that was primarily due to an administrative re-classification of jobs into another industry. There were 130 jobs lost in *Transportation Equipment Manufacturing*.

Jobs in Manufacturing in Delaware are down by 7,900 (23.5 percent) since 2007, but this period looks less like a recession than a continuation of a much longer trend in this industry. After declining from the modern peak of 46,010 jobs in 1990, Manufacturing gained jobs at the end of the 1990's, but has been in near-steady decline since then, with cumulative job losses of over 19,000 jobs.

Wholesale Trade

Employment in the Wholesale Trade sector was basically unchanged in 2011, with a total of 12,490 jobs in 2011, compared to 12,500 in 2010. Employment remains substantially below the total of 14,830 recorded in 2007 before the recession.

While a relatively small industry sector, employing 3.1 percent of Delaware's workforce, it pays 5.1 percent of the state's total wages, an amount just over \$1 billion. The average wage of \$82,537 was fourth highest among the 19 industry sectors for which we publish wage data (wage data in the Utilities sector are not published due to confidentiality rules). The high average wage comes from the jobs in New Castle County, where more than two-thirds of the state's total jobs in this

industry are located. The average wage in New Castle County was \$91,840 in 2011. It was \$53,488 in Sussex County and \$44,513 in Kent County.

There are three sub-sectors in this industry: *Merchant Wholesalers of Durable Goods*, *Merchant Wholesalers of Nondurable Goods*, and *Electronic Markets and Agents and Brokers*. In 2011, gains in the first sub-sector were largely offset by losses in the last. Employment in the Electronic Markets sub-sector took off beginning in 2001, growing from 600 jobs in the year 2000 to over 3,000 jobs by 2008. It has declined in each year since, falling to 2,260 in 2011. The other two sub-sectors appear to have at least stabilized, with the increase in durable goods probably tied to the pick-up in car sales.

Retail Trade

Not long ago Delaware's biggest industry in terms of jobs, Retail Trade has fallen behind the fast-growing Health Care and Social Assistance industry sector. Retail Trade employs 12.6 percent of the state's workforce, but pays only 6.5 percent of the state's total wages, in part due to the high proportion of part-time workers. The total wage bill in this sector was just over \$1.3 billion in 2011, with an average annual wage of \$25,965.

Employment increased by 720 jobs in 2011, but remains more than 3,700 jobs below where it was at the start of the recession. There were job gains in both New Castle and Kent Counties, but employment was flat in Sussex County, where Retail is the top employer, with 11,540 jobs in both 2010 and 2011. The number of jobs in Sussex County Retail is above the level of 2007; the other two counties have not yet fully recovered from the recession.

There are 12 sub-sectors in Retail Trade; seven gained jobs in 2011, while five declined. The largest gainers were *General Merchandise Stores* (+780), *Electronics and Appliance Stores* (+210), and *Motor Vehicle and Parts Dealers* (+150). The sub-sectors losing the greatest number of jobs were *Sporting Goods, Hobby, Book, and Music Stores* (-210), *Food and Beverage Stores* (-130), and *Miscellaneous Store Retailers* (-120).

Since 1990, Retail Trade's lowest job totals came in 1991, at 42,220 jobs. Employment grew at a fairly steady pace through 2007, when the number of jobs peaked at 54,320. After modest growth in 2010, Retail Trade posted a healthy 1.4 percent increase in jobs in 2011.

Transportation and Warehousing

Total private employment in this sector was 8,800 jobs in 2011, amounting to 2.2 percent of the state's workforce. This number excludes the more than 3,400 jobs engaged in this industry under federal, state, and local government employment. It also excludes the estimated 1,350 railroad employees, as they are not covered under unemployment insurance laws. Total wages for the workers reported in this sector amounted to \$357 million in 2011, 1.8 percent of the state's total wage bill, and the average annual wage was \$40,221.

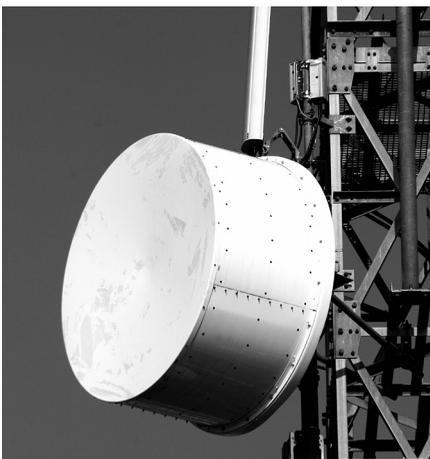
Employment grew modestly in 2011, with 130 total jobs added, mainly in *Truck Transportation and Support Activities*, but the number of jobs is still more than 1,000 below the 2007 peak of 10,400. Growth occurred in New Castle and Sussex Counties, while employment in Kent County fell by 40 jobs. The average wage was somewhat higher in New Castle County, where 62 percent of the sector's jobs are located, at \$44,047 in 2011. Average wages were lowest in Sussex County, at \$30,704.

Information

The already small Information industry sector continued to shrink in 2011, dropping below 6,000 total jobs for the first time in 15 years. It employs 1.4 percent of the state's workforce and pays 1.6 percent of its total wages, \$325 million in 2011. The average wage was \$57,419 in 2011. This varied less across the counties than many other industries. In New Castle County, where 80 percent of the jobs are located, the average wage was \$58,513. In Kent County, it was \$46,861, and in Sussex County, \$49,445. The number of jobs fell in 2011 in all three counties.

There are six sub-sectors in this industry, the largest being *Telecommunications*, which had 2,700 workers in 2011. The only other sub-sector with more than 1,000 employees is *ISPs, Search Portals, and Data Processing*, which had 1,150. *Publishing*, which at one time had nearly 1,800 workers, continued to decline and had 960 jobs in 2011.

From a low point of 4,070 jobs in 1992, the Information sector grew rapidly, peaking at 8,150 jobs in the year 2000. Since then, it has declined almost as rapidly as it grew, with the recession having a less noticeable impact than the longer term technology-driven trend.



Finance and Insurance

There was a very modest gain of 90 jobs in the Finance and Insurance industry sector from 2010 to 2011, leaving total employment at just below 37,000 jobs, which is 9.2 percent of the state's workforce. The \$3.1 billion in wages is the highest of any industry sector in the state, making up 15.3 percent of the state's total wages. The average annual wage of \$84,266 is exceeded by only two industries for which data are published, Management of Companies and Enterprises, and Professional, Scientific, and Technical Services.

New Castle County has 89 percent of the jobs in Finance and Insurance, and was the only county with job gains (450 net new jobs) in this sector in 2011. Average wages are also higher there, at \$87,150 in 2011, compared with \$62,553 in Kent County and \$44,217 in Sussex County.

There are four sub-sectors, with the largest by far being *Credit Intermediation and Related Activities* (this sub-sector includes banks). The 24,900 jobs here represented a decline of 840 jobs from 2010. This banking sector has been losing jobs in Delaware for over a decade. (The data show a spike in jobs of over 7,500 in 2003, but that was just an administrative industry re-classification.) The job losses in banking were almost exactly offset by gains in the *Securities, Commodity Contracts, and Investments* sub-sector, which gained 820 jobs in 2011. The *Insurance* sub-sector added 120 jobs, for a 2011 average of 6,820, while the sub-sector *Funds, Trusts, and Other Financial Vehicles* went from a total of 330 jobs down to 320 jobs.

The Finance and Insurance sector's number of jobs peaked in 2001, corresponding to the peak in the banking sub-sector. With the exception of a small dip in 2003 and 2004, the

Securities sub-sector has grown steadily since 1991, with very little negative impact from the recent recession. Employment in the Insurance sub-sector appears to be highly cyclical in Delaware, where jobs were lost in each of the last three recessions, then gained back during economic expansions. The number of jobs in Insurance in 2011 was about the same as in 1997, with two peaks and valleys in between.

Real Estate and Rental and Leasing

This small industry sector became a little smaller in 2011, losing 250 jobs to a level of 5,490. This amounts to 1.4 percent of Delaware's employment. The \$228 million paid in wages was 1.1 percent of the state's total. The average wage in 2011 was \$41,527.

There was a gain of 40 jobs in New Castle County, which was more than offset by losses in each of the other two counties. There were 3,380 jobs in New Castle County, paying an average of \$46,437 in 2011. Sussex County came next, with 1,630 jobs paying an average \$32,168, while Kent County had only 410 jobs, paying \$33,202.

There are only two sub-sectors in this industry, *Real Estate*, and *Rental and Leasing Services*. They have followed a similar pattern of growth and decline, peaking at different times. The number of jobs in Real Estate peaked just prior to the recent recession at 4,890 jobs in 2006. This is the well-known real estate bubble. The number of jobs here have fallen every year since. Employment in Rental and Leasing Services peaked much earlier, in 2000, at 2,400 jobs. This peak corresponds to the height of video rental services, which by now have largely moved out of brick and mortar locations. The impact of the recession is barely discernible here, as compared to the impact of technological change.

Professional and Technical Services

The Professional and Technical Services industry sector, which includes legal, accounting, engineering, design, and consulting services, among others, along with scientific research, added 700 jobs in 2011. The job numbers show a gain of over 2,000 jobs, but most of it was due to administrative reclassification. Nonetheless, actual growth of about 3.5 percent in one year is quite healthy. The actual job gains came in Computer Systems Design and Architectural and Engineering Services. Most of the apparent gains, which were really just administrative reclassification out of other industries, came in research and development in biotechnology and life sciences.

The nearly 26,000 jobs in Professional and Technical Services (there are no sub-sectors in this industry) represent 6.4 percent of Delaware's workforce. The \$2.3 billion paid in wages was 11.4 percent of the state's total. The average wage was \$89,618 in 2011.

Eighty-five percent of the jobs in this industry are located in New Castle County, where the average annual wage of \$94,898 is nearly twice that in Kent County (\$52,442) and Sussex County (\$51,561). Employment was nearly flat in the two southern counties, with all of the job gains in 2011 in New Castle County.

Employment declined dramatically in the early 1990's, falling from 28,000 down to 21,000. It then rose just as dramatically, peaking at over 27,000 by the year 2000. The number of jobs then bounced around for a few years before being hit hard by the recent recession, with the bottom of 23,680 jobs coming in 2010.

Management of Companies and Enterprises

This industry sector, which has no sub-sectors, consists of establishments whose main purpose is to manage the operations of the larger enterprise, commonly known as headquarters. It also includes holding companies, which typically report only one employee. There are several thousand of these in Delaware. There were job losses in this sector in 2011, although not as many as the data appear to show. Just under 1,000 of the jobs were administratively reclassified into the Professional and Technical Services industry, leaving a real decline of just under 600 jobs. These tend to be very well-paying jobs, however, as the industry's \$128,334 average wage in 2011 was the highest of all industry sectors. The 8,070 employees here are 2.0 percent of the state's workforce, but the \$1 billion payroll represents 5.1 percent of Delaware's total wages.

Ninety-five percent of the jobs in Management of Companies and Enterprises are located in New Castle County, with Kent and Sussex Counties having 160 jobs each. The average wage varies greatly: \$130,136 in New Castle County, \$98,576 in Sussex County, and \$68,993 in Kent County.

Employment peaked in the year 2000, and a gradual decline was made steeper by the recent recession. There have been no signs of a recovery in employment here.



Administrative and Waste Services

There was a gain of 440 jobs, or 2.1 percent, in the Administrative and Waste Services industry sector in 2011, coming on the heels of a slightly smaller gain the previous year. The 21,800 employment level represents 5.4 percent of the state's employment, while the \$714 million in total wages was 3.5 percent of the state's total wage bill. The average wage of \$32,743 is among the lowest in the state.

New Castle County has 70 percent of the jobs and accounted for most of the gain in 2011, adding 570. Sussex County increased employment in this sector by 80 jobs to 2,710, while Kent County employment declined, dropping from 2,760 jobs in 2010 to 2,520 in 2011. The average wage is similar in the two southern counties, \$28,577 in Kent County and \$28,717 in Sussex County, and a little higher in New Castle County, at \$34,024.

There are two sub-sectors in this industry. *Administrative and Support Services*, which includes temporary help, telemarketing, janitorial, security, and landscaping services, has the bulk of the sector's employment, with 20,640 jobs in 2011. *Waste Management and Remediation* is the other sub-sector; employment there increased by 60 jobs last year, to a total of 1,160.

Employment in Administrative and Waste Services peaked in Delaware in 1999 at just under 27,000 jobs. It fell off rapidly in the recession of 2001, grew moderately after that, then fell off again in the recent recession. Employment appears to have bottomed out in 2009 and has now grown the past two years.

Educational Services

Educational Services has several features which sets it apart from other industries. The ownership structure encompasses privately-owned establishments, local government public education, and state-owned schools. The service provided ranges from elementary through vocational to university level. The broad industry across these ownerships and service levels provided 33,190 jobs in 2011, 410 more than in 2010, and representing 8.2 percent of the state's total jobs. There were \$1.7 billion in wages paid, which was 8.2 percent of the state's total. The average annual wage of \$50,527 in 2011 was \$23 more than Delaware's overall average of \$50,504.

Local government employs 56 percent of the total education workforce through the public school system, accounting for more than all of the gain in jobs in 2011 (state government education declined). The average wage here was \$47,900 in 2011. Excepting a small decline of fewer than 250 jobs in 2002, the trend has been continually upward, from 12,690 jobs in 1990 to 18,670 in 2011.

State government education includes charter schools, the community college system, and public universities. There

were 10,080 jobs at these institutions in 2011, not including student workers. This was down by 110 from 2010. The average wage at state-owned schools was \$59,808 in 2011. The long term job trend is not as uniform as for local education. There was a decline of 900 jobs through the first five years of the 1990s, followed by steady gains to a peak of 10,700 jobs in 2002.

Private education is the smallest employer of the three, with 4,430 jobs in 2011, 70 more than in 2010. The average wage is lowest here, as well, at \$40,680 in 2011. The number of jobs in private education increased rapidly from just below 3,000 in 2001 to over 4,200 in 2006. Since then, it has fluctuated within a fairly narrow band of several hundred jobs.

Health Care and Social Assistance

In 2007, Health Care and Social Assistance surpassed Retail Trade as Delaware's top industry sector in terms of employment. The gap between them has widened each year since then. There were 57,620 jobs in privately-owned facilities in 2011, an increase of 1,440 jobs from 2010. In addition, there were 5,410 jobs in federal and state government facilities. The private employment accounts for 14 percent of Delaware's total workforce. The \$2.8 billion in wages was 13.9 percent of the 2011 total wages in the state, making the \$49,003 average annual wage slightly below the overall state average.

Sixty-six percent of the jobs are in New Castle County. This proportion has increased in recent years, as most of the new jobs have been there. Jobs in New Castle County in this industry increased by 970 from 2010 and by 5,620 from 2007 levels. Sussex County, with the second highest job total of 9,460 in 2011, increased by 390 from 2010 and by 1,310 from 2007. Kent County has not seen such rapid growth; jobs there increased by 430 from 2007, and by 30 from 2010, for a 2011 total of 7,850 jobs. Average pay was also lower in Kent County, at \$38,622 in 2011. In Sussex County, the average pay was \$46,868, and in New Castle County, \$51,571.

There are four sub-sectors in this industry sector. The largest, if we include government-owned facilities, is *Hospitals*, with 22,170 jobs in 2011. Just over 3,000 jobs have been added at Delaware Hospitals since 2007. *Ambulatory Health Care Services*, which includes the offices of health care practitioners, grew the most from 2010 to 2011, when 720 jobs were added. There were 18,470 jobs in this sub-sector in 2011, up by 2,230 from 2007. The fastest-growing sub-sector since 2007 has been *Nursing and Residential Care Facilities*. Jobs there went from 8,340 in 2007 to 10,570 in 2011, an increase of 27 percent. The smallest and slowest-growing sub-sector is *Social Assistance*, which includes child day care. There were 9,300 jobs in this sub-sector in 2011, up from 9,240 in 2010, and 8,230 in 2007.

Job growth in Health Care and Social Assistance has been remarkably steady for more than two decades. Recessions have not shown an appreciable impact.



Arts, Entertainment, and Recreation

The Arts, Entertainment, and Recreation industry sector showed healthy job growth for the second consecutive year in 2011, adding 230 jobs (+2.7 percent), after gaining 390 jobs in 2010. Its 8,760 jobs in 2011 represented 2.2 percent of the state's total employment, while the \$245 million in total wages was 1.2 percent of the overall total. The average wage was \$28,074.

Over half of this sector's jobs are in New Castle County, but recent growth has been in the other two counties. The number of jobs in New Castle County declined by 10 from 2010; jobs are down by 60 since 2007 there. In Sussex County, there were 60 jobs gained in 2011, leaving total jobs there 100 more than in 2007. Kent County has seen the biggest increases, adding 280 jobs in 2011. Job totals in this sector in Kent County are 560 more than in 2007. Average wages are similar in New Castle County (\$29,081) and Kent County (\$28,354), but lower in Sussex County (\$22,501).

There are three sub-sectors in this industry. *Performing Arts and Spectator Sports* employed 730 in 2011, down by 10 from 2010, and down by 80 from 2007. *Museums, Historical Sites, Zoos, and Parks* has moved in the opposite direction, adding 50 jobs from 2007 to get to a total of 800 jobs in 2010, then remaining at that level in 2011. *Amusements, Gambling, and Recreation* is the biggest sub-sector and the fastest-growing, adding 240 jobs in 2011, for a total of 7,230. Since 2007, this sub-sector has gained 650 jobs.

Arts, Entertainment, and Recreation grew throughout the 1990s, about doubling in size to peak at nearly 9,000 jobs in 2005. It began losing jobs prior to the recession, but also recovered early. It is now up nearly 1,000 jobs from its low point in 2009.

Accommodation and Food Services

Employment in the Accommodation and Food Services industry sector continued to grow in 2011, adding 730 jobs, a 2.2 percent annual growth rate. Since the recession began in 2007, this sector has added 1,770 jobs, representing 5.4 percent growth. The 34,380 jobs in 2011 represented 8.5 percent of the state's total, while the industry paid \$563 million in wages, 2.8 percent of the total wages paid in the state. The \$16,393 average annual wage in 2011 was the lowest of all major industry sectors. This figure does not include tips.

Fifty-eight percent of the jobs, and nearly all the job growth, was in New Castle County in 2011. There were 860 jobs added there, for a total of 19,930. Kent County saw an increase of 90 jobs, while Sussex County lost 200. The average wage is also highest in New Castle County, at \$16,852. In Sussex County it was \$16,617 in 2011, and in Kent County, \$13,849.

There are two sub-sectors in this industry, *Accommodation*, with a workforce of 3,140 in 2011, and *Food Services*, which had 31,240. While employment in Food Services has increased in nearly a straight line since 1990, job growth in Accommodation has been more uneven. Employment fell from 1990 through the mid-1990s by almost 700 jobs, and then rebounded through 2007 to almost 1990 levels. A post-recession rebound began in 2009, sending employment in Accommodation to its current all-time high.



Other Services

The industry sector Other Services showed stable employment in the number of Unemployment Insurance covered employees in 2011, but there are a large number of non-covered workers in this industry, particularly at religious institutions. Good data on their numbers do not exist, but we estimate there are about 7,000 such workers in the state, who are not included in these figures.

The 13,060 covered employees in 2011 were an increase of 30 over 2010, and represented 3.2 percent of the state's total covered employment. The sector paid \$360 million in wages, 1.8 percent of the overall total. The average annual wage in 2011 was \$27,599.

Two-thirds of this sector's employment was in New Castle County. The average wage was also highest there, at \$28,874. Sussex County had slightly more workers than Kent County, 2,190 versus 1,810. Wages were also slightly higher in Sussex County, \$25,005 versus \$23,976.

There are four sub-sectors: *Repair and Maintenance*, with 3,250 jobs in 2011; *Personal and Laundry Services*, which had 4,310 jobs; *Membership Associations and Organizations*, the largest at 4,710 jobs, and *Private Households*, with 790. Employment in all the sub-sectors has been relatively stable in recent years, with only Repair and Maintenance showing much change since 2007, losing 350 jobs.

Government

Government does not really fit in with the other industry sectors, as it is an ownership concept, not a functional concept. Functionally, employees at a federal government hospital would be listed under Health Care, not Government. In a strictly functional hierarchy, the jobs not falling under one of the other industry sectors would be classified as Public Administration, not Government. Practically, there is a tendency to place jobs in an ownership context first, then to place private employment into functional industry sectors, so here we include all Government workers. There will be some overlap with the number of jobs reported in other industries, such as Education.

There were an average of 60,440 people working in all levels of government in Delaware in 2011, a decrease of 30 from 2010, but up by 1,670 since the recession began in 2007. This represents 15 percent of the total employment in the state. There were \$3.0 billion in wages paid, representing 14.9 percent of all wages paid. The \$50,288 average wage was just slightly below the overall average of \$50,504.

State Government is the largest employer of the three levels of government, with 29,000 workers in 2011. This was down by 170 from 2010, but up by 370 from 2007. The average wage for State Government workers was \$50,086 in 2011. State Government includes the charter schools, community colleges and public universities, as well as administrative agencies. Local Government, which includes county and city/town governments, as well as public schools, had 25,630 workers in 2011, up by 460 from 2010, and up by 1,000 from 2007. The average pay in Local Government was \$47,475 in 2011. Federal Government, which includes the Post Office, various agencies, and civilian military jobs (but not service members), had 5,810 workers in Delaware in 2011, down by 320 in 2010, but up by 300 from 2007. The 2010 job number was somewhat inflated by temporary hiring for the Census. The average annual pay in Federal Government in the state was \$63,691 in 2011.



By county, the bulk of employment for all levels of government was in New Castle County. At the federal level, there were 3,280 jobs there in 2011, 1,980 in Kent County, and 550 in Sussex County. There were 15,610 State Government jobs in New Castle County, 11,690 in Kent County, and 1,590 in Sussex County. In Local Government, 14,770 jobs were in New Castle County, 5,050 in Kent County, and 5,810 in Sussex County.

GS

Labor Market Statistics by Demographic Group

This section presents statistics for various demographic groups in the state. The data come from the Current Population Survey (CPS) of households conducted by the US Bureau of the Census for the US Bureau of Labor Statistics. The monthly sample size in the state is around 1,000 households, too small to avoid large changes in estimates due simply to statistical sampling variability, so these data are

averages from the period July 2011 to June 2012. Averaging data over a 12 month period reduces sampling variability and seasonal variability.

It should be noted that while statistics such as the unemployment rate and labor force participation rate can be calculated for demographic groups, skills and skills gaps are individual in nature, and should not be applied

to groups. Skills are specific to an individual or occupation. All demographic groups of any appreciable size contain individuals with a variety of degrees of every skill the labor market demands. The skills required to be a good surgeon are the same for individuals of any background, and the methods of acquiring those skills are invariant with regards to background.

Civilian Labor Force Participation Rate (LFPR)

The LFPR for any group is the proportion of that group engaged in the labor force by either being employed or actively seeking work. Mathematically, it is the employed + the unemployed, divided by the noninstitutional population 16 years of age and older. It tends to vary mostly by age group, although it also varies along other characteristics. The LFPR can also change through time, typically rising during economic expansions, as more people enter the workforce, and falling during periods of slow growth, as discouraged workers cease looking for work and drop out of the labor force.

Overall, 62.5 percent of the state's noninstitutional population 16 years of age and older were either working or actively seeking work during the 12 month period ending in June 2012. Delaware's LFPR has fallen in every year since its most recent peak of 69.8 percent in 2000. It is lowest among the 65+ age group, at 19.7 percent for men and 15.6 percent for women. The next lowest labor force participation is among teenagers, at 31.1 percent for males 16 to 19, and 36.6 percent for females 16 to 19. LFPR peaks at 88.6 percent for males between the ages of 25 to 34. The highest rate for women is 77.5 percent in the 45 to 54 age group.

Among everyone age 20 and over, the difference between male and female participation rates is greatest among the Hispanic population, where the male LFPR is 84 percent and the female LFPR is 52.8 percent. In the White population, the male LFPR is 67.8 percent and the female LFPR is 60 percent, while in the Black population the male LFPR is 70.9 percent, while the female LFPR is 62.6 percent.



Employment

The average total employment level over the 12 month period is 412,000, with 344,000 usually working full-time. Among the 68,000 residents who usually work part-time, only 17,700 would prefer to work full-time.

Employment is almost evenly split between genders, with 206,500 males employed and 205,500 females employed. By race/ethnicity, employment levels are 310,600 White, 80,800 Black, and 35,000 Hispanic. There were 2,500 new entrants to the labor force during the period (people who have not worked before).



Unemployment

The unemployment rate, which is the number of people who are willing, able, and actively seeking work divided by the labor force, varies greatly across different demographic groups. Hispanic males over the age of 19 have the lowest unemployment rate at 4.3 percent, while Black teens have an unemployment rate of 42.6 percent.

The overall unemployment rate for the 12 month period is 7.0 percent. For whites, it is 5.9 percent, for Blacks, 11.0 percent, and for Hispanics, it is 7.7 percent. Males of all races have an unemployment rate of 7.4 percent; females have an unemployment rate of 6.5 percent. By age group, male teens have the highest unemployment rate at 20.9 percent and female teens the next highest at 17.8 percent. For males 20 to 24, the rate falls to 13.2 percent; females in that age group have a 7.4 percent unemployment rate. Male rates continue to fall until the 55 to 64 age group: ages 25 to 34, 8.2 percent; 35 to 44, 5.7 percent; 45 to 54, 4.9 percent. Male rates then rise to 5.5 percent for the age group 55 to 64 and to 9.8 percent for males 65 and older. Women have a slightly different pattern. The rate rises from 7.4 percent for females in their early twenties to 9.1 percent in the 25 to 34 age group. The rates are then similar for all older age groups: 35 to 44, 5.4 percent; 45 to 54, 4.4 percent; 55 to 64, 5.2 percent, and 4.4 percent for women 65 and older.

Marginal Attachment

One issue that has gained attention recently is that when individuals without jobs cease looking for work, they are no longer considered unemployed. While this is necessary to keep people who do not want jobs from being considered unemployed, and hence in the labor force, the CPS does collect information on what is known as marginal attachment to the labor force.

There are 265,700 state residents over the age of 15 who are not in institutions and are not in the labor force. Of these, 247,500 say they do not want a job now, while 18,300 say they do want a job now. Half of these 18,300 say they searched for work at some time during the previous year and half did not search for work during the previous year. Among the people who did search, 1,400 are not currently available for work, leaving 7,800 who are available for work, want a job, have searched during the past year, but are not currently searching. About one-third of these people, 2,400, are not looking because they are discouraged over job prospects. These discouraged workers are down somewhat from 2010, when they numbered 3,500, but still up from earlier in the decade, when there would usually be about 1,000 discouraged workers in any given year.

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Education

One out of eight Delawareans (12.3 percent) over the age of 24 has an education below the level of a high school diploma or equivalency. While this level of education was sufficient for 25.9 percent of the state's jobs, the unemployment rate for people with less than a high school diploma was 12 percent in 2011 in Delaware, the highest of any education level. With just under one-quarter of the new jobs projected by 2020 having an entry-level education requirement below a high school diploma, the total percentage of jobs at this education level is expected to fall only slightly by 2020, to 25.7 percent of all jobs.

One reason for such high unemployment rates among people with less than a high school diploma, when it appears they would be qualified for a large number of jobs, is that people with a higher educational attainment also compete for many of those jobs. The two occupations with the most jobs in Delaware where less than a high school diploma may be acceptable are Retail Salespersons and Cashiers. Across the US, 76 percent of Retail Salespersons do have a high school diploma or equivalent, 9 percent have a bachelor's degree, and only 11 percent less than a high school diploma. For Cashiers, 42 percent have less than a high school diploma, 37 percent are high school graduates, and 14 percent have some college but no degree. Regardless of the educational level of the people holding them, the jobs which require less than a high school diploma are the lowest-paying, with an average wage of \$23,418 in Delaware in 2010. Other occupations at this education level with the most projected job growth are Fast Food Workers, Landscaping Workers, Janitors, and Home Health Aides.

Almost one-third (32.7 percent) of the state's residents over 24 years old have a high school diploma or equivalent as their highest level of education. This is close to the 38.8 percent of the state's jobs in 2010 requiring this level of education, but again, people with just a high school diploma compete with individuals with higher education levels for these jobs. The three most common jobs at this level in the state are Automotive Service Technicians or Mechanics, General Office Clerks, and Customer Service Representatives. Nationally, 88 percent of Mechanics have some college, 4 percent have associate's degrees, and only 8 percent just a high school diploma. Among Office Clerks, 52 percent have the minimum required high school diploma, 34 percent have bachelor's degrees, and 12 percent some college, but no degree. Just under half of the Customer Service Representatives have a high school diploma, 24 percent some college, and 23 percent have an associate's degree.

Postsecondary vocational education is a category of educational attainment in our job projections, but the Census does not provide any data on the number of people with this level of training. If the jobs that require postsecondary vocational education are added to those which require a high school diploma, they total 43.1 percent of the state's current jobs, and 46 percent of the projected new jobs by 2020. The Delaware unemployment rate in 2011 among people with just a high school diploma was 8.3 percent; no data are available for those with postsecondary vocational education. The average wage in the state for jobs requiring a high school diploma was \$40,188 in 2010. The average for postsecondary vocational education jobs was \$39,135.

Associate's degree was the highest educational attainment for 7.2 percent of Delaware's residents in 2010, while 5.9 percent of all jobs required that level of education. Just under one in five (19.3 percent) of the new jobs projected through 2020 will require associate's degrees, raising the expected proportion of all jobs then to 6.3 percent. The occupation at this level with the greatest number of jobs in the state by far is Registered Nurses. It also dominates the projected new jobs – the 2,500 new Registered Nursing positions projected by 2020 is greater than all other occupations requiring an associate's degree combined. Nationally, 64 percent of Registered Nurses hold associate's degrees, 29 percent bachelor's degrees, and 4 percent have some college with no degree. The unemployment rate in Delaware for people with this education level was 4.6 percent in 2011, while the 2010 average wage was \$74,317.

People holding bachelor's degrees and no higher degree made up 16.5 percent of the population over 24 years of age in 2010. Just under 16 percent (15.9 percent) of jobs required bachelor's degrees. Only 14.5 percent of the new jobs in the state through 2020 will require a bachelor's degree, pushing the expected total down to 15.8 percent by 2020. The occupations at this level with the most jobs in the state in 2010 were Accountants and Auditors, Elementary School Teachers, Secondary School Teachers, and Computer Systems Analysts. These are also the occupations with the most expected growth. At the national level, 79 percent of Accountants have bachelor's degrees, 9 percent master's degrees, and 5 percent associate's degrees. Among Elementary School Teachers, 75 percent have bachelor's

degrees and 25 percent master's degrees, while 87 percent of their secondary school counterparts had bachelor's degrees and 13 percent master's degrees. Computer Systems Analysts tend to have lower levels of formal education, with 41 percent holding associate's degrees, 26 percent bachelor's degrees, and 16 percent master's degrees. The unemployment rate for Delaware residents holding bachelor's degrees was 4.2 percent in 2011, while the average wage for those employed in jobs requiring a bachelor's degree was \$75,003 in 2010.

Graduate or professional degrees are held by 11.3 percent of Delaware's residents, but only 3.4 percent of the state's jobs required them in 2010. That proportion should increase slightly in the coming decade, as 4.3 percent of the new jobs projected by 2020 will require this highest level of educational attainment.

The most common occupations in Delaware where a master's degree is considered a requirement are Social Workers, School Counselors, and Elementary and Secondary School Administrators. Nationally, the actual education breakdown for Social Workers is 85 percent hold master's degrees, 11 percent hold bachelor's degrees, and 4 percent hold a doctorate or professional degree. Among School Counselors, 97 percent hold master's degrees and 2 percent bachelor's degrees. Eighty-four percent of School Administrators hold master's degrees, 9 percent hold bachelor's degrees, and 7 percent doctorates or a professional degree. In Delaware, Social Workers and School Counselors are projected to increase by the greatest amount, with Speech-Language Pathologists and Occupational Therapists projected to add the next-highest amount of new positions. The unemployment rate for people holding master's degrees was

3 percent in Delaware in 2011. The occupations listed as requiring a master's degree paid an average of \$62,118 in the state in 2010.

The occupations which require a doctorate or professional degree with the greatest numbers in Delaware in 2010 were Lawyers, Physicians and Surgeons, and Pharmacists. Nationally, 92 percent of all Lawyers hold a professional degree and 8 percent hold master's degrees. Two-thirds of Pharmacists hold a doctorate or professional degree, 17 percent hold a bachelor's degree, and 13 percent hold master's degrees. Physicians and Surgeons almost universally hold doctorate or professional degrees. The unemployment rate for Delawareans holding a doctorate or professional degree was just 0.4 percent in 2011. The average wage for those occupations which require one was \$144,558 in 2010.

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Delaware Job Market by Education

Education	Total Openings 2010-2020	Percent of Total Openings	New Jobs	Annual Percent Growth	2011 Unemployment Rate
Ph.D./Professional	3,985	2.6%	1,625	1.2%	0.4%
Master's	2,480	1.6%	959	1.4%	3.0%
Bachelor's	24,201	15.7%	7,478	0.9%	4.2%
Associate's	9,515	6.2%	4,741	1.7%	4.6%
Some College	899	0.6%	284	1.2%	7.8%
Vocational Education	7,244	4.7%	3,608	1.7%	Not Available
High School Graduate	58,837	38.2%	19,871	1.0%	8.3%
Less than High School	46,998	30.5%	12,000	1.0%	12.0%

Source: Delaware 2020 Occupation and Industry Projections, DE Dept. of Labor.

Disability

According to the 2010 American Community Survey, there were 60,128 noninstitutionalized Delaware residents between the ages of 18 and 64 (inclusive) with at least one disability. This represents 10.9 percent of the state's total noninstitutionalized population in that age group.

The labor force refers to people who are either working for pay (the employed) or who are able, available, and actively seeking work (the unemployed). The rest of the population in question is considered out of the labor force, a status that can be either voluntary or involuntary. The percentage of the population with disabilities in the labor force (either employed or unemployed) was 43.5 percent, just over half the 81.2 percent labor force participation rate of the population without disabilities. (Note that these data do not match similar data from the Bureau of Labor Statistics (BLS); the BLS population universe is all noninstitutionalized civilians 16 years old and older, with no upper age limit.) This means that 56.5 percent of people with a disability are out of the labor force, compared with 18.8 percent of those without a disability. Among those in the labor force, the employment rate for people with disabilities was

less than half that of those without disabilities, while the unemployment rate was more than double that of people without disabilities. Just over one-third, 35.1 percent, of the population with a disability was employed; almost three-quarters, 74.3 percent, of the population without a disability was employed. Among those with jobs, full-time work was less prevalent for people with a disability. Just over half (50.8 percent) were employed full-time. Almost two-thirds (65.4 percent) of the employed with no disability worked full-time.

Among those with earnings, individuals with a disability tended to have a lower income than those with no disability. The median income for an individual with a disability was \$20,369. This was 36 percent below the median income for individuals without a disability. The difference was slightly larger among women, compounding the usual gender difference in pay. Females with a disability had a median income that was 52 percent lower than males with no disability.

The unemployment rate, which is the number of people who are able, available, and actively seeking work divided by the labor force (not

population), was 19.3 percent for individuals with a disability, versus 8.4 percent for those without a disability. People with a disability made up 10.9 percent of the population, 6.1 percent of the labor force, 5.4 percent of the employed, and 13 percent of the unemployed.

Labor market experience varies greatly by type of disability. Individuals with a hearing difficulty were most likely to be engaged in the labor force, with only 32 percent out of the labor force. Nearly 60 percent (58.9 percent) of people with a hearing difficulty were employed, and 13.3 percent were unemployed. There were 7,173 Delaware residents with a hearing difficulty in the labor force in 2010.

Just under half of the residents with a vision difficulty were engaged in the labor force, with 51.7 percent out of the labor force. Those with jobs made up 44.3 percent of the population with vision difficulties. The unemployment rate of 8.3 percent was comparable to residents without a disability, and the lowest among the six types of disability for which data are provided. There were 4,643 residents with a vision disability in the labor force in 2010.

Just over one-quarter of residents with a cognitive disability were employed (25.9 percent), but 62.7 percent were out of the labor force. The unemployment rate among the 9,449 individuals with a cognitive disability was 30.7 percent.

Over two-thirds (68.9 percent) of residents with an ambulatory difficulty were out of the labor force. Just under one-quarter (24.2 percent) were employed, and the unemployment rate

among this group was 22.1 percent. There were 9,443 residents with an ambulatory difficulty in the labor force in 2010.

Eighteen percent of Delaware residents with a self-care difficulty were employed in 2010, but 73.7 percent were out of the labor force. Nearly one-third (31.6 percent) of those in the labor force were unemployed. There were 2,447 residents with a self-care difficulty in the labor force in 2010.

Individuals with an independent living difficulty were least likely to be employed or in the labor force. Their employment rate was only 17.1 percent, while 75.3 percent were out of the labor force. The unemployment rate for this group was 30.5 percent. There were 4,430 residents with an independent living difficulty in the labor force in 2010.

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Disability and Labor Market Attachment

	With a Disability	No Disability
Labor Force Participation Rate	43.5%	81.2%
Percent of Population Employed	35.1%	74.3%
Percent of Labor Force Unemployed	19.3%	8.4%

Source: 2010 American Community Survey 1-Year Estimates

Labor Market Attachment by Disability Type

Disability Type	Percentage of Population Employed	Percentage of Labor Force Unemployed	Percentage Out of the Labor Force
Hearing Difficulty	58.9%	13.3%	32.0%
Vision Difficulty	44.3%	8.3%	51.7%
Cognitive Difficulty	25.9%	30.7%	62.7%
Ambulatory Difficulty	24.2%	22.1%	68.9%
Self-Care Difficulty	18.0%	31.6%	73.7%
Independent Living Difficulty	17.1%	30.5%	75.3%

Source: 2010 American Community Survey 1-Year Estimates

Skills

The US Department of Labor, Employment and Training Administration, has developed a skills assessment for each occupation in the Occupational Information Network (O*NET), where a numerical score is assigned to each skill, indicating its importance for success in the occupation. The 35 basic and cross-functional skills are listed below. The list comes from a March 2010 report by Suzanne Tsacoumis and Shannon Willison of The Human Resources Research Organization, which describes the process used to develop the skill ratings.



Skill Definitions by Category

Skills are proficiencies that are developed through training or experience. The 35 skills in the O*NET database (*italicized*) are divided into basic skills and cross-functional skills. Basic skills, such as reading, facilitate the acquisition of new knowledge. Cross-functional skills, such as problem solving, extend across several domains of activities. Under these two broad headers, the skills are grouped into smaller categories.

BASIC SKILLS: Developed capacities that facilitate learning or the more rapid acquisition of knowledge.

✦ **Content** — Background structures needed to work with and acquire more specific skills in a variety of different domains

Reading Comprehension – Understanding written sentences and paragraphs in work related documents.

Active Listening – Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.

Writing – Communicating effectively in writing as appropriate for the needs of the audience.

Speaking – Talking to others to convey information effectively.

Mathematics – Using mathematics to solve problems.

Science – Using scientific rules and methods to solve problems.

✦ **Process** — Procedures that contribute to the more rapid acquisition of knowledge and skill across a variety of domains

Critical Thinking – Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems.

Active Learning – Understanding the implications of new information for both current and future problem-solving and decision-making.

Learning Strategies – Selecting and using training/instructional methods and procedures appropriate for the situation when learning or teaching new things.

Monitoring – Monitoring/Assessing performance of yourself, other individuals, or organizations to make improvements or take corrective action.

CROSS-FUNCTIONAL SKILLS: Developed capacities that facilitate performance of activities that occur across jobs.

✦ **Social Skills** — Developed capacities used to work with people to achieve goals

Social Perceptiveness – Being aware of others’ reactions and understanding why they react as they do.

Coordination – Adjusting actions in relation to others’ actions.

Persuasion – Persuading others to change their minds or behavior.

Negotiation – Bringing others together and trying to reconcile differences.

Instructing – Teaching others how to do something.

Service Orientation – Actively looking for ways to help people.

✦ **Complex Problem Solving Skills** — Developed capacities used to solve novel, ill-defined problems in complex, real-world settings

Complex Problem Solving – Identifying complex problems and reviewing related information to develop and evaluate options and implement solutions.

✦ **Technical Skills** — Developed capacities used to design, set-up, operate, and correct malfunctions involving application of machines or technological systems

Operations Analysis – Analyzing needs and product requirements to create a design.

Technology Design – Generating or adapting equipment and technology to serve user needs.

Equipment Selection – Determining the kind of tools and equipment needed to do a job.

Installation – Installing equipment, machines, wiring, or programs to meet specifications.

Programming – Writing computer programs for various purposes.

Operation Monitoring – Watching gauges, dials, or other indicators to make sure a machine is working properly.

Operation and Control – Controlling operations of equipment or systems.

Equipment Maintenance – Performing routine maintenance on equipment and determining when and what kind of maintenance is needed.

Troubleshooting – Determining causes of operating errors and deciding what to do about it.

Repairing – Repairing machines or systems using the needed tools.

Quality Control Analysis – Conducting tests and inspections of products, services, or processes to evaluate quality or performance.

✦ **Systems Skills** — Developed capacities used to understand, monitor, and improve sociotechnical systems

Judgment and Decision Making – Considering the relative costs and benefits of potential actions to choose the most appropriate one.

Systems Analysis – Determining how a system should work and how changes in conditions, operations, and the environment will affect outcomes.

Systems Evaluation – Identifying measures or indicators of system performance and the actions needed to improve or correct performance, relative to the goals of the system.

✦ **Resource Management Skills** — Developed capacities used to allocate resources efficiently

Time Management – Managing one’s own time and the time of others.

Management of Financial Resources – Determining how money will be spent to get the work done, and accounting for these expenditures.

Management of Material Resources – Obtaining and seeing to the appropriate use of equipment, facilities, and materials needed to do certain work.

Management of Personnel Resources – Motivating, developing, and directing people as they work, identifying the best people for the job.

To make this applicable to Delaware's future job market, the skill scores were applied to the 50 occupations projected to add the most jobs in the state by 2020. Combined, these occupations make up 47 percent of all current jobs and 62 percent of the projected new jobs. Each skill score was weighted by the number of new jobs expected in each occupation, so a skill important to an occupation with many expected new jobs receives a higher score than a skill important to an occupation with fewer expected new jobs. The weighted scores for each skill were summed to arrive at the skills most important (and least important) for future employment in the state. At the top of the list are communication skills: Active Listening, followed by Speaking. As the most important skill, Active Listening was assigned a score of 100; every other skill's score reflects its proportion of total points as compared to Active Listening. For example, the skill Systems Evaluation received half as many total points as Active Listening across the 50 top growth occupations, so its assigned score is 50. All 35 skills, ranked in order of their importance to Delaware's economy over the next seven years, are listed at right.

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Skill	Score
Active Listening	100
Speaking	97
Social Perceptiveness	89
Critical Thinking	88
Service Orientation	86
Reading Comprehension	86
Coordination	85
Monitoring	83
Time Management	79
Judgment and Decision Making	78
Writing	74
Complex Problem Solving	73
Active Learning	72
Persuasion	71
Instructing	68
Negotiation	66
Learning Strategies	61
Management of Personnel Resources	60
Mathematics	56
Operation Monitoring	53
Systems Analysis	52
Systems Evaluation	50
Quality Control Analysis	44
Operation and Control	38
Operations Analysis	35
Troubleshooting	32
Management of Material Resources	31
Management of Financial Resources	27
Science	24
Equipment Selection	19
Technology Design	19
Equipment Maintenance	15
Repairing	14
Programming	14
Installation	8

Quarterly Census of Employment and Wages (QCEW)

Delaware Average Monthly Employment by Industry

Delaware's average monthly employment for all industries increased by 3,619 from 2010 to 2011. In percentage terms, that is an increase of 0.91 percent. Delaware's fastest growing industry was *Professional and Technical Services*, with a 9.21 percent change in its average monthly employment over-the-year for 2011. Due to non-economic industry code changes made to particular firms, part of the employment was transferred from *Management of Companies and Enterprises* to Professional and Technical Services which artificially inflated employment in Professional and Technical Services and deflated employment in Management of Companies and Enterprises. Unlike other industries, these two industries were greatly affected by non-economic code changes and must be accounted for. Because this was a non-economic transfer from one industry to another industry, it did not affect total Delaware employment for all industries. Removing the non-economic code change effect from Professional and Technical Services reduces the real employment gain to around an approximate 3 percent increase in employment. The next fastest

growing industry was *Agriculture, Forestry, Fishing and Hunting* at 4.99 percent over-the-year. This industry is Delaware's smallest industry as measured by the QCEW program and in absolute terms the growth in employment was only 69. However, most agriculture workers are excluded from Unemployment Insurance coverage and, thus, are not counted in the QCEW definition of employment. *Arts, Entertainment, and Recreation* and *Health Care and Social Assistance* were the third and fourth fastest growing industries with a percent change in employment of 3.88 percent and 2.57 percent, respectively.

At the other end of the spectrum, *Management of Companies and Enterprises* had the largest decline in employment for 2011 declining by -16.07 percent from the prior year. Due to a non-economic industry code changing issue (as described above), employment was artificially depressed.

After removing the non-economic code change effect on employment, employment for this industry only fell approximately -4 percent from the prior year. *Information* had the second largest decline in average monthly employment for 2011, falling by -5.84 percent. The two largest declining industries were followed by declines in *Federal Government, Real Estate and Rental and Leasing*, and *Manufacturing*, which fell by -5.14 percent, -1.93 percent, and -1.80 percent, respectively.



Delaware Average Monthly Employment by Industry, 2010-2011

Industry Description	NAICS	2010 Average Monthly Employment	2011 Average Monthly Employment	Change In Average Monthly Employment	% Change in Average Monthly Employment	Rank by % Change (largest to smallest)
Professional and Technical Services	54	23,766	25,955	2,189	9.21%	1
Agriculture, Forestry, Fishing and Hunting	11	1,383	1,452	69	4.99%	2
Arts, Entertainment, and Recreation	71	8,398	8,724	326	3.88%	3
Health Care and Social Assistance	62	56,179	57,621	1,442	2.57%	4
Administrative and Waste Services	56	21,340	21,798	458	2.15%	5
Accommodation and Food Services	72	33,614	34,335	721	2.14%	6
Local Government	Local	25,169	25,629	460	1.83%	7
Educational Services	61	4,356	4,434	78	1.79%	8
Transportation and Warehousing	48-49	8,730	8,877	147	1.68%	9
Retail Trade	44-45	49,869	50,593	724	1.45%	10
Finance and Insurance	52	36,828	36,954	126	0.34%	11
Other Services, except Public Administration	81	13,028	13,061	33	0.25%	12
Wholesale Trade	42	12,504	12,493	-11	-0.09%	13
Construction	23	19,316	19,275	-41	-0.21%	14
State Government	State	29,174	28,995	-179	-0.61%	15
Manufacturing	31-33	26,136	25,666	-470	-1.80%	16
Real Estate and Rental and Leasing	53	5,605	5,497	-108	-1.93%	17
Federal Government	Fed	6,129	5,814	-315	-5.14%	18
Information	51	6,007	5,656	-351	-5.84%	19
Management of Companies and Enterprises	55	9,619	8,073	-1,546	-16.07%	20
Mining	21	*	*	*	*	*
Utilities	22	*	*	*	*	*
Total Industries	Total	399,243	402,862	3,619	0.91%	

Note: * indicates non-releasable data

Delaware Average Annual Wages by Industry

Delaware's total average annual wage for all industries increased in 2011 by \$1,856 or 3.82 percent from 2010. Of all of Delaware's industries, *Management of Companies and Enterprises* had the largest increase in the average annual wage in both its absolute value of \$25,257 and its percentage increase of 24.50 percent. *Arts, Entertainment, and Recreation* had the second largest percent increase in its average annual wage with an

over-the-year increase of 7.58 percent. These two industries were followed up by *Wholesale Trade, Finance and Insurance*, and *Construction*, with increases of 7.47 percent, 7.44 percent, and 6.82 percent, respectively. Next were *Federal Government, Professional and Technical Services*, and *State Government* with average annual wage increase of 6.42 percent, 4.63 percent, and 3.24 percent, respectively. The *State Government* wage increase was driven mainly by a 5.20 percent increase in State Government Education.

Accommodation and Food Services lead the decliners with the largest percent decrease in its average annual wage over-the-year for Delaware with a decline of -4.01 percent. The second largest decline belonged to *Agriculture, Forestry, Fishing, and Hunting* with a decline of -2.97 percent from the prior year. *Manufacturing* was third from the bottom with a percent change in its average annual wage of -1.48 percent.

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Delaware Average Annual Wages by Industry, 2010-2011

Industry Description	NAICS	2010 Average Annual Wage (\$)	2011 Average Annual Wage (\$)	Change In Average Annual Wage (\$)	% Change in Average Annual Wage	Rank by % Change (largest to smallest)
Management of Companies and Enterprises	55	103,077	128,334	25,257	24.50%	1
Arts, Entertainment, and Recreation	71	26,095	28,074	1,979	7.58%	2
Wholesale Trade	42	76,801	82,537	5,736	7.47%	3
Finance and Insurance	52	78,432	84,266	5,834	7.44%	4
Construction	23	49,118	52,468	3,350	6.82%	5
Federal Government	Fed	59,847	63,691	3,844	6.42%	6
Professional and Technical Services	54	85,654	89,618	3,964	4.63%	7
State Government	State	48,516	50,086	1,570	3.24%	8
Health Care and Social Assistance	62	47,603	49,003	1,400	2.94%	9
Transportation and Warehousing	48-49	39,431	40,221	790	2.00%	10
Educational Services	61	39,909	40,681	772	1.93%	11
Real Estate and Rental and Leasing	53	40,785	41,527	742	1.82%	12
Information	51	56,399	57,419	1,020	1.81%	13
Retail Trade	44-45	25,777	25,965	188	0.73%	14
Local Government	Local	47,156	47,475	319	0.68%	15
Other Services, except Public Administration	81	27,481	27,599	118	0.43%	16
Administrative and Waste Services	56	32,667	32,743	76	0.23%	17
Manufacturing	31-33	57,049	56,203	-846	-1.48%	18
Agriculture, Forestry, Fishing and Hunting	11	33,832	32,828	-1,004	-2.97%	19
Accommodation and Food Services	72	17,078	16,393	-685	-4.01%	20
Mining	21	*	*	*	*	*
Utilities	22	*	*	*	*	*
Total Industries	Total	48,648	50,504	1,856	3.82%	

Note: * indicates non-releasable data

LAUS Annual Processing Revisions for 2011

The Local Area Unemployment Statistics (LAUS) program is an important Federal/State cooperative program that produces monthly and annual employment, unemployment, and labor force data at the state, county, and city level. Each year the LAUS estimates are revised in a process called annual processing to incorporate changes in state-supplied inputs and new Current Population Survey (CPS) population controls.

This year's annual processing resulted in larger than usual changes in the seasonally adjusted unemployment rate for Delaware. There were no changes to the unemployment rate prior to 2007 for this year's annual processing. The changes in the unemployment rate from 2007 through the first half of 2009 were relatively minor and did not exceed 0.1 percentage points. It is the second half of 2009 through 2011 where the

Delaware's Seasonally Adjusted Unemployment Rate, 2007 – 2011

Year	Month	Revised	Old	Change	Year	Month	Revised	Old	Change
2007	1	3.4	3.4	0.0	2009	7	8.0	8.2	-0.2
2007	2	3.4	3.4	0.0	2009	8	8.0	8.2	-0.2
2007	3	3.4	3.4	0.0	2009	9	8.1	8.3	-0.2
2007	4	3.5	3.5	0.0	2009	10	8.2	8.5	-0.2
2007	5	3.4	3.5	0.0	2009	11	8.3	8.5	-0.3
2007	6	3.5	3.5	0.0	2009	12	8.4	8.7	-0.3
2007	7	3.5	3.5	0.0	2010	1	8.5	8.8	-0.3
2007	8	3.5	3.5	0.0	2010	2	8.4	8.7	-0.3
2007	9	3.5	3.6	0.0	2010	3	8.3	8.6	-0.3
2007	10	3.6	3.6	0.0	2010	4	8.2	8.5	-0.3
2007	11	3.6	3.7	0.0	2010	5	8.1	8.4	-0.3
2007	12	3.8	3.9	-0.1	2010	6	7.9	8.3	-0.4
2008	1	3.8	3.9	-0.1	2010	7	7.9	8.3	-0.4
2008	2	3.8	3.9	-0.1	2010	8	7.9	8.3	-0.5
2008	3	3.9	4.0	-0.1	2010	9	7.8	8.3	-0.5
2008	4	4.0	4.1	-0.1	2010	10	7.8	8.4	-0.6
2008	5	4.3	4.4	-0.1	2010	11	7.8	8.4	-0.7
2008	6	4.6	4.7	-0.1	2010	12	7.7	8.5	-0.8
2008	7	4.9	5.0	-0.1	2011	1	7.5	8.5	-1.0
2008	8	5.2	5.3	-0.1	2011	2	7.4	8.5	-1.1
2008	9	5.4	5.5	-0.1	2011	3	7.3	8.3	-1.1
2008	10	5.7	5.9	-0.1	2011	4	7.2	8.2	-0.9
2008	11	6.1	6.2	-0.1	2011	5	7.3	8.0	-0.7
2008	12	6.5	6.6	-0.1	2011	6	7.4	8.0	-0.6
2009	1	6.9	7.0	-0.1	2011	7	7.4	8.1	-0.7
2009	2	7.3	7.4	-0.1	2011	8	7.4	8.1	-0.7
2009	3	7.5	7.6	-0.1	2011	9	7.4	8.1	-0.7
2009	4	7.7	7.8	-0.1	2011	10	7.3	7.9	-0.6
2009	5	7.9	8.0	-0.1	2011	11	7.2	7.6	-0.4
2009	6	8.0	8.1	-0.1	2011	12	7.2	7.4	-0.2

changes exceeded 0.1 percentage points and became rather substantial. All of the revisions to the unemployment rate were revised down.

The table shows the revised unemployment rate after annual processing and the old unemployment rate prior to annual processing. The difference column shows the change in the unemployment rate due to annual processing. February and March of 2011 had the biggest changes in the unemployment rate with a decline of -1.1 percentage points.

Annual processing or benchmarking is the result of not only changes to the state-supplied inputs to the model and new population controls; there are also external adjustments that can affect the labor force estimates. Each state model estimate is adjusted so that the sum of the states within a division sum to the division control total. Delaware is part of the South Atlantic Division

that includes Delaware, the District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia. And each Division model estimate is adjusted so that all of the Divisions sum to the National CPS total.

By comparing the revisions in the South Atlantic Division estimates to Delaware's revised estimates, we can see if the adjusted Division estimates were the driving force behind the Delaware revisions or, if on the other hand, Delaware's revisions were mostly due to changes to its state-supplied inputs and population controls.

The graph shows Delaware's and the South Atlantic Division's change in the not seasonally adjusted (NSA) unemployment rate from January 2007 through December of 2011. Prior to 2007 there were no changes to Delaware's or the Division's unemployment rate. The Division's

largest change was in December 2011, which was less than -0.2 percentage points. Delaware's largest decline in its NSA unemployment rate, in contrast, exceeded -1.0 percentage points in February 2011. For the Division as a whole, the revision to the unemployment rate was slightly above zero (0.04 percent points) for the February 2011. Not only were Delaware's revisions to the unemployment rate much greater than the Division's, the changes were not even moving in the same direction much of the time. From 2007 through 2011, the average revision in Delaware's NSA unemployment rate was -0.275 percentage points, compared to the Division's average revision of 0.001 percentage points. This leads to the conclusion that Delaware's revisions were being driven by changes in Delaware state-supplied inputs and population controls and not due to external adjustments to the Division estimates.

TD

**Change in the Not Seasonally Adjusted Unemployment Rate (revised)
Delaware and South Atlantic Division**

