

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Institute Workforce Vitality Report (WVR) released today. The growth, accelerating to 3.5 percent ...

Oct. 29, 2018



Wages for U.S. workers grew 3.5 percent over the last year, increasing the average wage level by \$0.95 to \$27.81 an hour, according to the ADP Research Institute® **Workforce Vitality Report** (WVR) released today. The growth, accelerating to 3.5 percent annual as of September 2018, was driven by strong wage gains for workers in the professional and business services industry, representing almost 17 percent of the workforce, (3.5 percent wage growth, \$35.23 average hourly wage) and trade, representing 22 percent of the workforce, (3.9 percent wage growth, \$24.57

average hourly wage). The West (4.3 percent, \$29.88) and large businesses (4.8

Hello. It looks like you’re using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

to switch.”

Among industries, information continued to lead the way for both wage level and wage growth. In addition to the top overall wage growth number of 6.2 percent, those who successfully switched positions to the information industry had wage growth of 9.8 percent. Employment in the information industry improved to 2.1 percent.

Job switchers in professional and business services and construction also realized high wage growth of 9.4 and 7.5 percent, respectively. In trade, the largest sector, job holders experienced stronger growth in wages than the workers who switched to the industry, 5.2 percent versus 3.8 percent.

Table 1: Wage and Employment Growth by Industry – September 2018

Industry	Wages	YOY Wage Growth				Yearly Growth	
		All	Holders	Entrants	Switchers	Employment Growth	Switching Rate
-ALL-	\$27.81	3.5%	5.2%	4.1%	5.6%	1.7%	20.9%
<b>Goods</b>							
Construction	\$27.83	2.6%	5.6%	4.1%	7.5%	3.1%	16.5%
Manufacturing	\$28.94	3.2%	5.2%	8.4%	5.5%	1.6%	16.7%
Resources and Mining	\$34.91	-0.2%	5.1%	-1.8%	2.6%	7.2%	10.7%
<b>Services</b>							
Information	\$42.44	6.2%	6.3%	3.2%	9.8%	2.1%	17.5%
Finance and Real Estate	\$32.61	3.4%	5.1%	0.5%	5.7%	1.7%	18.4%
Professional	\$35.23	3.5%	5.4%	6.2%	9.4%	1.2%	24.6%

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

and Utilities

Workers in the West outpaced other regions with 4.3 percent wage growth and 2.6 percent employment growth. Job switchers also fared best in the West experiencing a wage growth of 8.7 percent. Workers in the South had the lowest wage growth at 2.8 percent and Midwest had the worst employment growth at 1.1 percent. By firm size, workers at large firms had the highest wage growth rate at 4.8 percent, with employment growth at 2.4 percent.

**Table 2: Wage and Employment Growth by Region and Firm Size – September 2018**

Region	Wages	YOY Wage Growth				Yearly Growth	
		All	Holdings	Entrants	Switchers	Employment Growth	Switching Rate
-USA-	\$27.81	3.5%	5.2%	4.1%	5.6%	1.7%	20.9%
MIDWEST	\$25.77	3.4%	5.0%	3.8%	4.2%	1.1%	19.8%
NORTHEAST	\$31.26	4.1%	4.9%	5.0%	6.0%	1.3%	22.2%
SOUTH	\$26.09	2.8%	5.0%	3.3%	4.0%	1.9%	20.7%
WEST	\$29.88	4.3%	5.9%	4.7%	8.7%	2.6%	21.2%
<b>Company Size</b>							
-ALL-	\$27.81	3.5%	5.2%	4.1%	5.6%	1.7%	20.9%
49 or less	\$25.56	2.0%	4.5%	3.2%	5.4%	0.5%	15.0%
50 to 499	\$28.08	3.0%	5.0%	4.4%	5.2%	1.9%	22.8%
500 to 999	\$29.08	3.0%	5.6%	4.6%	4.7%	2.4%	21.5%
1000 or more	\$28.84	4.8%	5.6%	4.4%	6.0%	2.4%	23.7%

The WVR also revealed that more than 20.9 percent of U.S. employees successfully switched firms in the last year. This highlights an overall slowdown in job switching. On the other hand, we have seen wage growth for job switchers gradually accelerating during this same time period, currently at 5.6 percent. Given that the U.S. labor market is at full employment, and there is a shortage of skilled labor, this is

not surprising as employers look to attract and retain top talent with premium

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

(NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved