

---

# **Atlanta Economics Club**

January 21, 2003

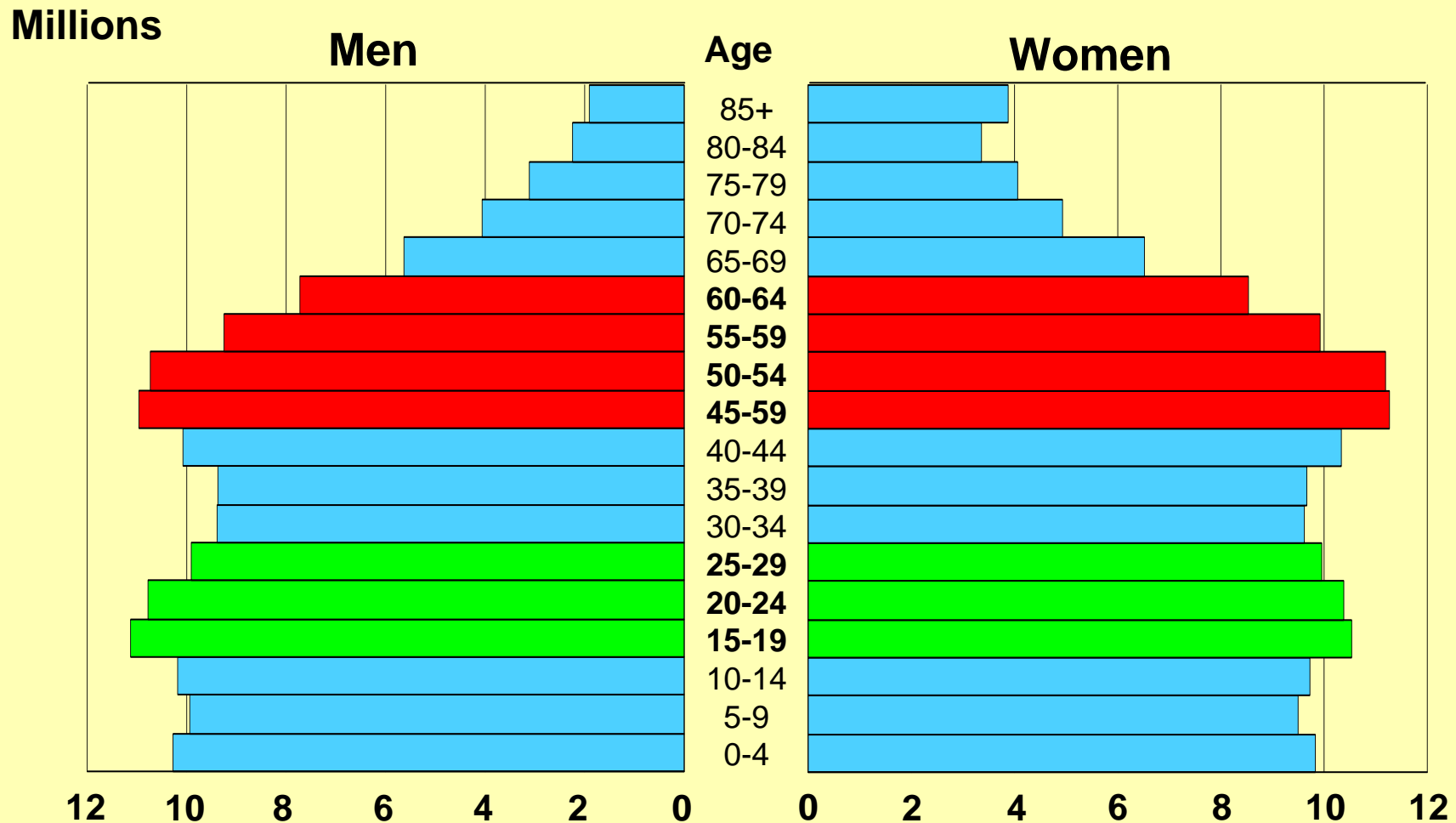
# Outline of presentation:

## A 'little' bit of everything

---

- Population, Output and Employment  
Outlook: 1950-2010
- The returns to education, 1992-2000
- When will the recession end? (I can't say,  
but I can say ....)

# The baby boomers will be ready to retire by 2010 – if they haven't already (and started 2<sup>nd</sup> careers)



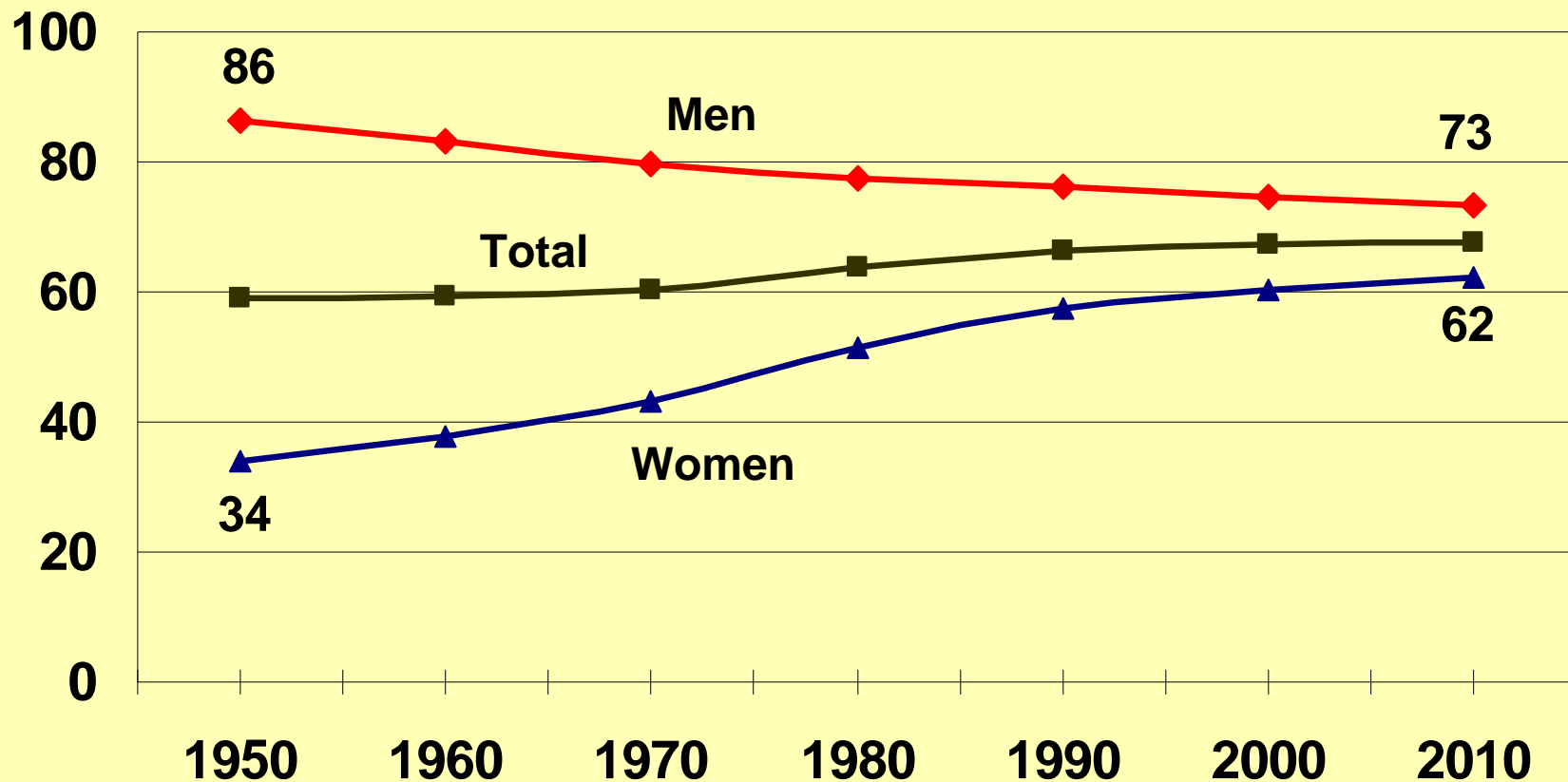
Source: Bureau of the Census

---

**Two of most significant demographic trends over the last 40 years will continue – a bit more slowly -- over the next ten years**

# Women's labor force participation rates will continue to rise

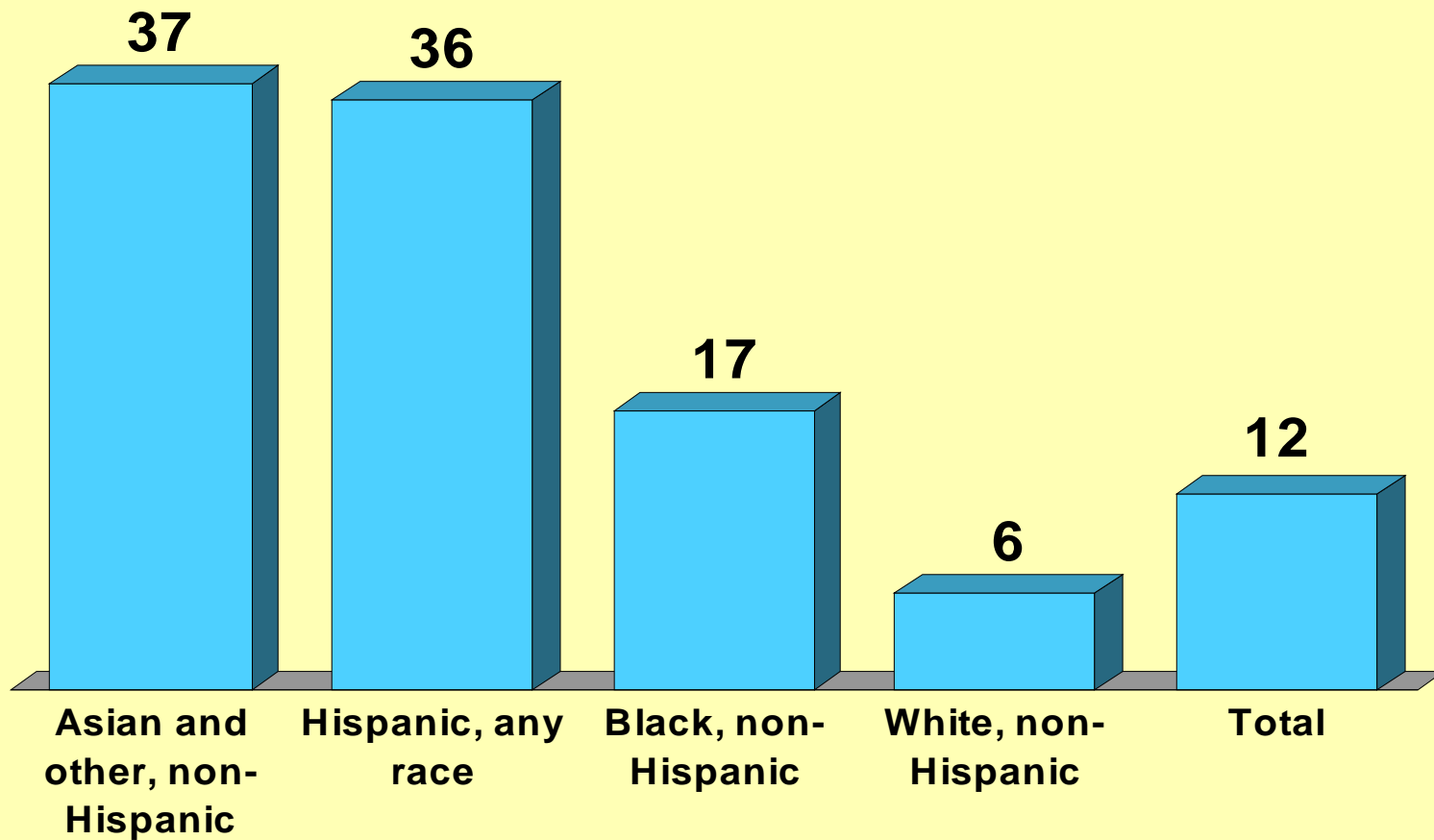
Percent, 1950-2000 and projected 2000-2010



Source: Bureau of Labor Statistics

# Labor force growth rates of minorities will outpace that of whites

Percent change, projected 2000-2010



Source: Bureau of Labor Statistics

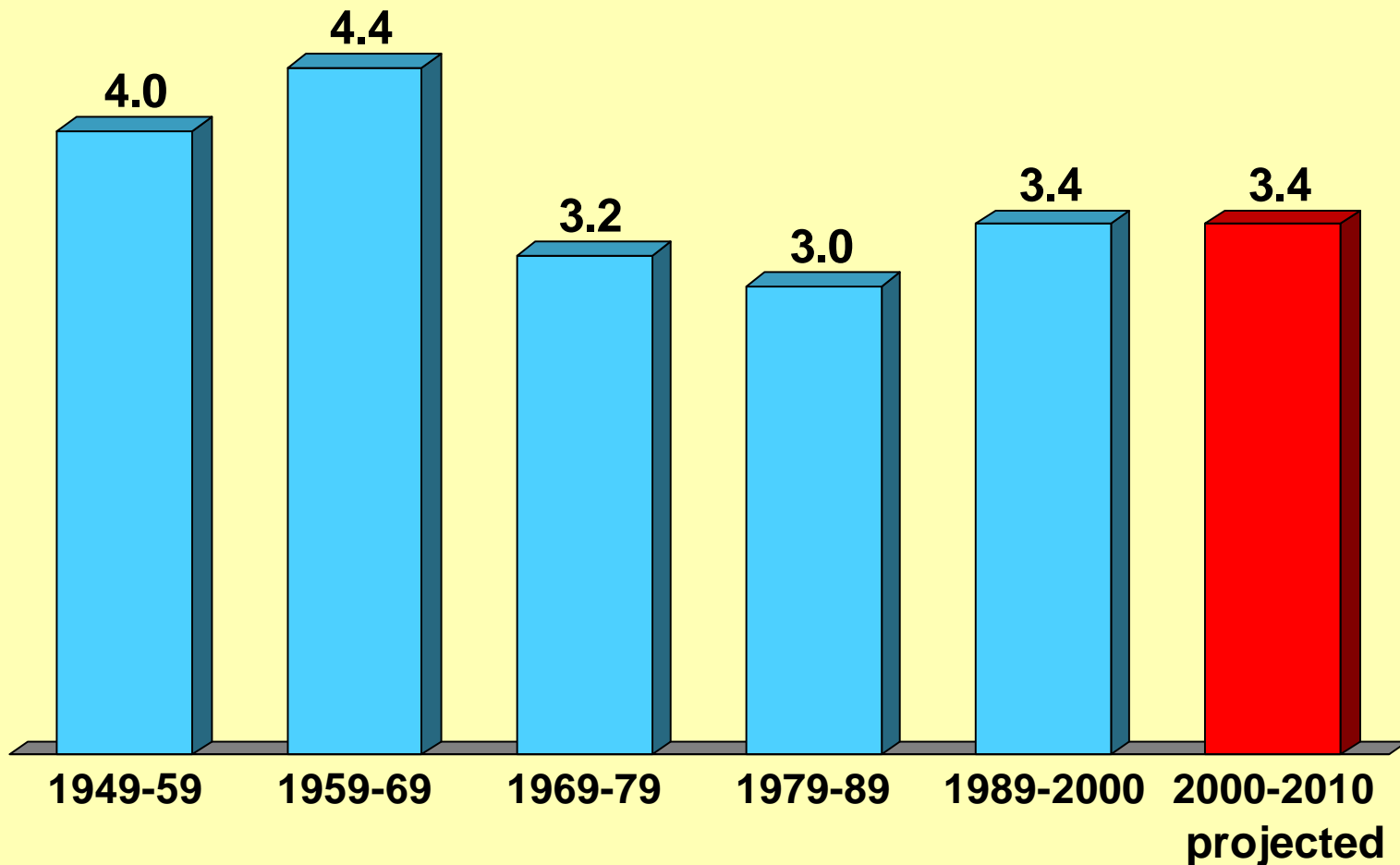
---

# **Past as prologue: Assumptions about economic growth over the next ten years**

- GDP growth rates
- Unemployment rates
- Labor productivity
- Investment in computer equipment and software

# The 2000-2010 projections assume a 3.4 percent real GDP growth rate

Percent

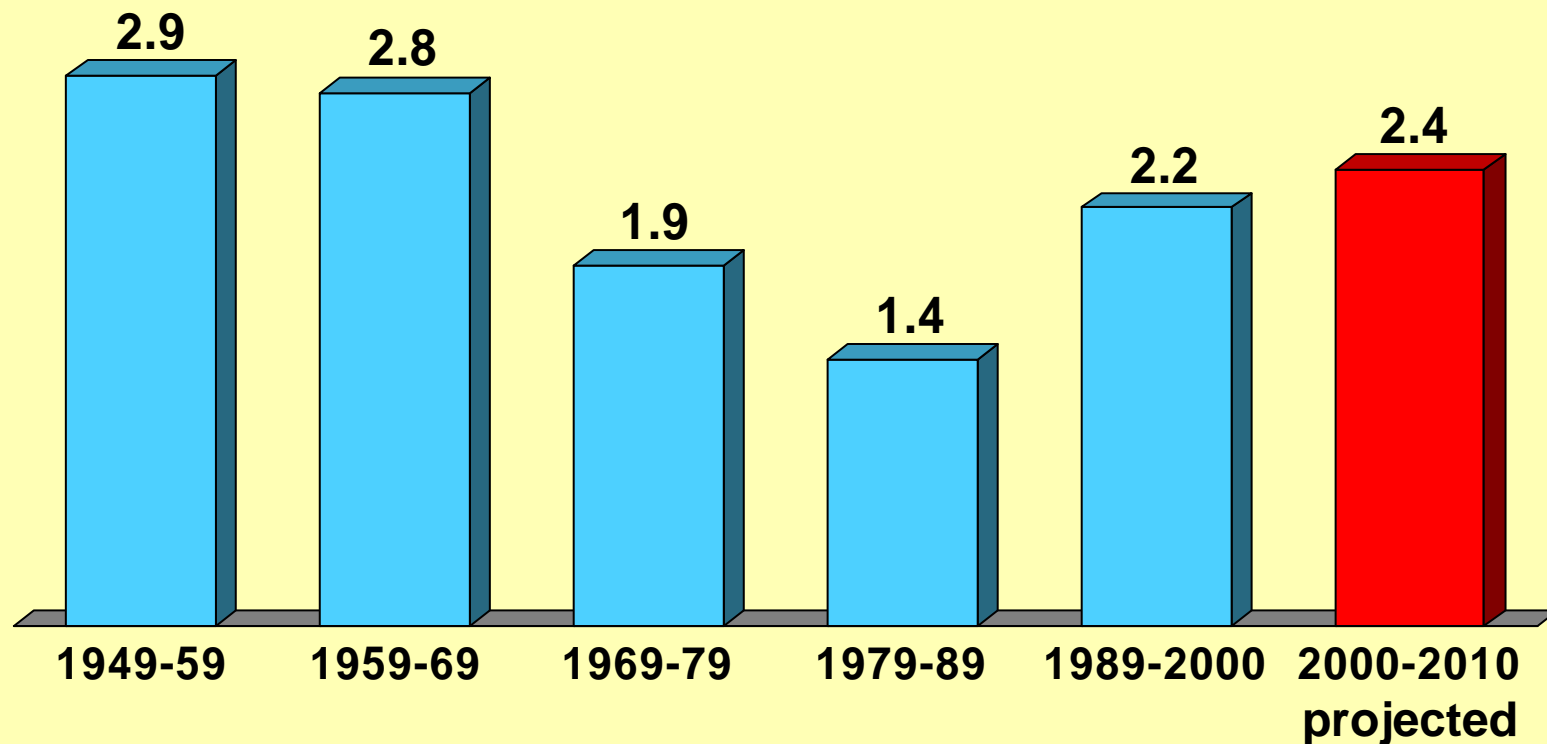


Source: Bureau of Labor Statistics



# The 2000-2010 projections assume a 2.4 percent labor productivity growth rate

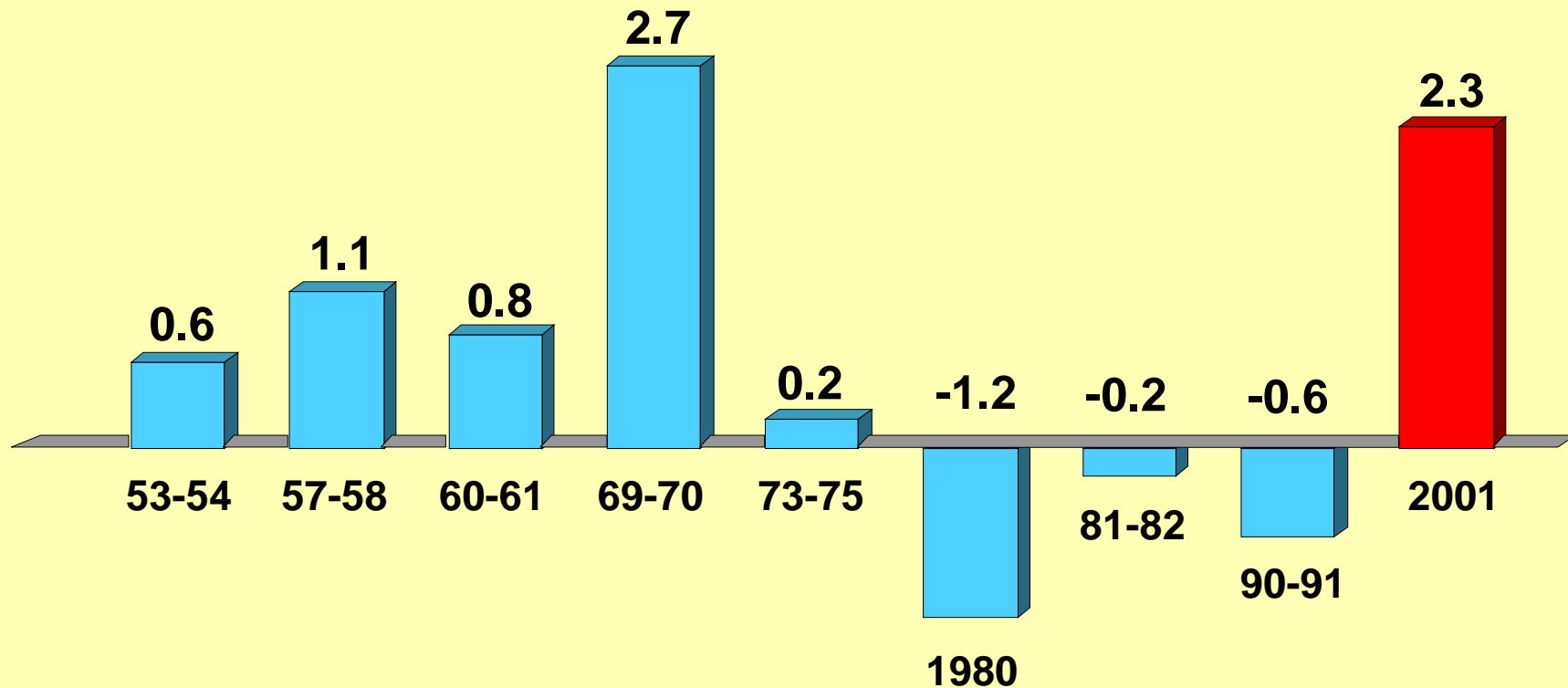
Percent



Source: Bureau of Labor Statistics

# Annualized growth rates in productivity during recessions

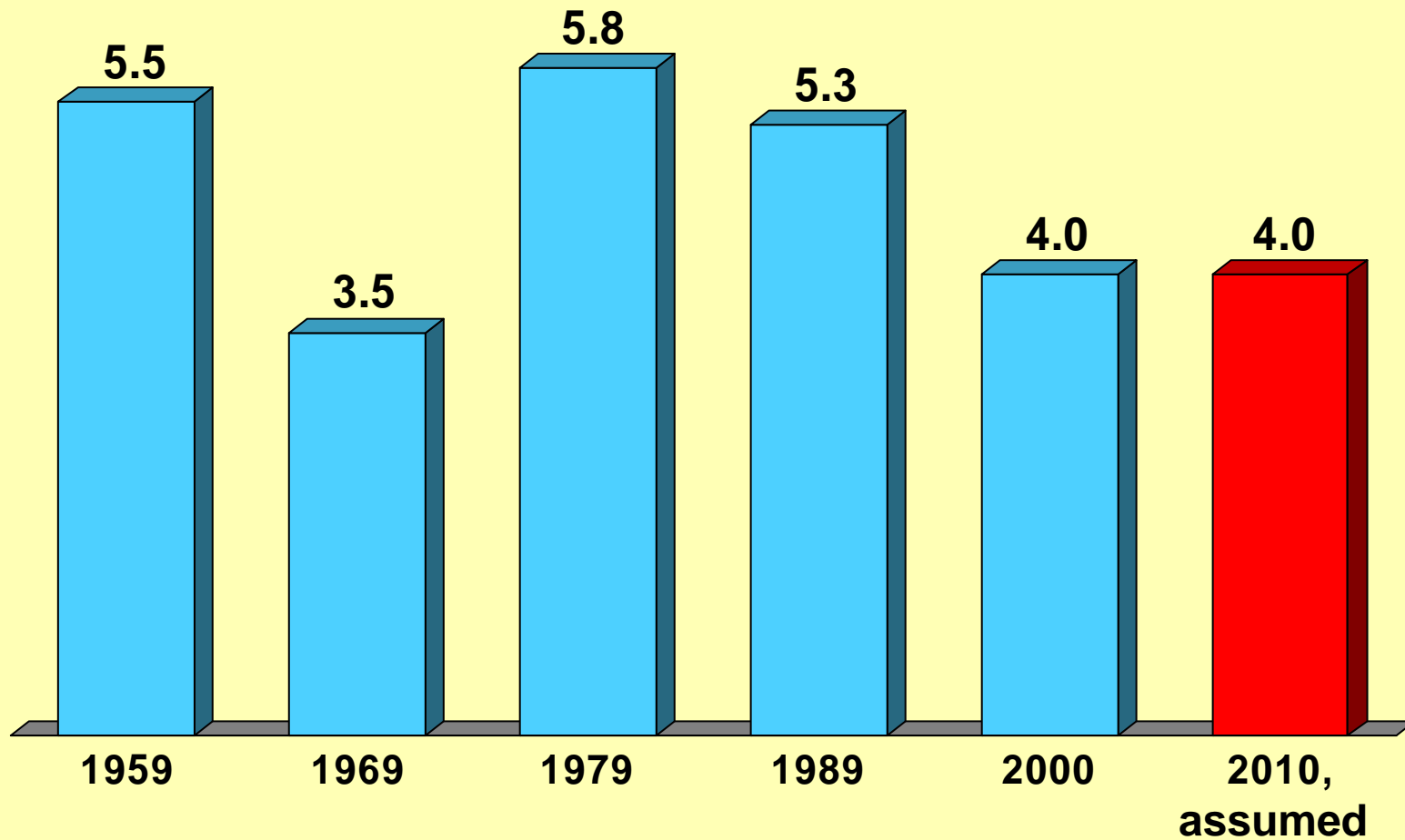
Percent



Source: Bureau of Labor Statistics

# The 2000-2010 projections assume a 4 percent unemployment rate

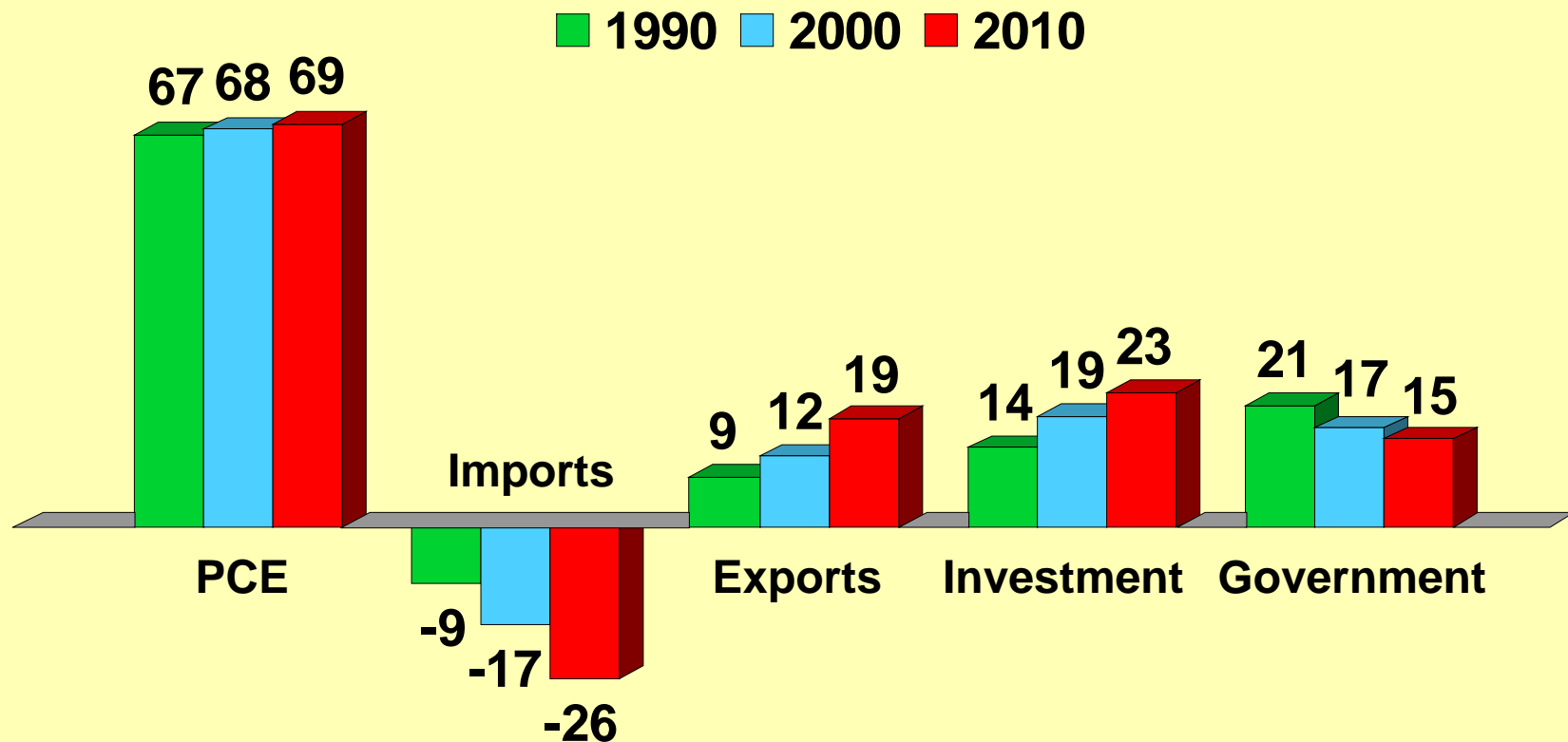
Percent



Source: Bureau of Labor Statistics

# Personal consumption expenditures (PCE) account for most of GDP

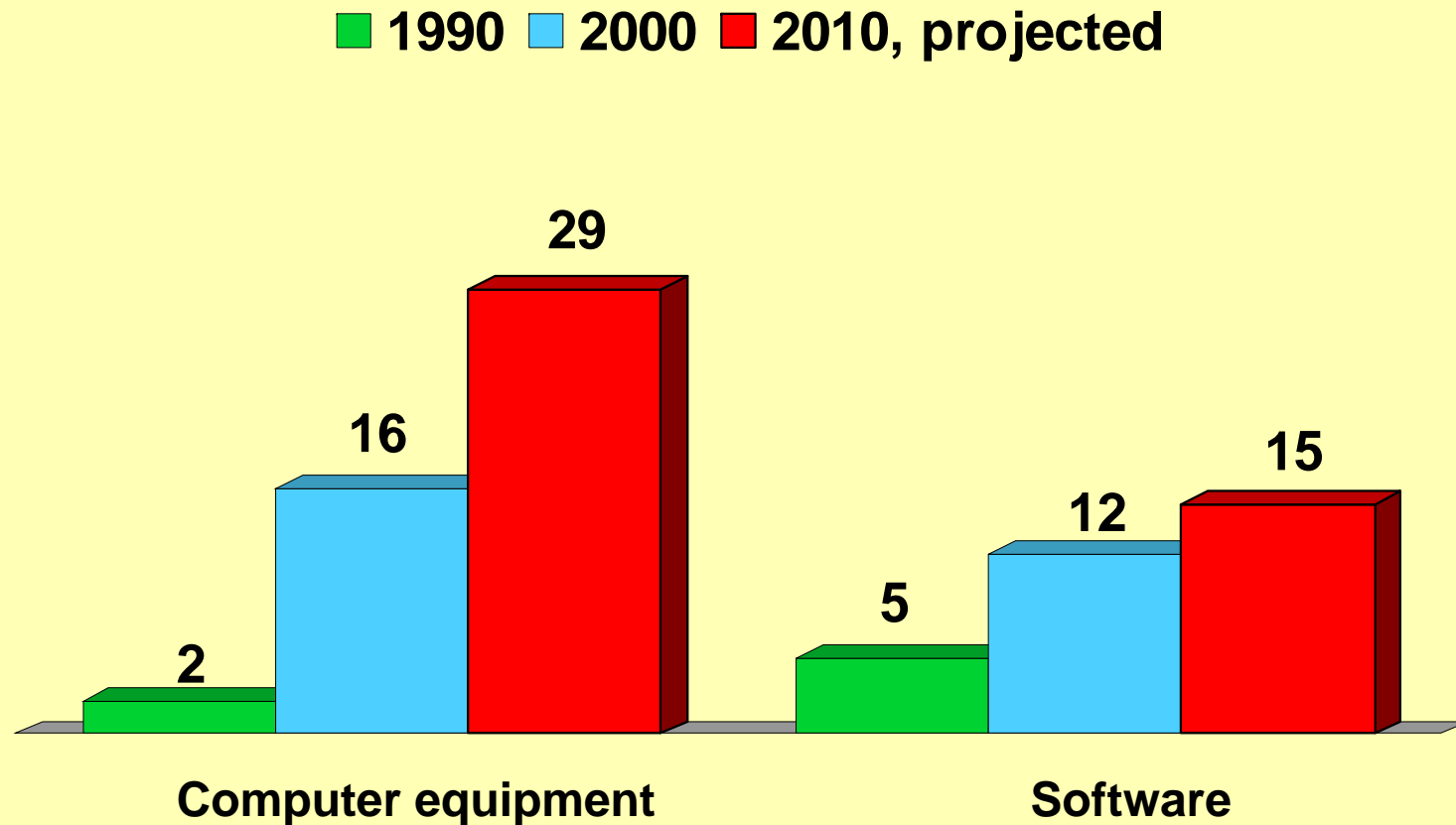
Percent



Source: Bureau of Labor Statistics

# Computer equipment's and software's rising share of Gross Private Domestic Investment

Percent



Source: Bureau of Labor Statistics

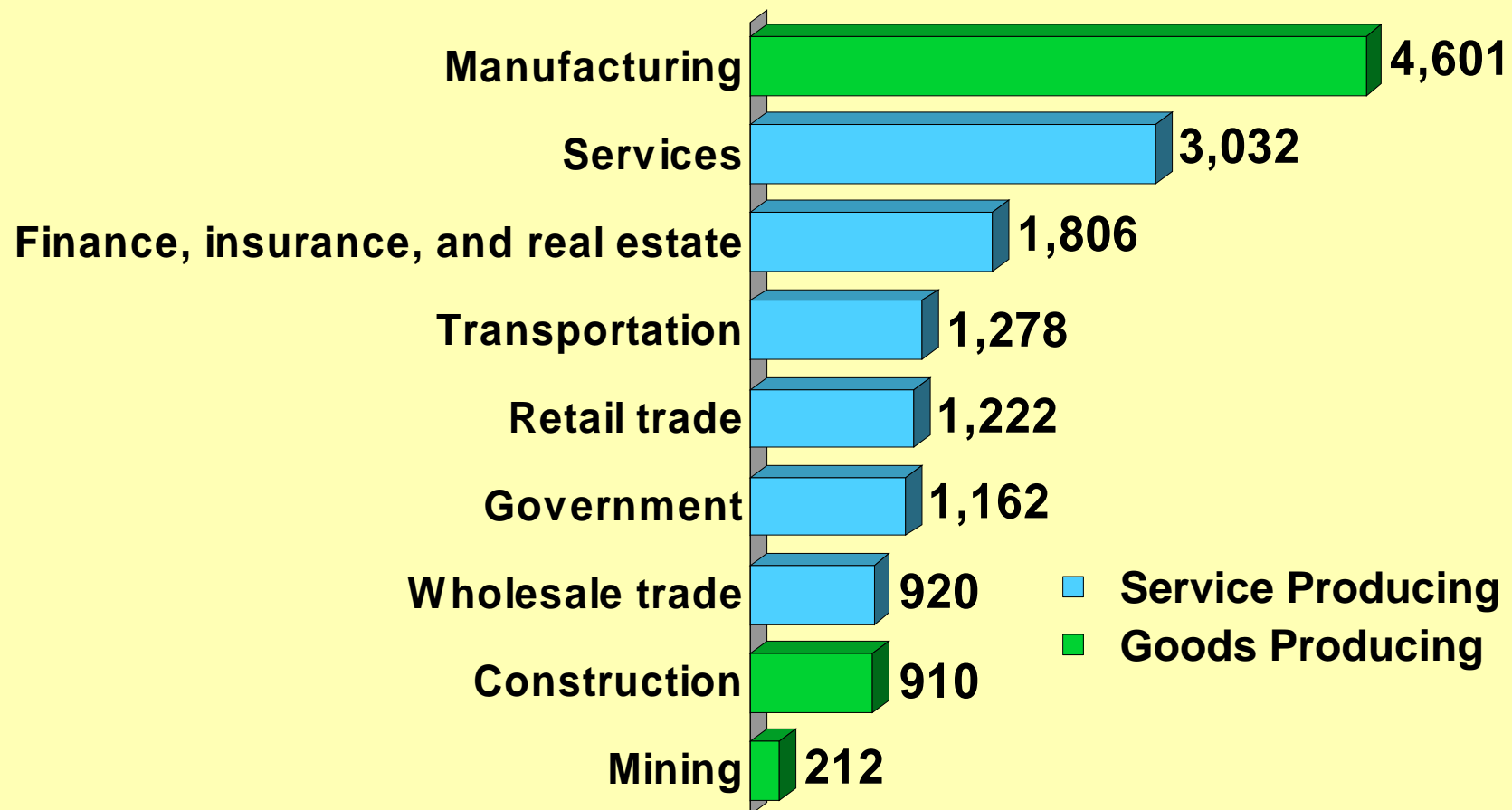
---

# **Manufacturing is not dead**

-Output and productivity are king in manufacturing

# Manufacturing and services accounted for nearly half of total output in 2000

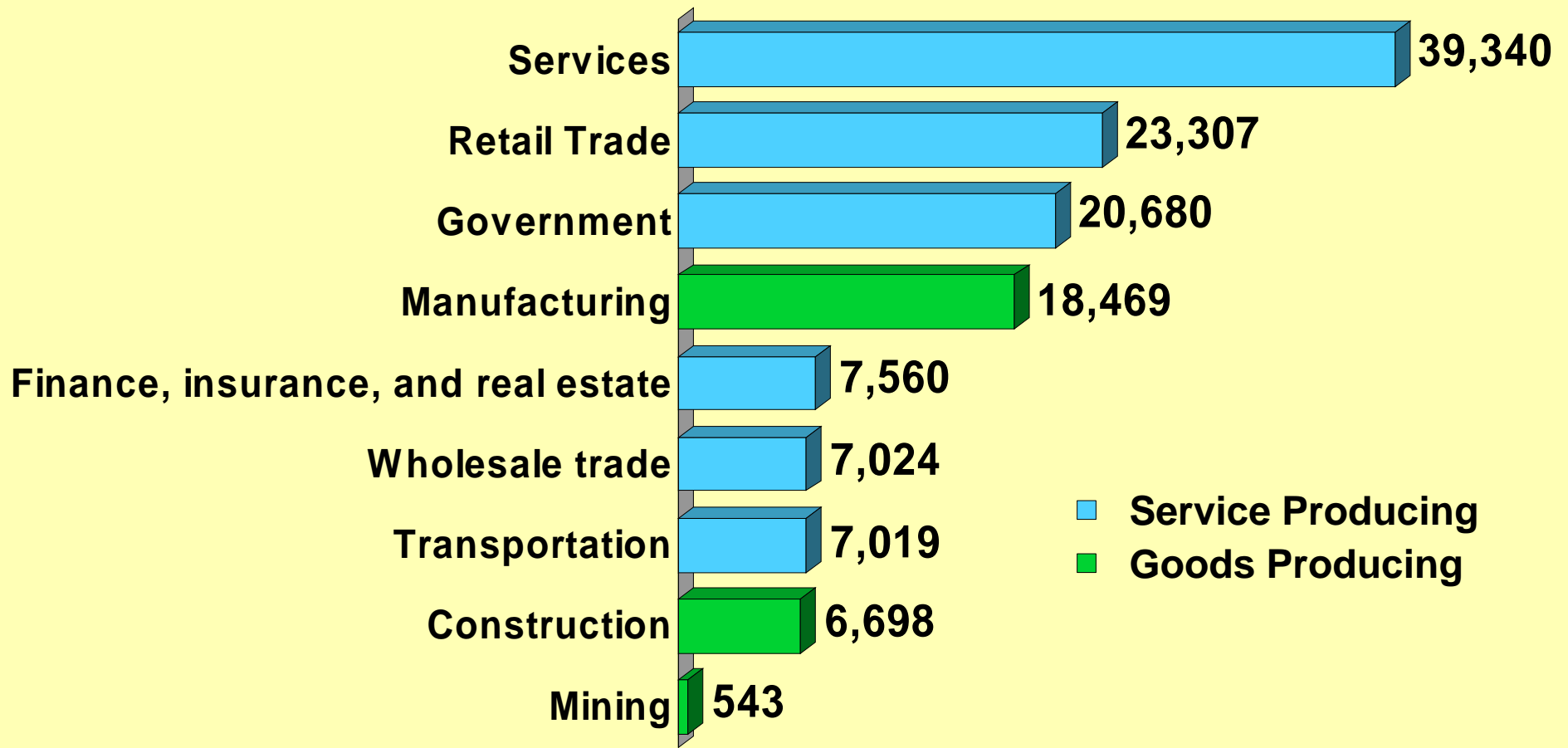
Billions of chained 1996 dollars



Source: Bureau of Labor Statistics

# Services and retail trade accounted for 43 percent of jobs in 2000

Thousands of nonfarm wage and salary jobs in 2000



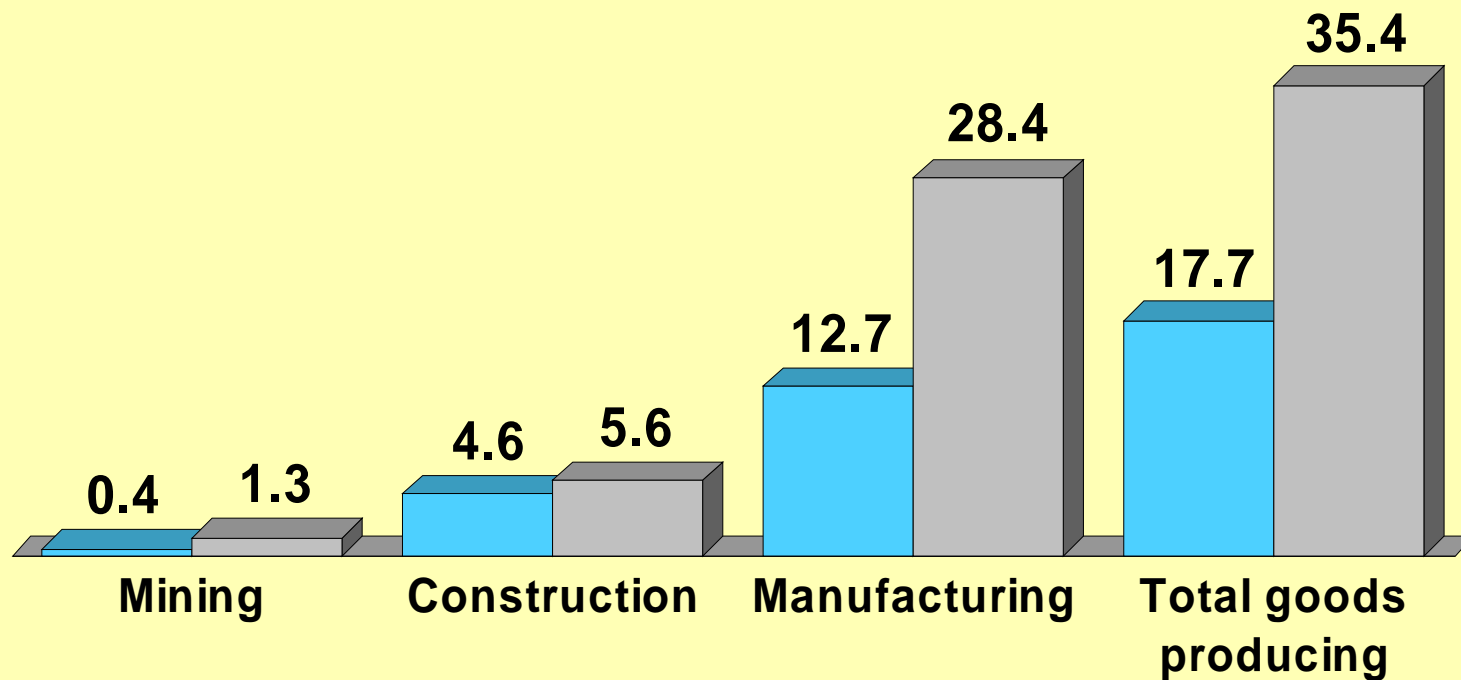
Source: Bureau of Labor Statistics



# Output and employment shares of goods-producing industries, 2000

Percent

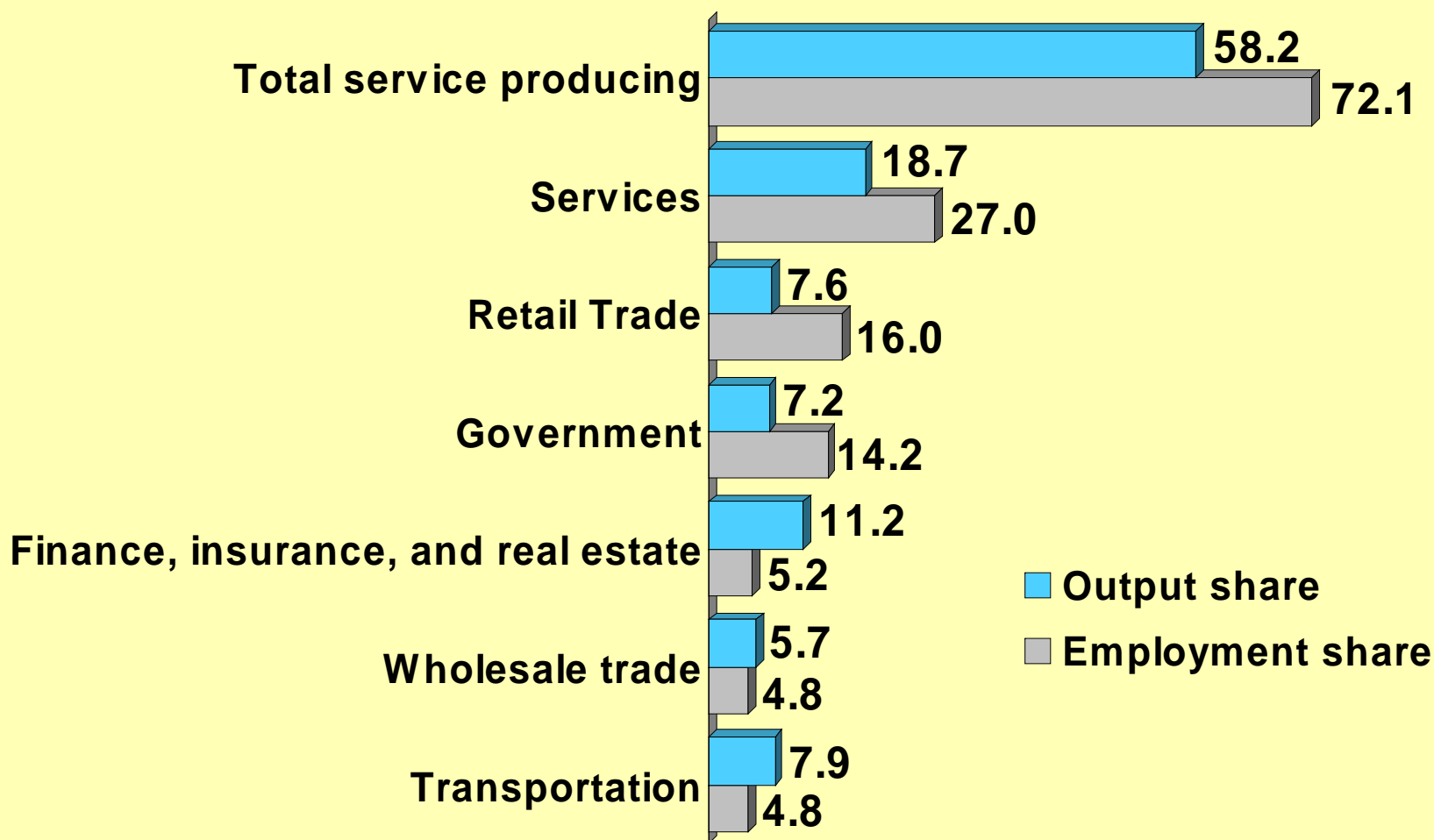
■ Employment share ■ Output share



Source: Bureau of Labor Statistics

# Output and employment shares of service-producing industries, 2000

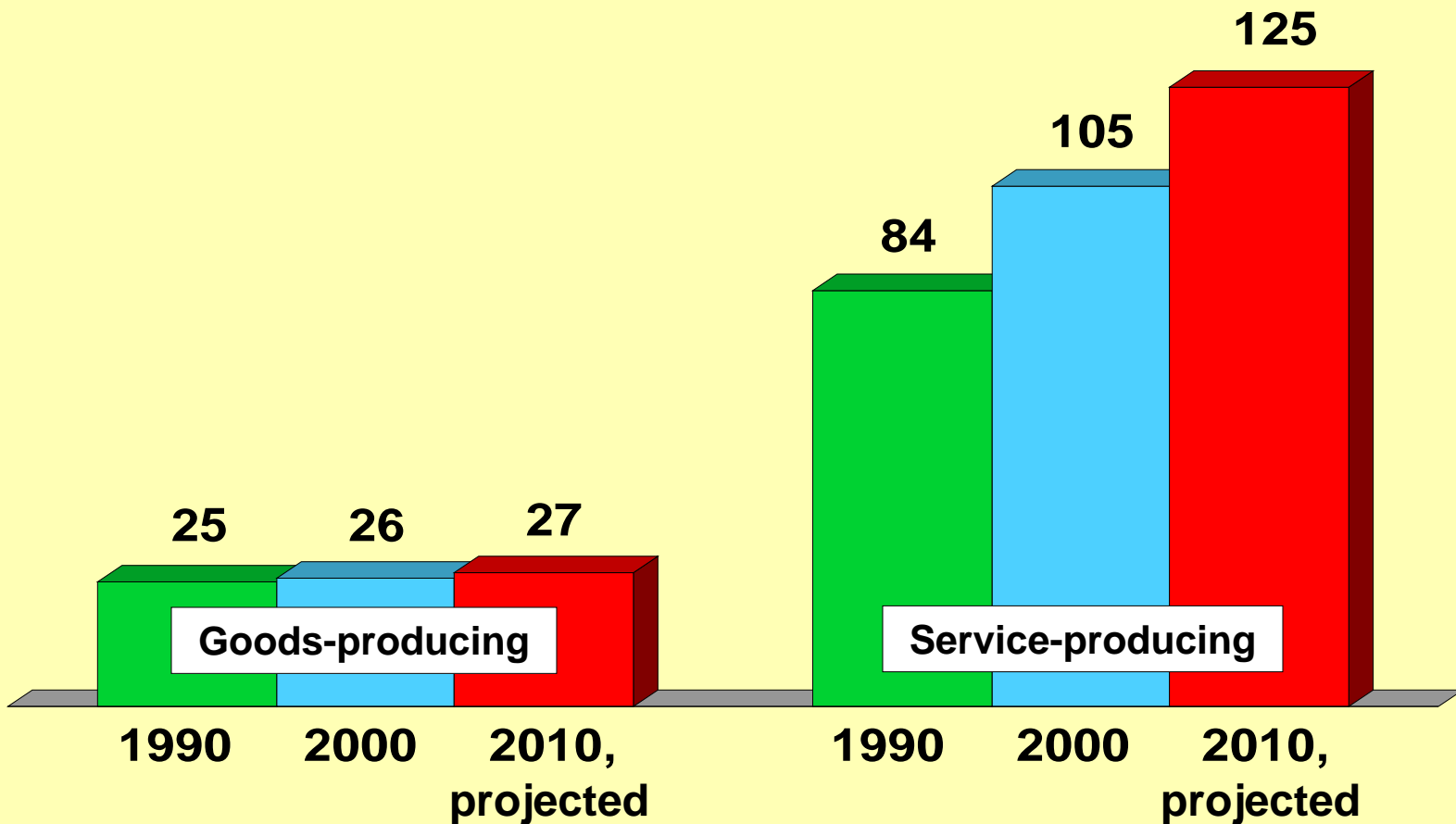
Percent



Source: Bureau of Labor Statistics

# Service-producing industries continue to lead employment growth

Millions of nonfarm wage and salary jobs



Source: Bureau of Labor Statistics

---

# Where the 'hot' jobs are

-A look at all occupations

-A focus on high paying, fast growing occupations

# Professional and related occupations had the most jobs in 2000

Millions of jobs



Source: Bureau of Labor Statistics

# Professional and related occupations

---

- Computer and Mathematical occupations
- Architecture and Engineering occupations
- Life, Physical and Social Science occupations
- Community and Social Services occupations
- Legal occupations
- Education, Training and Library occupations
- Art, Design, Entertainment, Sports and media occupations
- Healthcare Practitioners and Technical occupations

# Service occupations

---

- Healthcare support occupations
- Protective service occupations
- Food preparation and serving related occupations
- Building and grounds cleaning and maintenance occupations
- Personal care and service occupations

# All major occupational groups are projected to increase – total 22.1 million

Percent change, projected 2000-2010

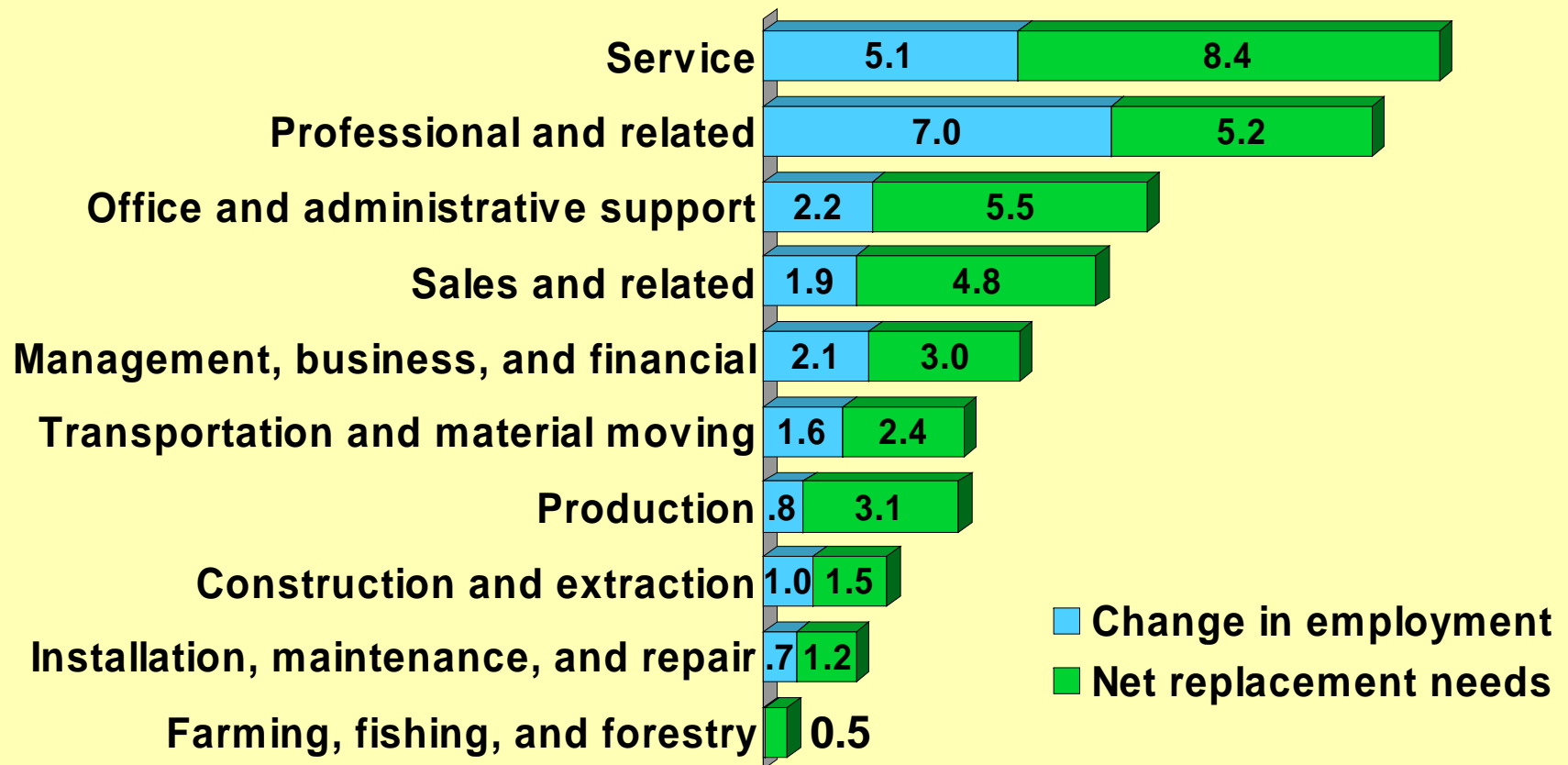


Source: Bureau of Labor Statistics



# Job openings from replacement needs exceed those from employment growth

Millions of jobs, projected 2000-2010



Source: Bureau of Labor Statistics

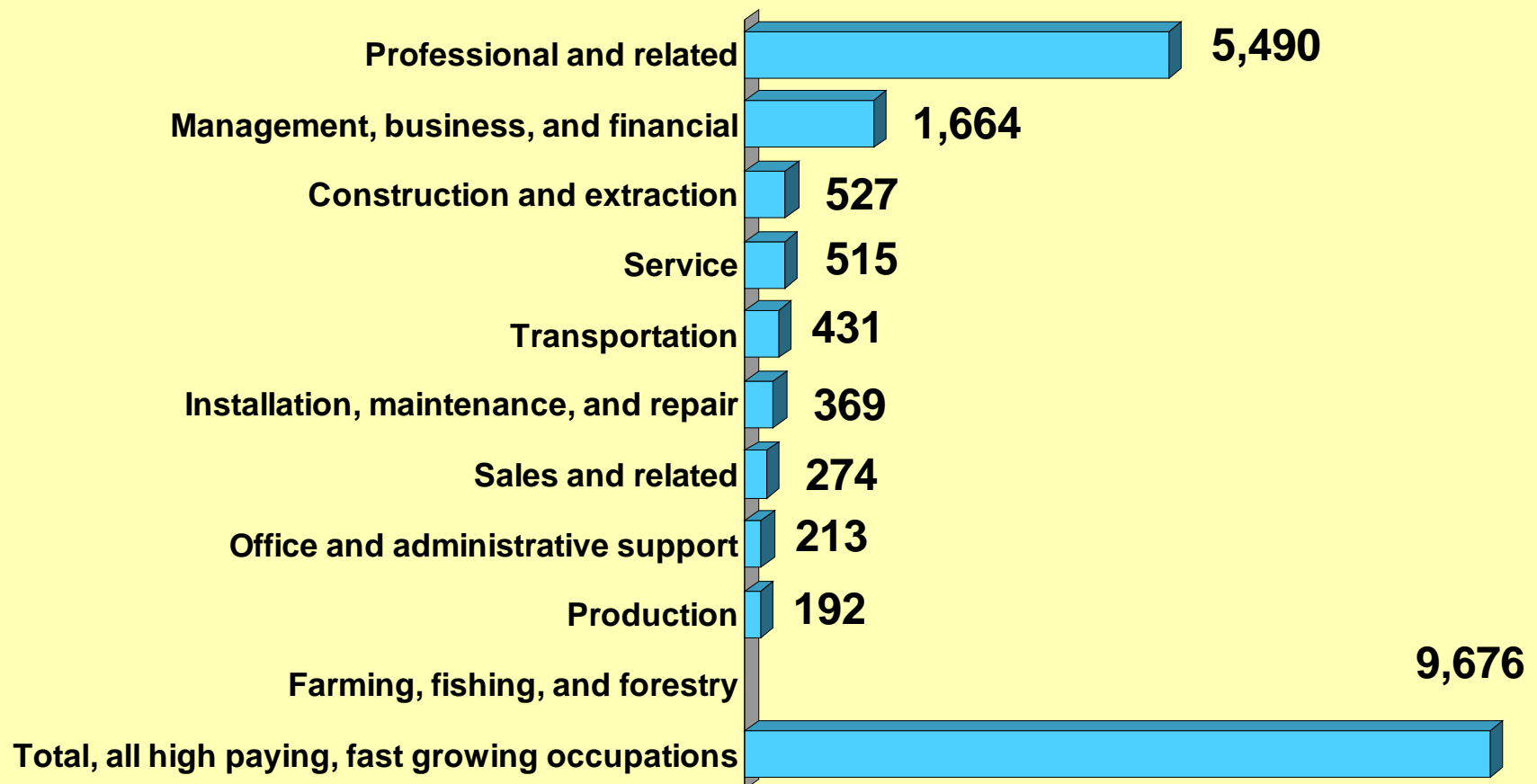
## Among occupations projected to grow between 2000 and 2010, the one-hundred fastest growing will account for 32% of employment growth

Number of occupations (fastest growing between 2000-2010)	Cumulative percent of total 2000 employment accounted for:	Cumulative percent of employment growth 2000-2010:
50	5.8%	19.2%
<b>100</b>	<b>12.4%</b>	<b>31.6%</b>
200	28.3%	53.7%
300	45.3%	72.3%
310*	45.9%	72.9%
419	66.6%	90%
599	90.8%	100%

\* 310 occupations will have employment growth larger than the average of 15.2%

# Employment change in high-paying, fast growth occupations

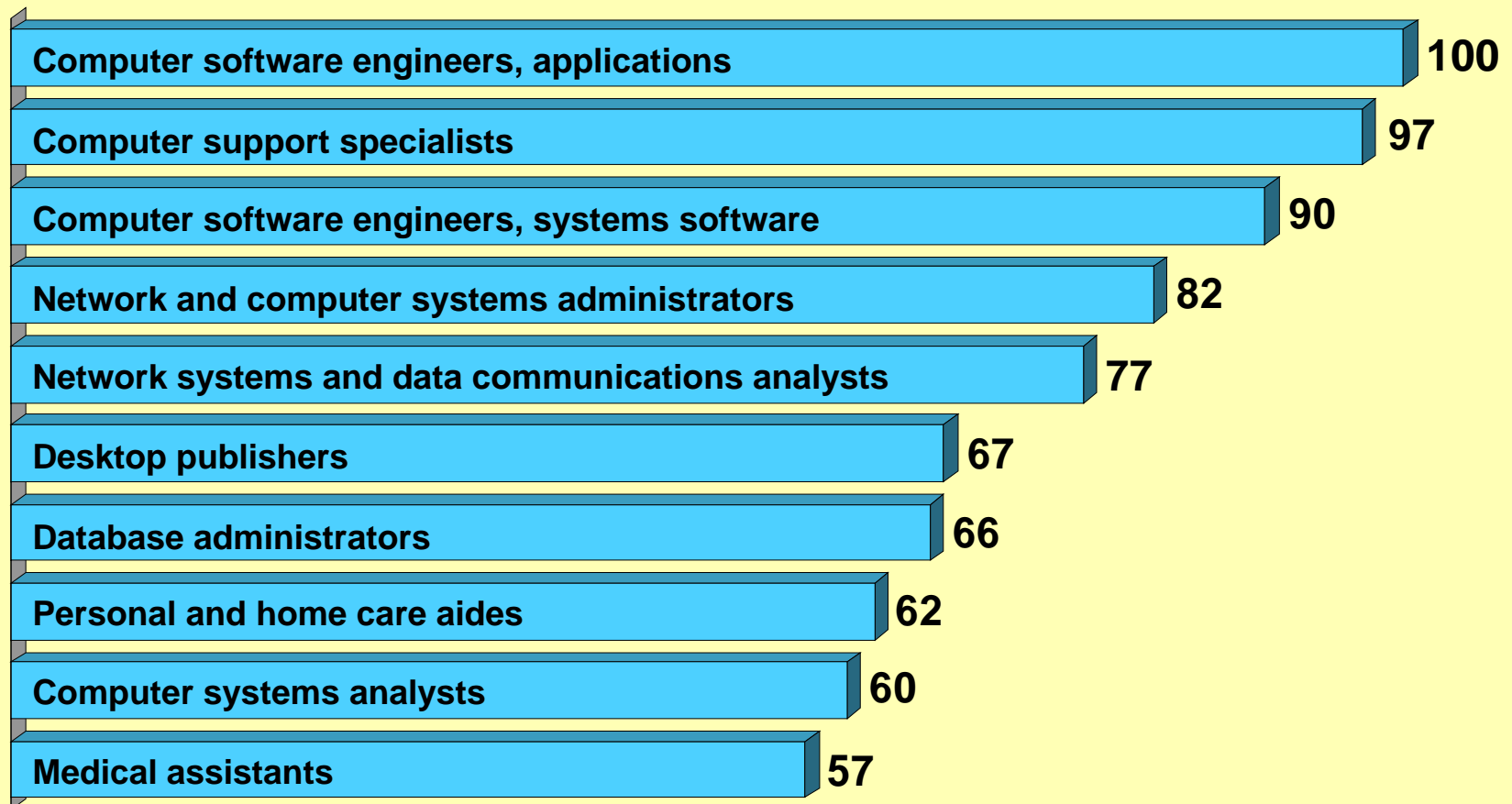
Employment change in thousands, projected 2000-2010



Source: Bureau of Labor Statistics

# Eight of the fastest growing occupations are computer-related

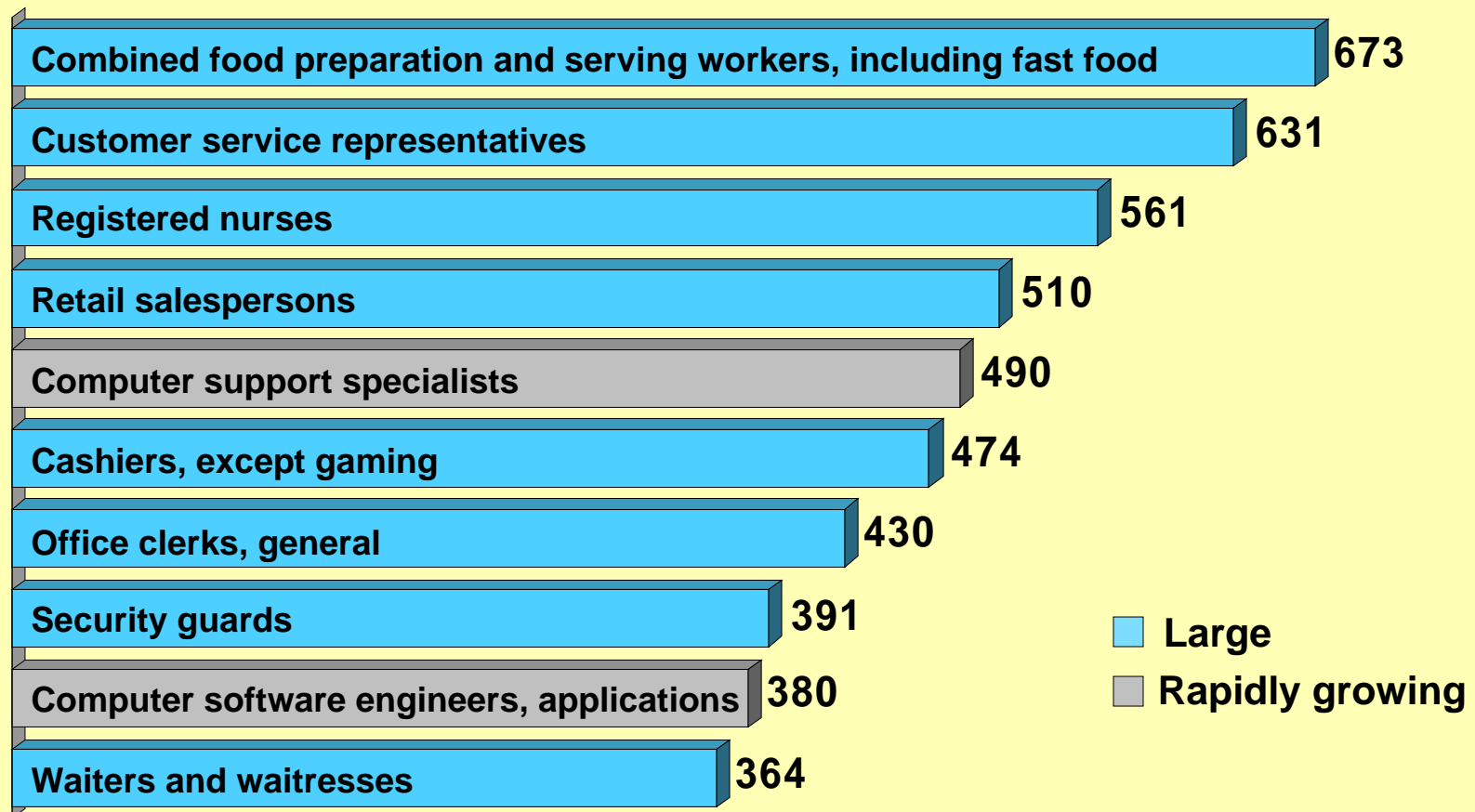
Percent change, projected 2000-2010



Source: Bureau of Labor Statistics

# Occupations with the most job growth are large or rapidly growing

Numerical change in thousands, projected 2000-2010



Source: Bureau of Labor Statistics

---

# **The returns to education: 1992-2000**

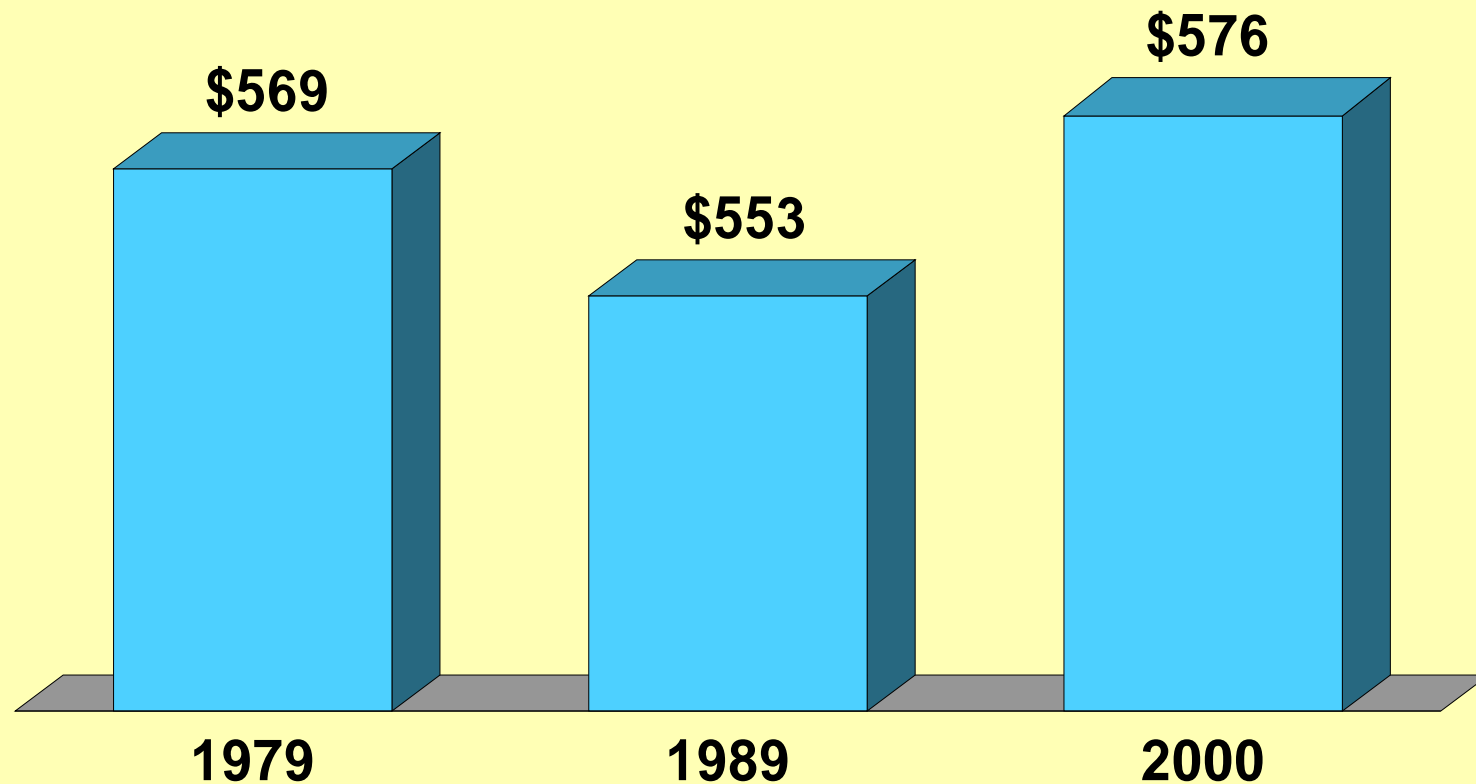
---

# **Education is king**

- Earnings inequality continues
- The demand for more skilled workers and the community college system

# Real median weekly earnings of full-time wage and salary workers, 1979-2000

2000 CPI-U adjusted dollars

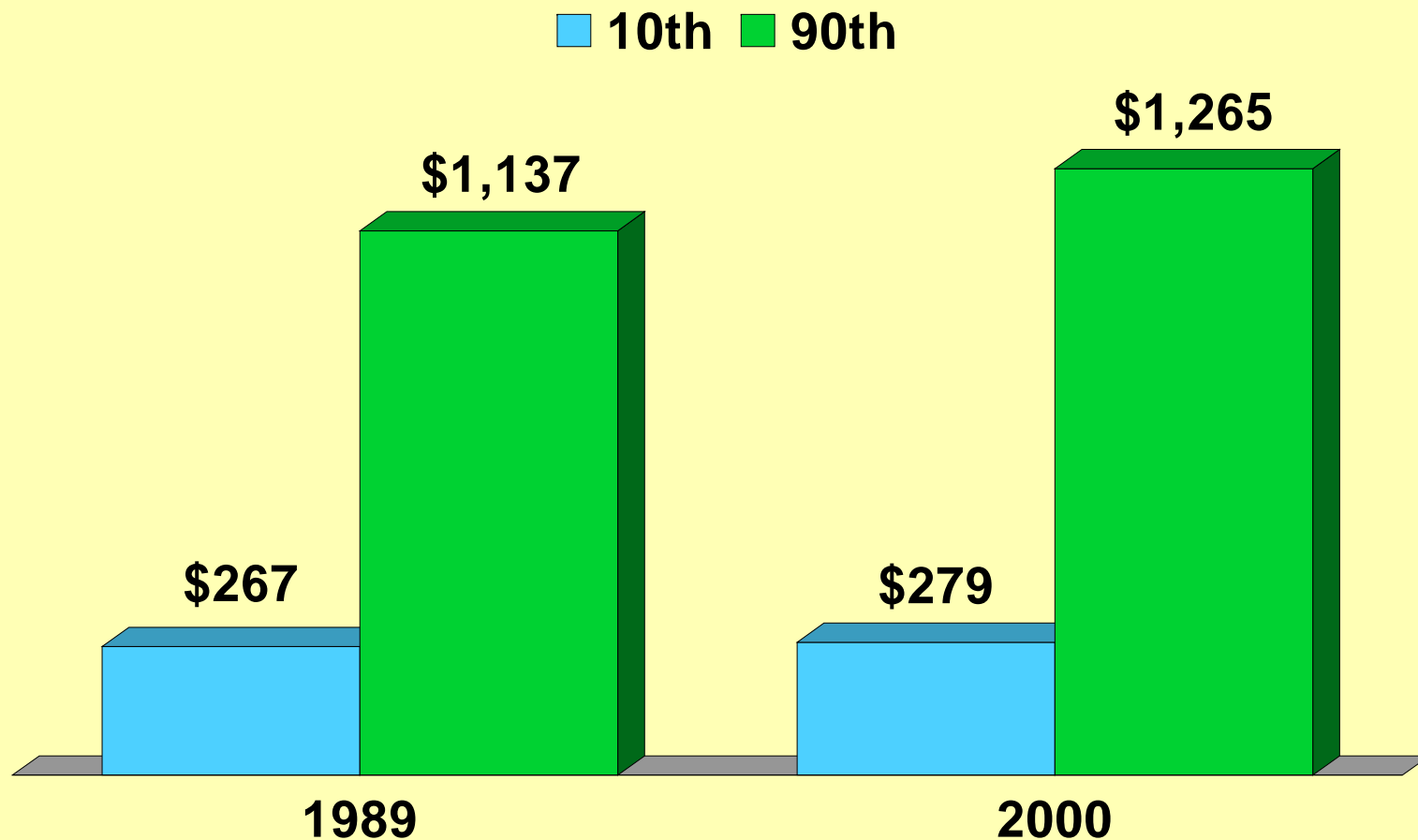


Source: Bureau of Labor Statistics



# The widening spread of the distribution of real earnings of full-time wage and salary workers

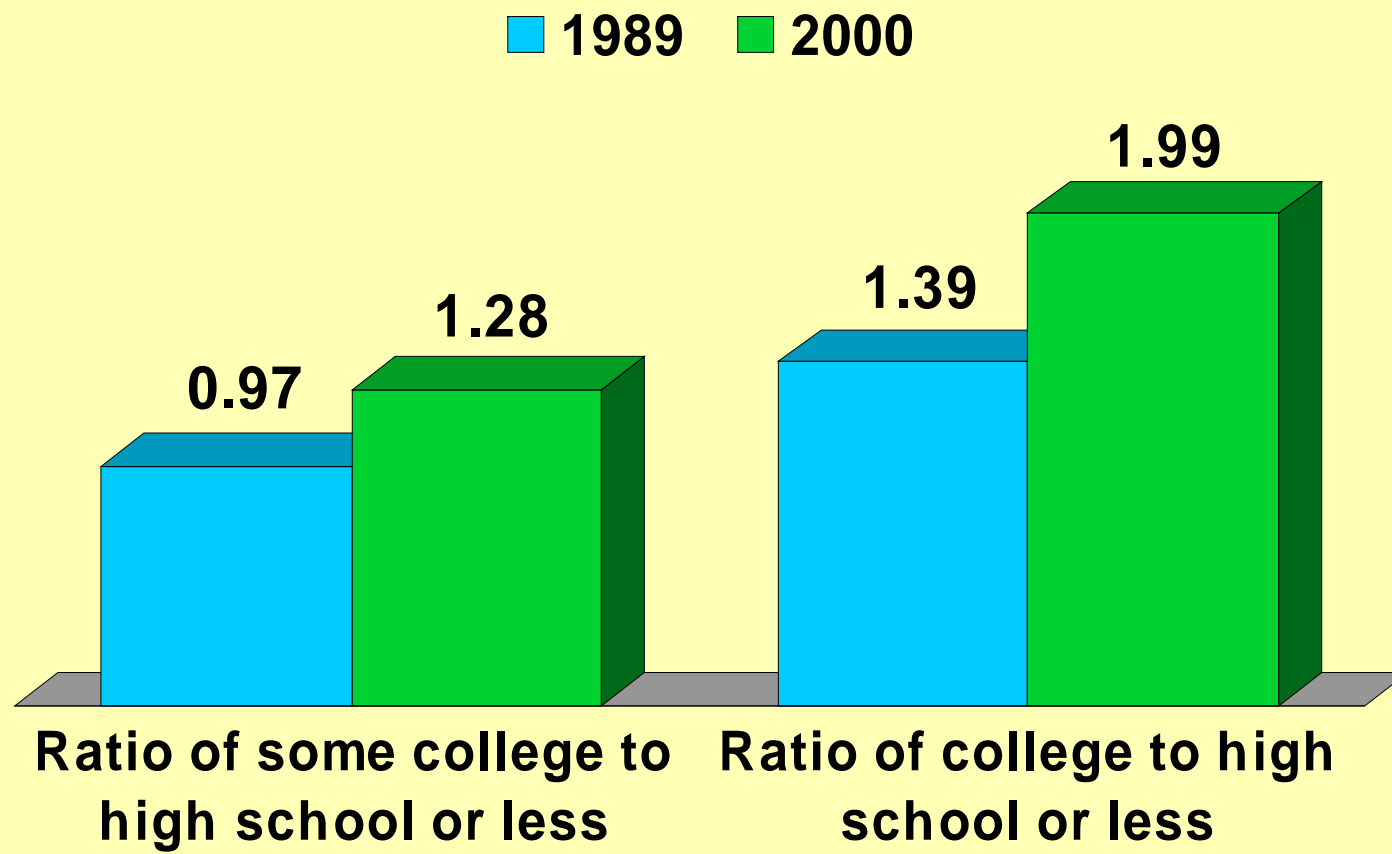
Total, 1989 and 2000



Source: Bureau of Labor Statistics

# Those with more education have gained relative to those with less education since 1989

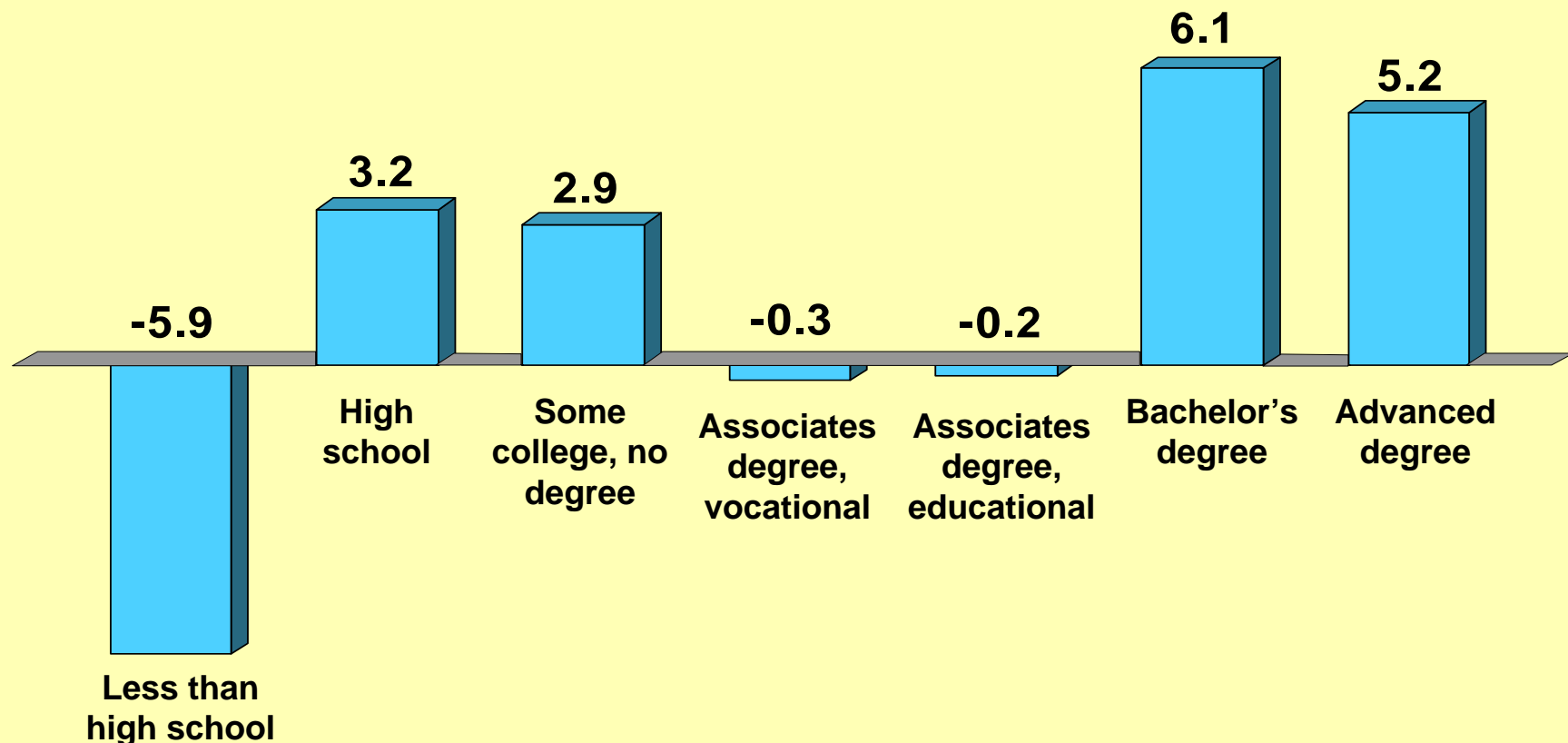
Total



Source: Bureau of Labor Statistics

# Change in real 2000 CPI-U median weekly earnings by educational attainment, usual full-time workers, 1992-2000

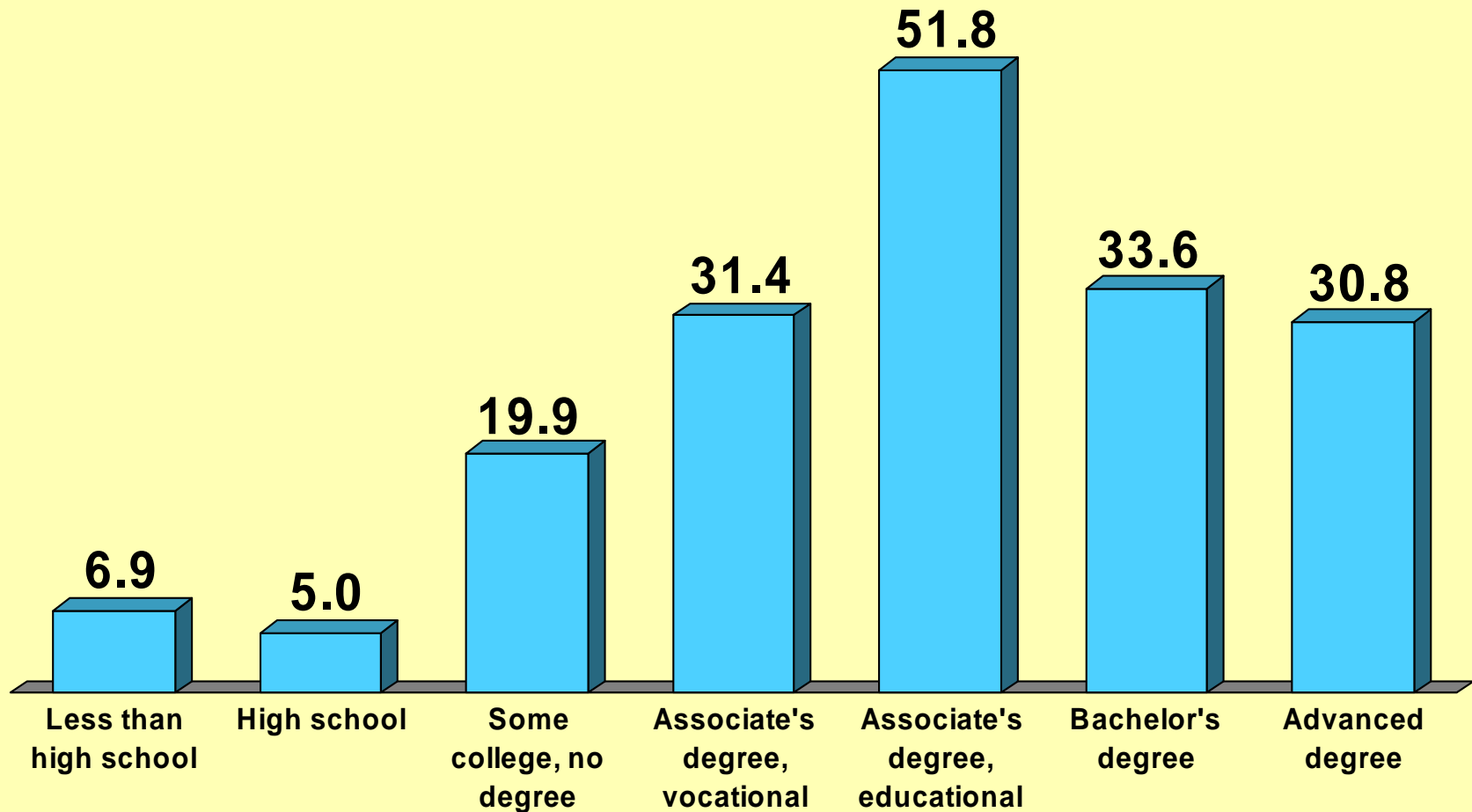
Percent



Source: Bureau of Labor Statistics

# Change in employment by educational attainment, full-time wage and salary workers, 1992-2000

Percent



Source: Bureau of Labor Statistics

---

**As the nation goes, so too does  
Georgia (for the most part)**

- As Atlanta goes, so too does  
Georgia (for the most part)

# Employment losses and gains 1990-1993

---

## All industries

Jun 90 – Feb 92                      1,792,000 total jobs lost  
1.6% of payroll  
20 months (11 months after start of recovery)

Feb 92 – Apr 93                      1,978,000 total jobs gained  
13 months (25 months after start of recovery)

## Help Services                      1.5% of total employment in Apr 93

Sep 90 – Apr 91                      68,000 jobs lost (3.8% of total job loss)

Apr 91 – Apr 93                      271,000 jobs gained (13.7% of total job gain)

# Employment losses in the current recession

---

## All industries

Mar 01 – Dec 02      1,752,000 total jobs lost  
1.3% of payroll  
21 months

Help Services      2.5% of total employment in Apr 01

Sep 00 – Feb 02      806,000 jobs lost (46% of total job loss)  
17 months

Jan 02 – Dec 02      99,000 jobs gained

# Employment losses in the current recession in Georgia

---

## All industries

Jan 01 – Dec 02      127,000 total jobs lost  
3.2% of payroll  
20 months

Help Services      2.5% of total employment in Apr 01

Sep 00 – Feb 02      50,100 jobs lost (39% of total job loss)  
17 months

Feb 02 – Dec 02      40,000 jobs gained



# Employment losses in the current recession in Atlanta

---

## All industries

Dec 00 – Dec 02      82,100 total jobs lost  
3.7% of payroll  
24 months

Help Services      2.5% of total employment in Apr 01

Sep 00 – Jan 02      31,300 jobs lost (38% of total job loss)  
17 months

Jan 02 – Dec 02      28,300 jobs gained

# Web sites

---

- Occupational Outlook Handbook  
*<http://www.bls.gov/oco/>*
- Career Guide to Industries  
*<http://www.bls.gov/oco/cg/>*
- Occupational Outlook Quarterly  
*<http://www.bls.gov/opub/ooq/ooqhome.htm>*