



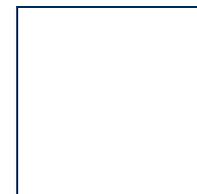
The Maryland Economy: the Changing Jobs Picture



R. Andrew Bauer, Ph.D.
Regional Economist
December 16, 2009



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The views expressed here are those of the author, and do not necessarily represent those of the Federal Reserve Bank of Richmond or the Federal Reserve System.





Outline

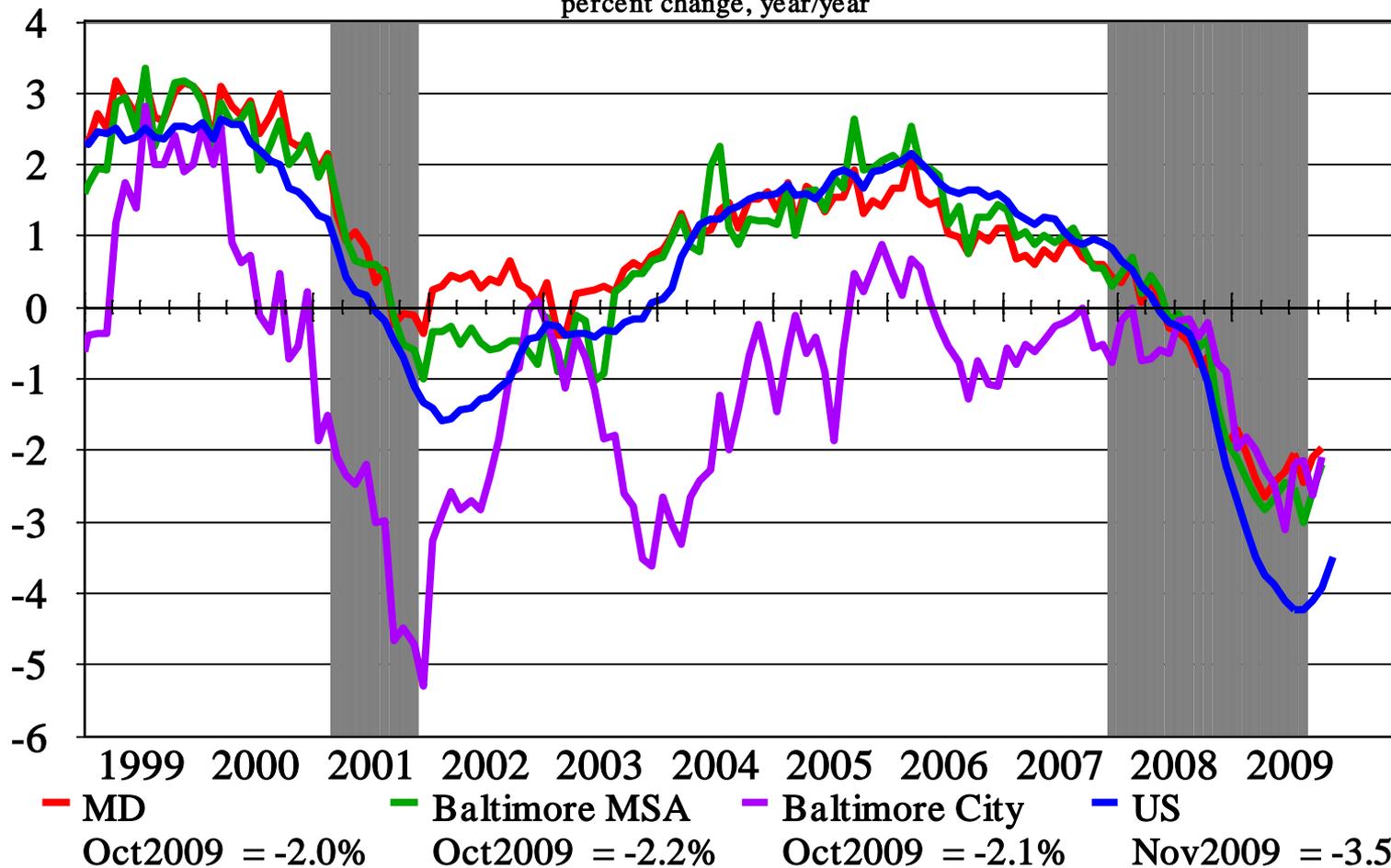
- Recent trends: impact of the recession on the labor market
- Longer-term trends: where are we likely to see job growth over the next decade
- What education and skill levels will those jobs require?
- Importance of human capital
- What to expect for the labor market next year as the economy recovers



Maryland Payroll Employment

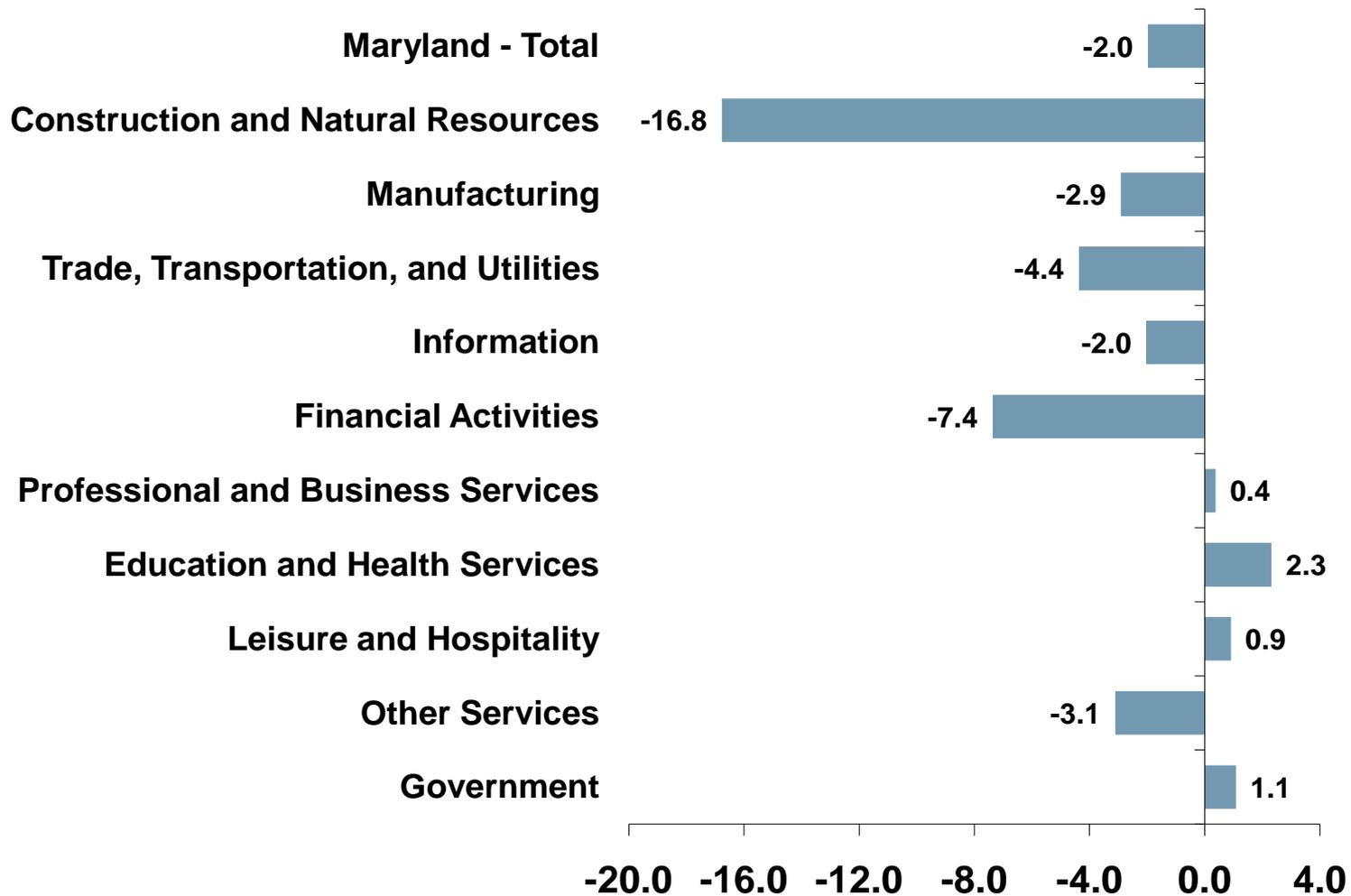
Payroll Employment Growth

percent change, year/year

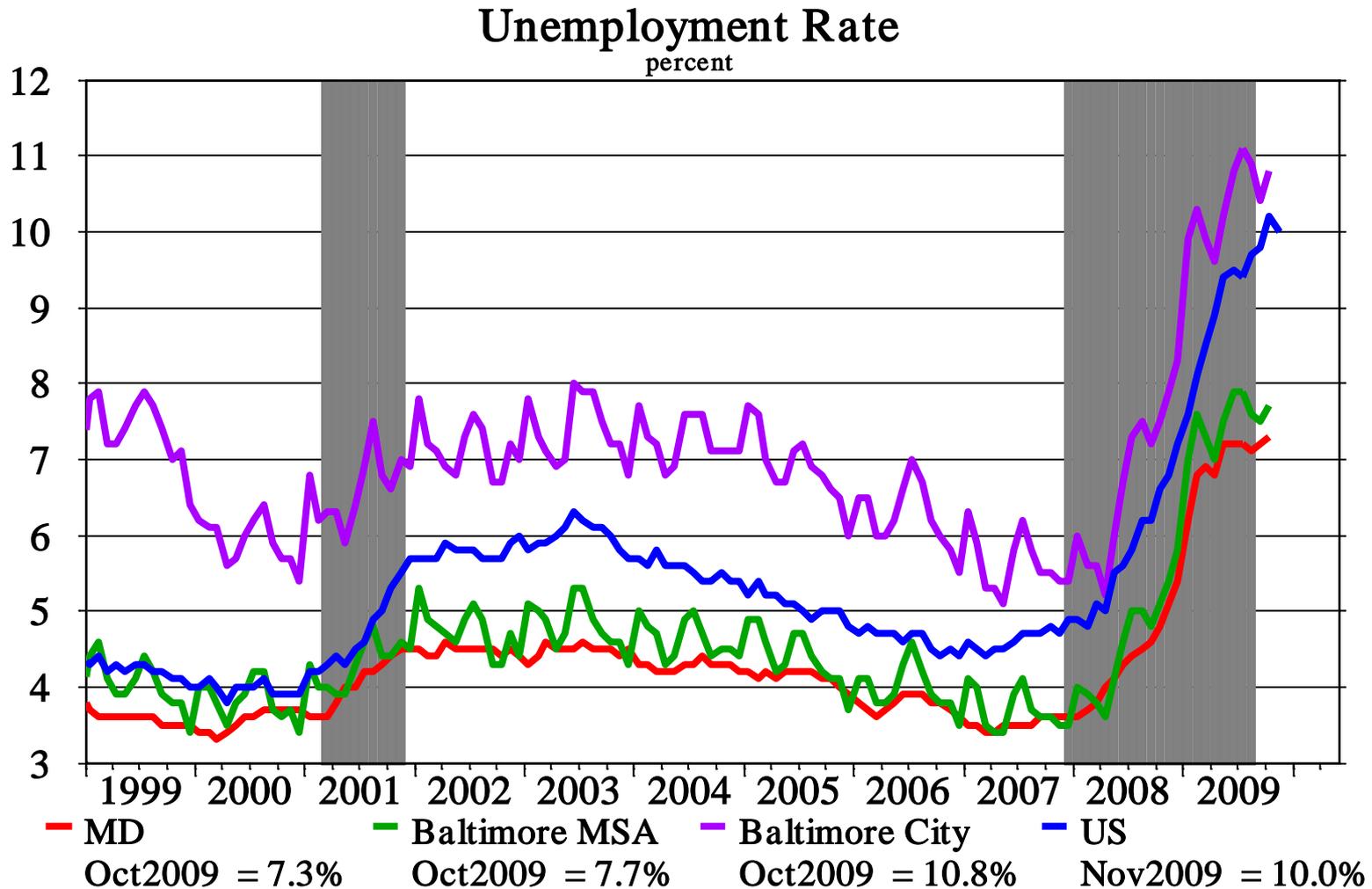


Maryland Industry Sector Trends

Percentage Change – October 2008 to October 2009



Maryland Unemployment Rates



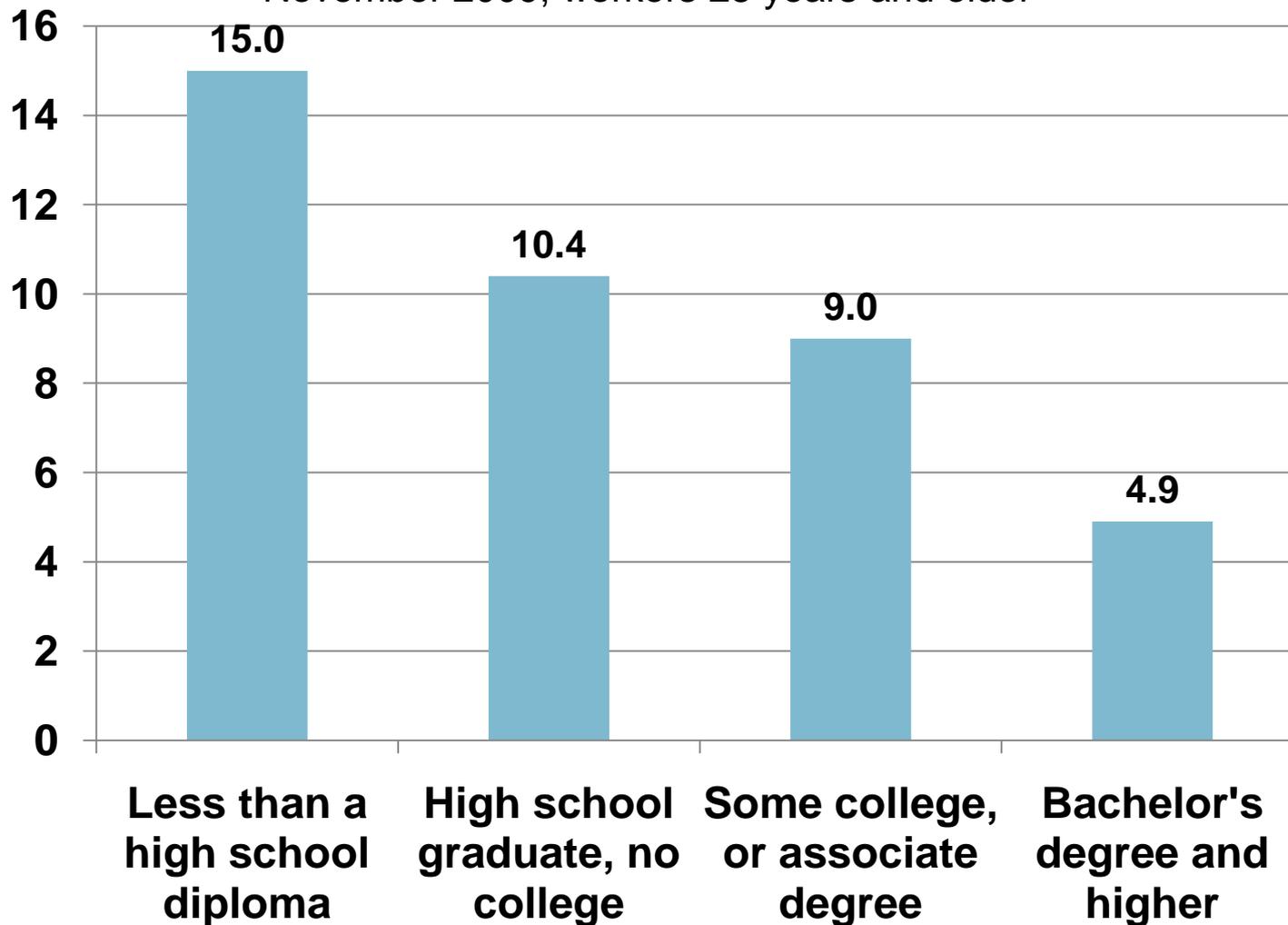


Unemployment Rate by County

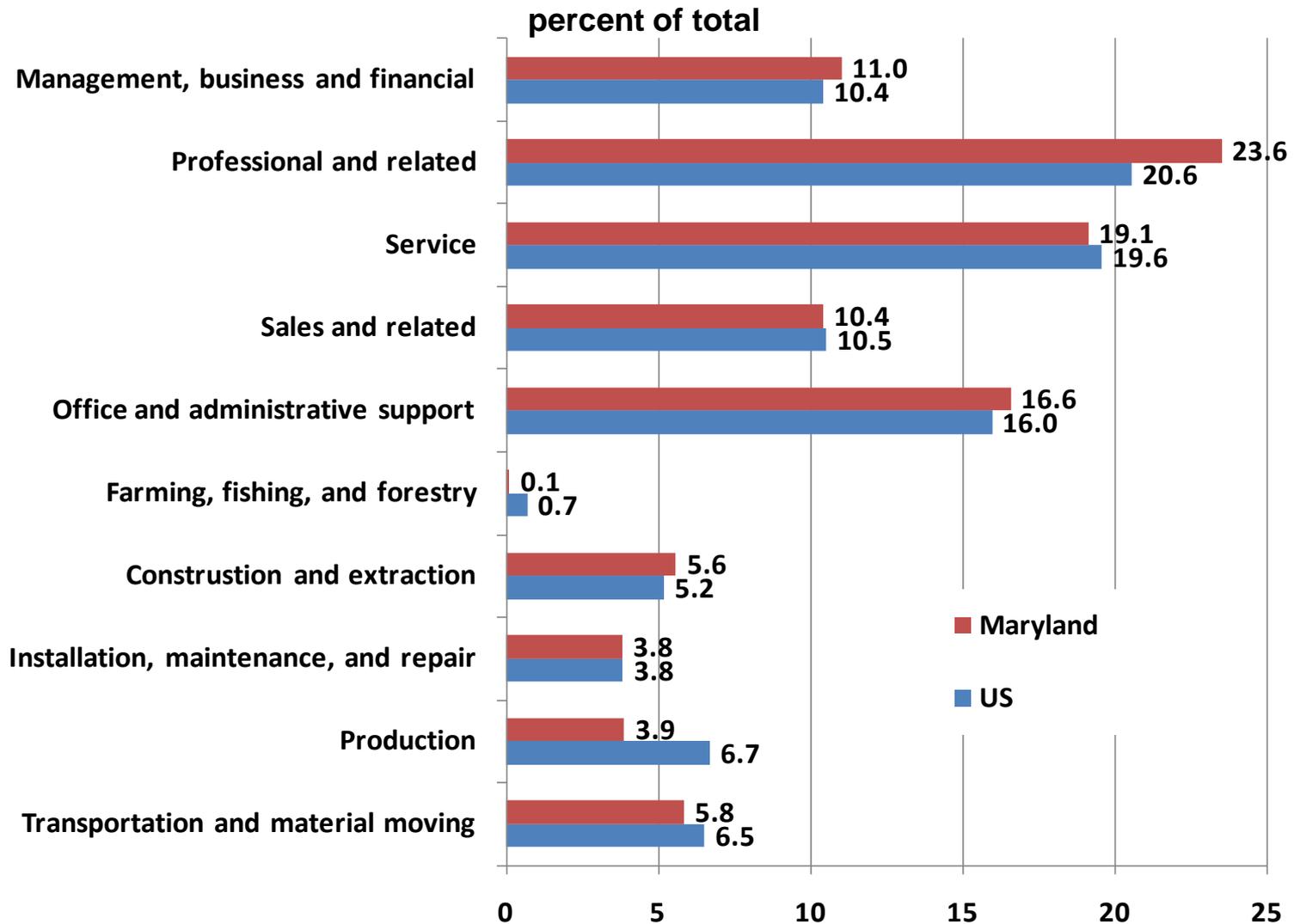


U.S. Employment Status by Level of Education

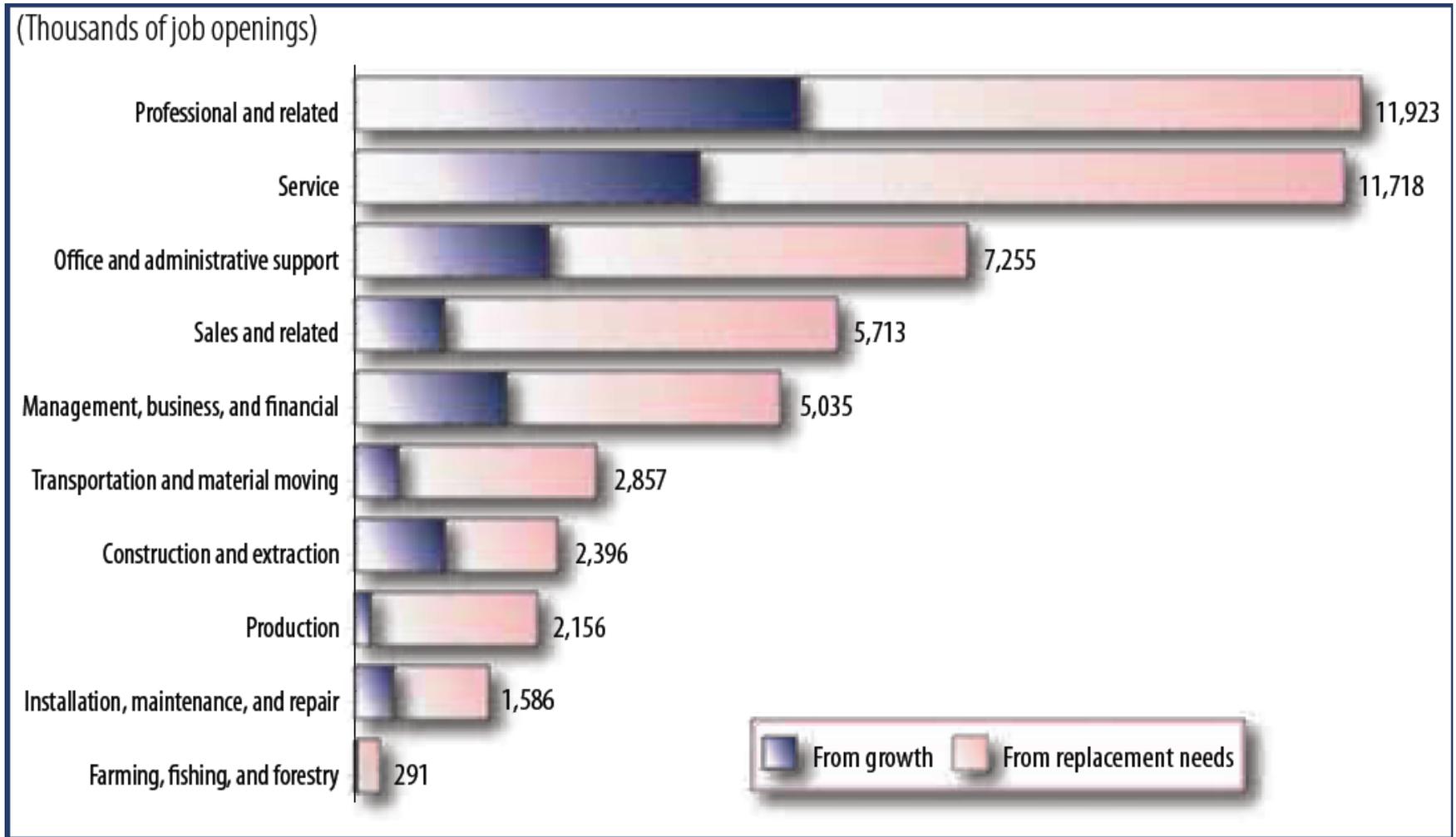
November 2009, workers 25 years and older



Employment by Occupational Group



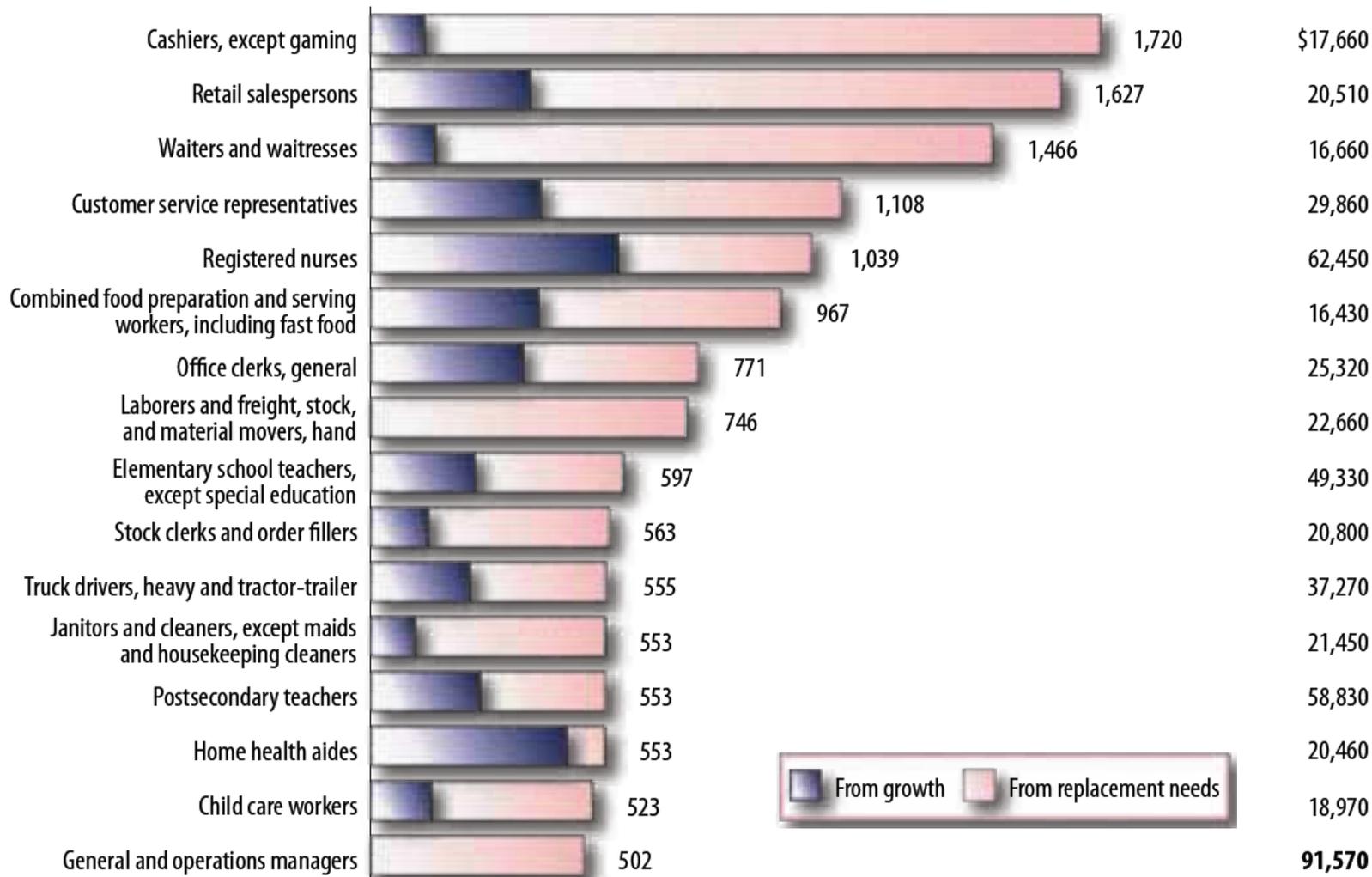
Growth in Job Openings 2008-18



Job Openings by Occupation 2008-18

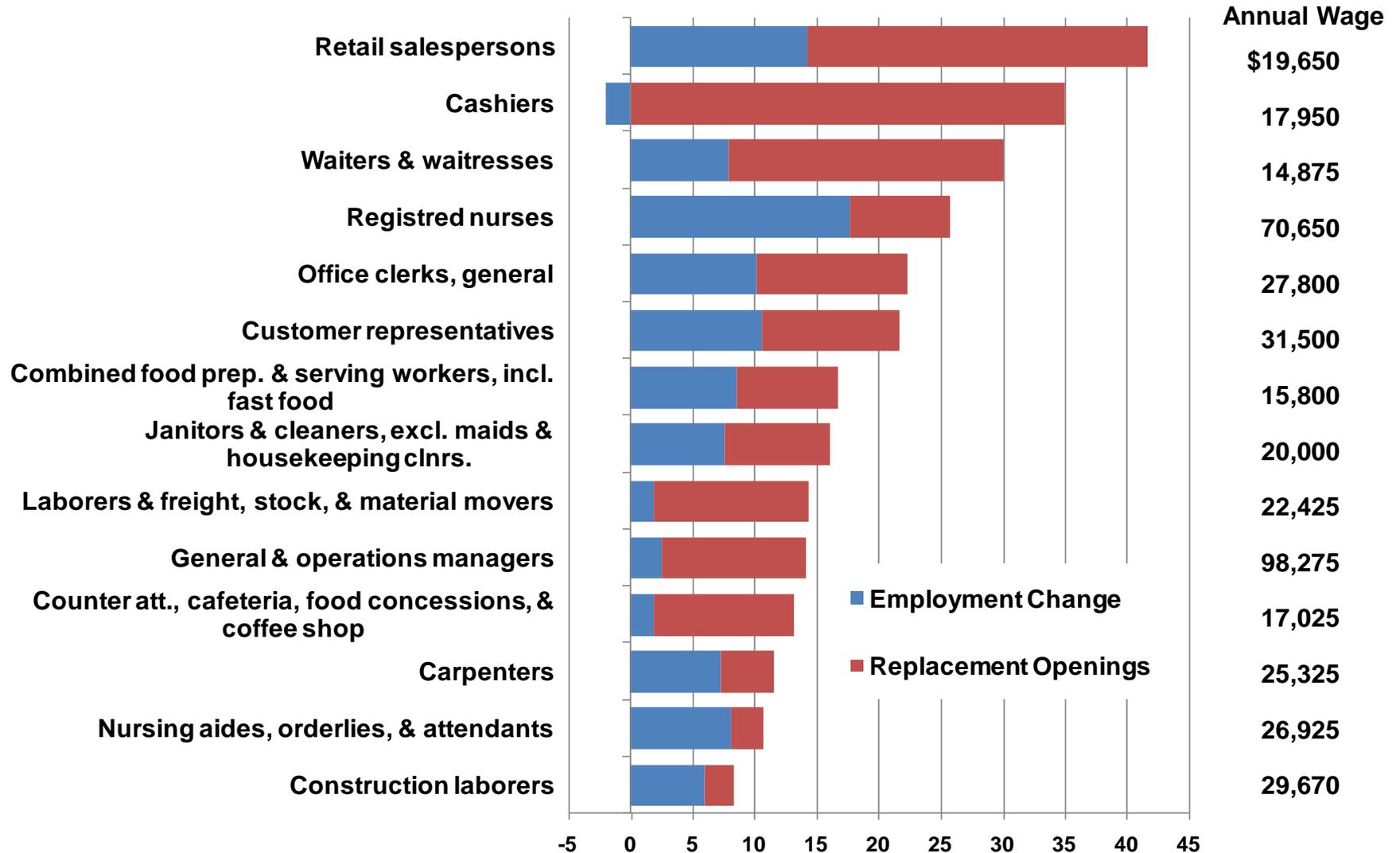
(Thousands of jobs)

Median annual wages, May 2008



From growth From replacement needs

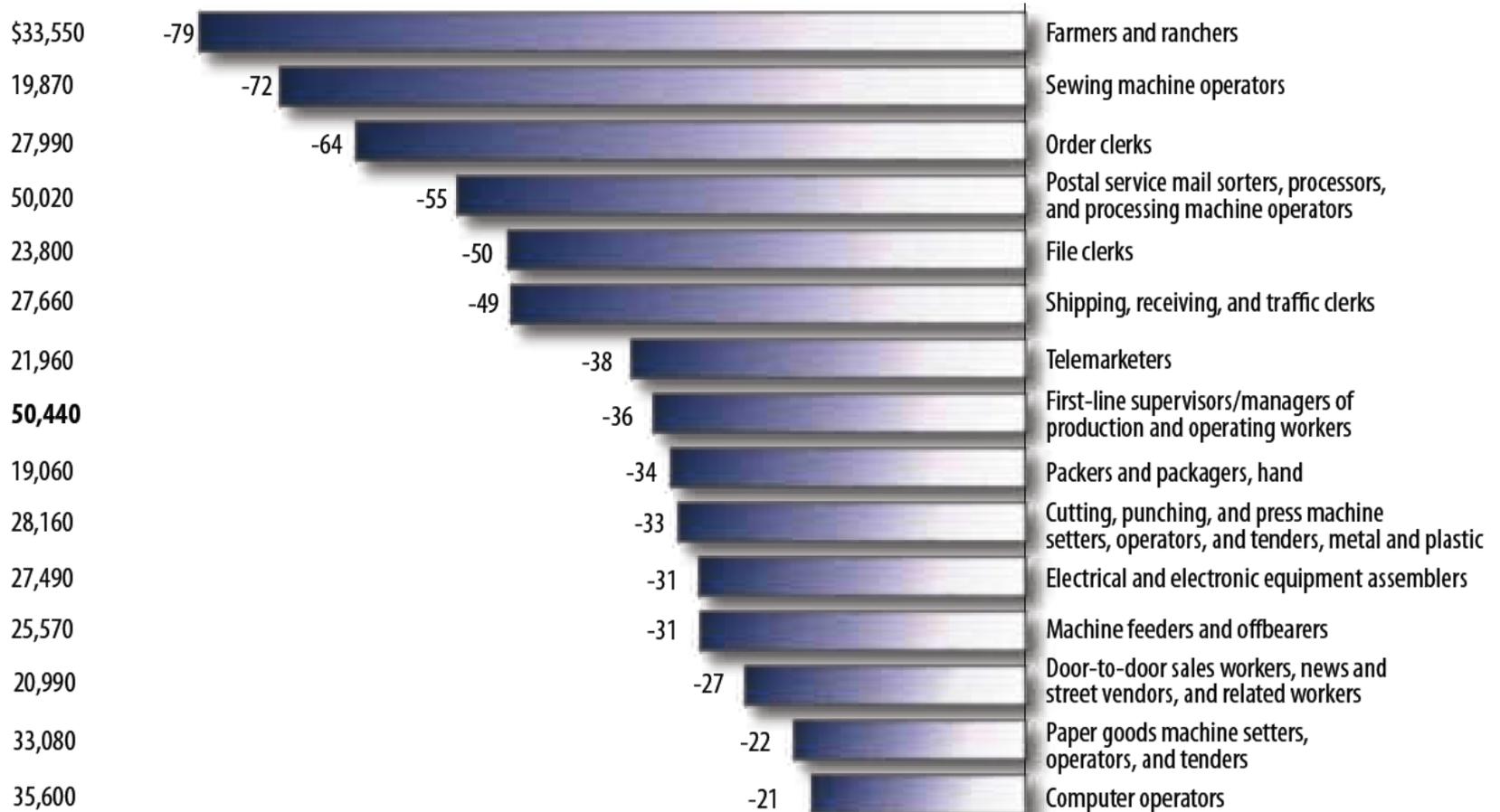
Maryland Job Openings by Occupation 2006-16



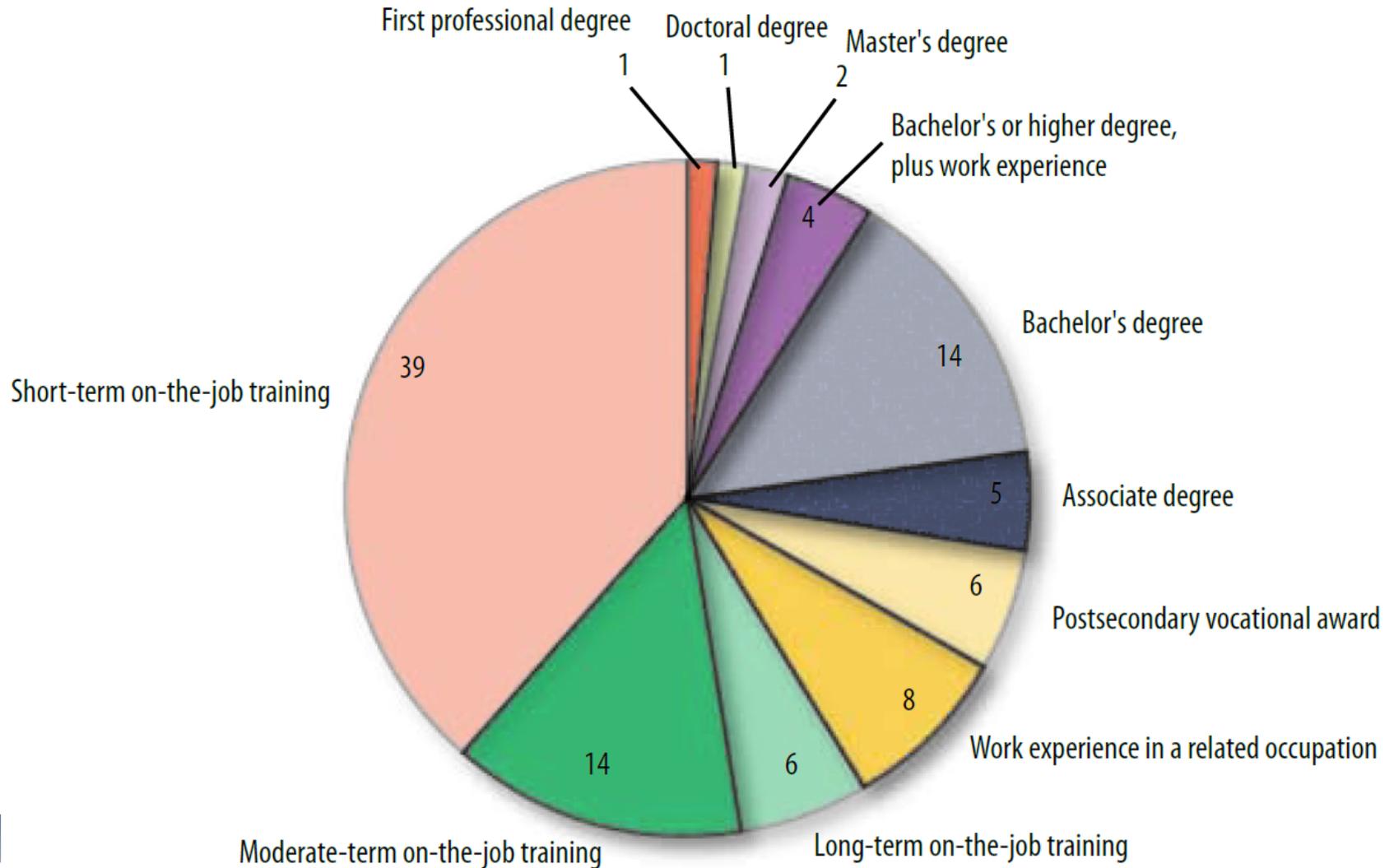
Most Job Losses by Occupation 2008-18

(Thousands of jobs)

Median annual wages, May 2008



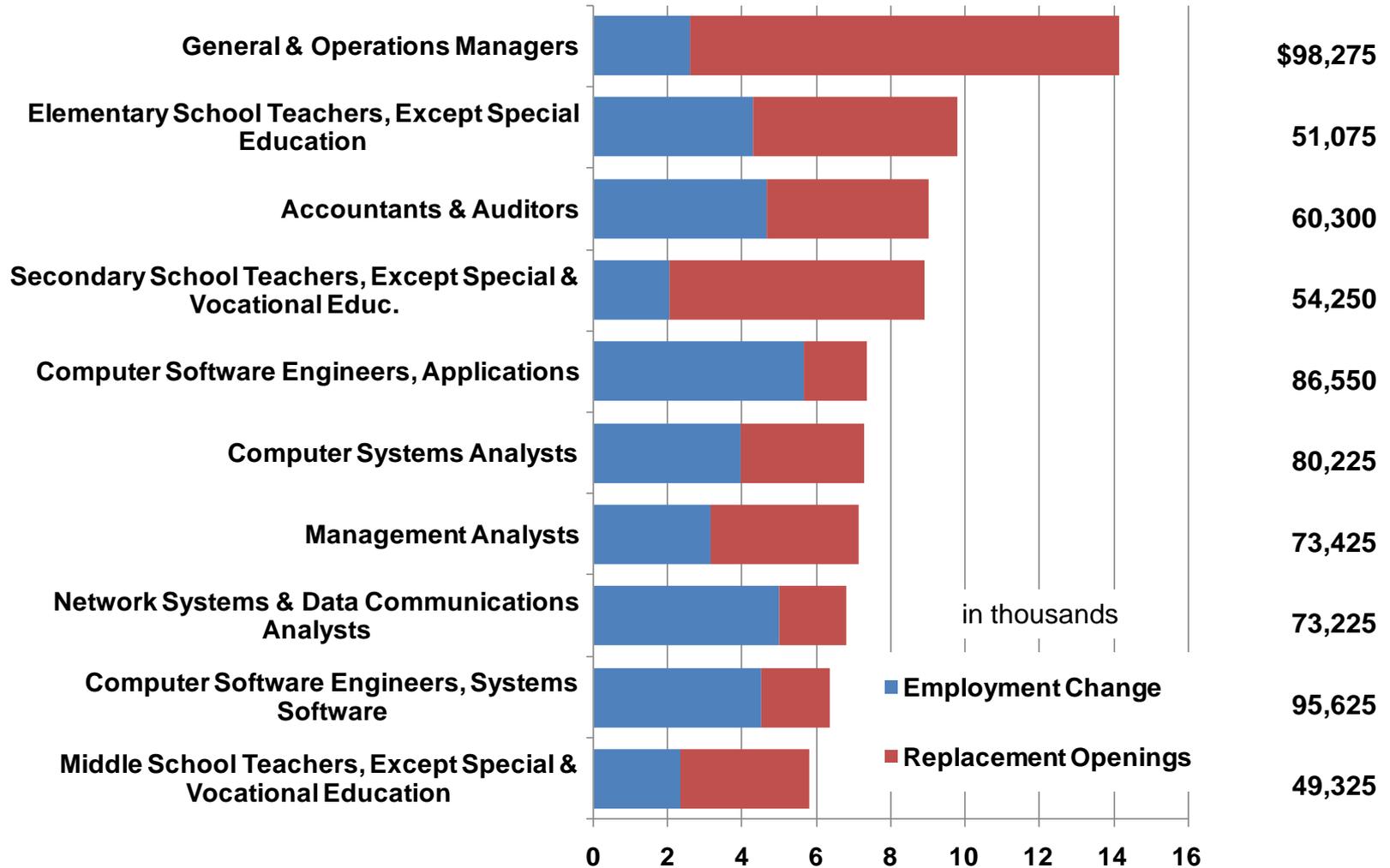
Job Openings by Education/Training 2008-18



Maryland Job Openings by Education 2006-16

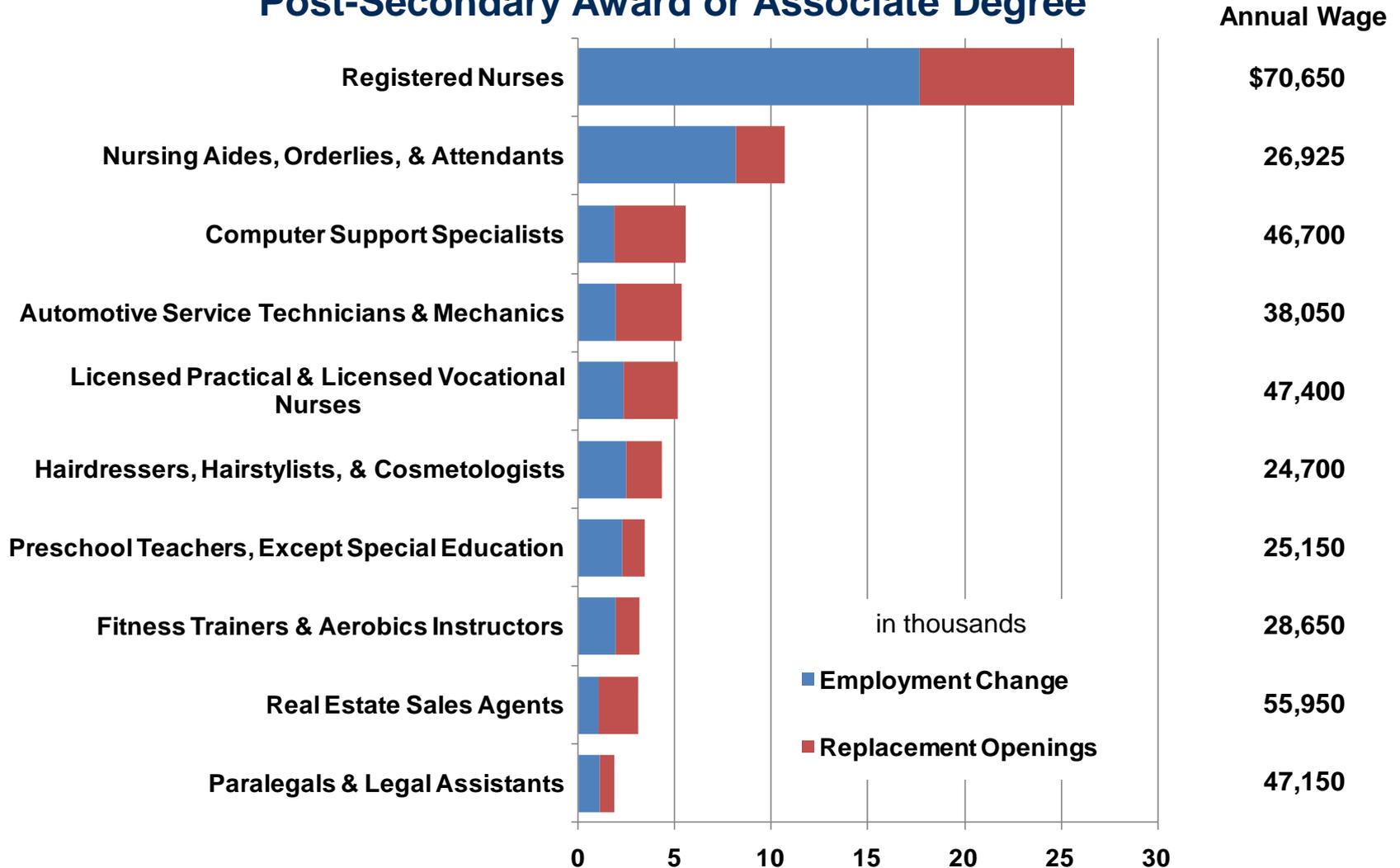
Bachelor's Degree or Higher

Annual Wage



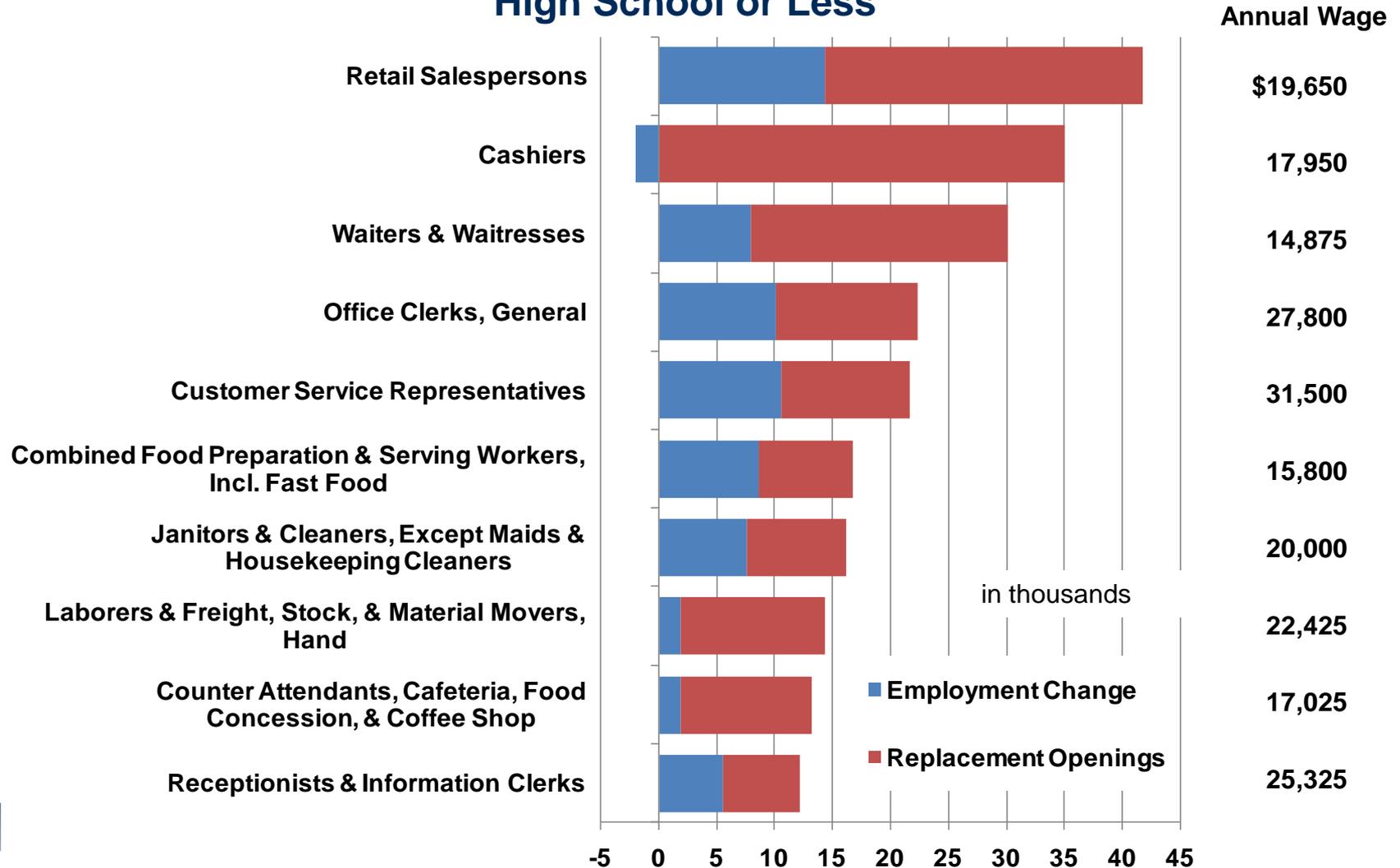
Maryland Job Openings by Education 2006-16

Post-Secondary Award or Associate Degree



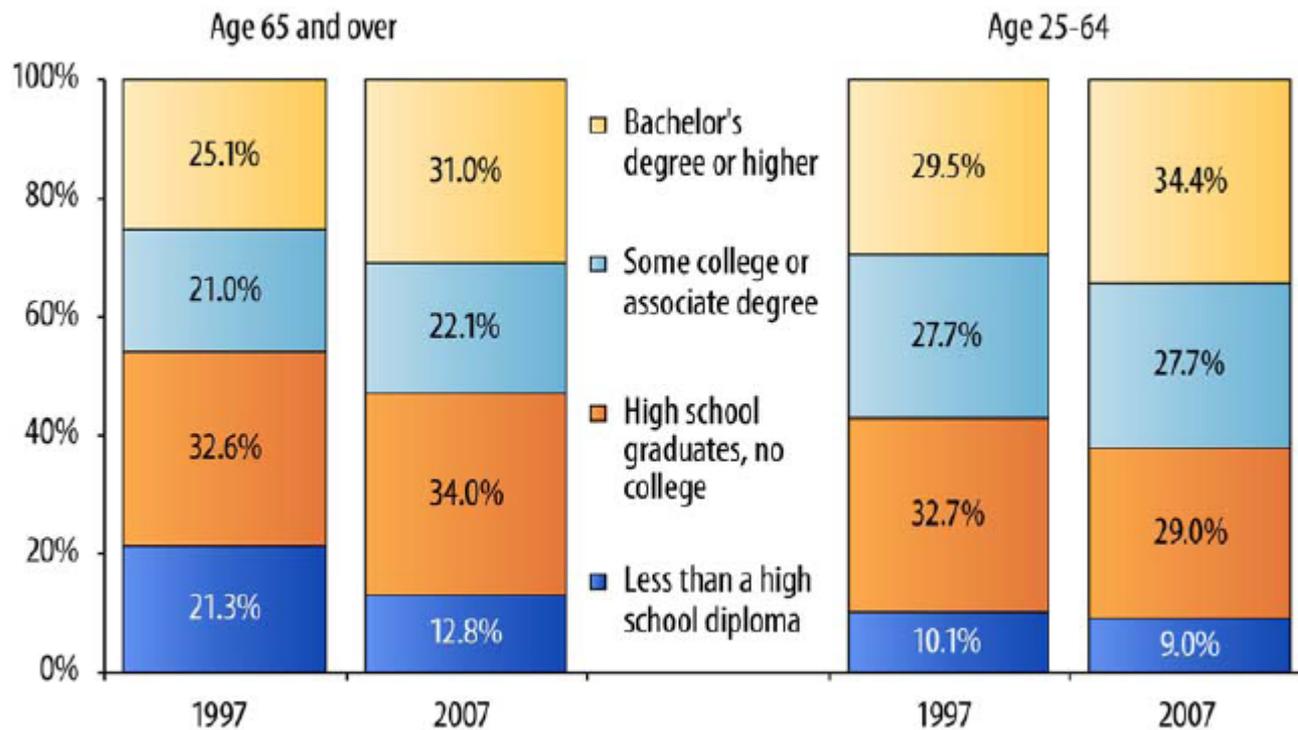
Maryland Job Openings by Education 2006-16

High School or Less



Increased Demand for Educated Workers

Employment distribution by age and education, 1997 and 2007



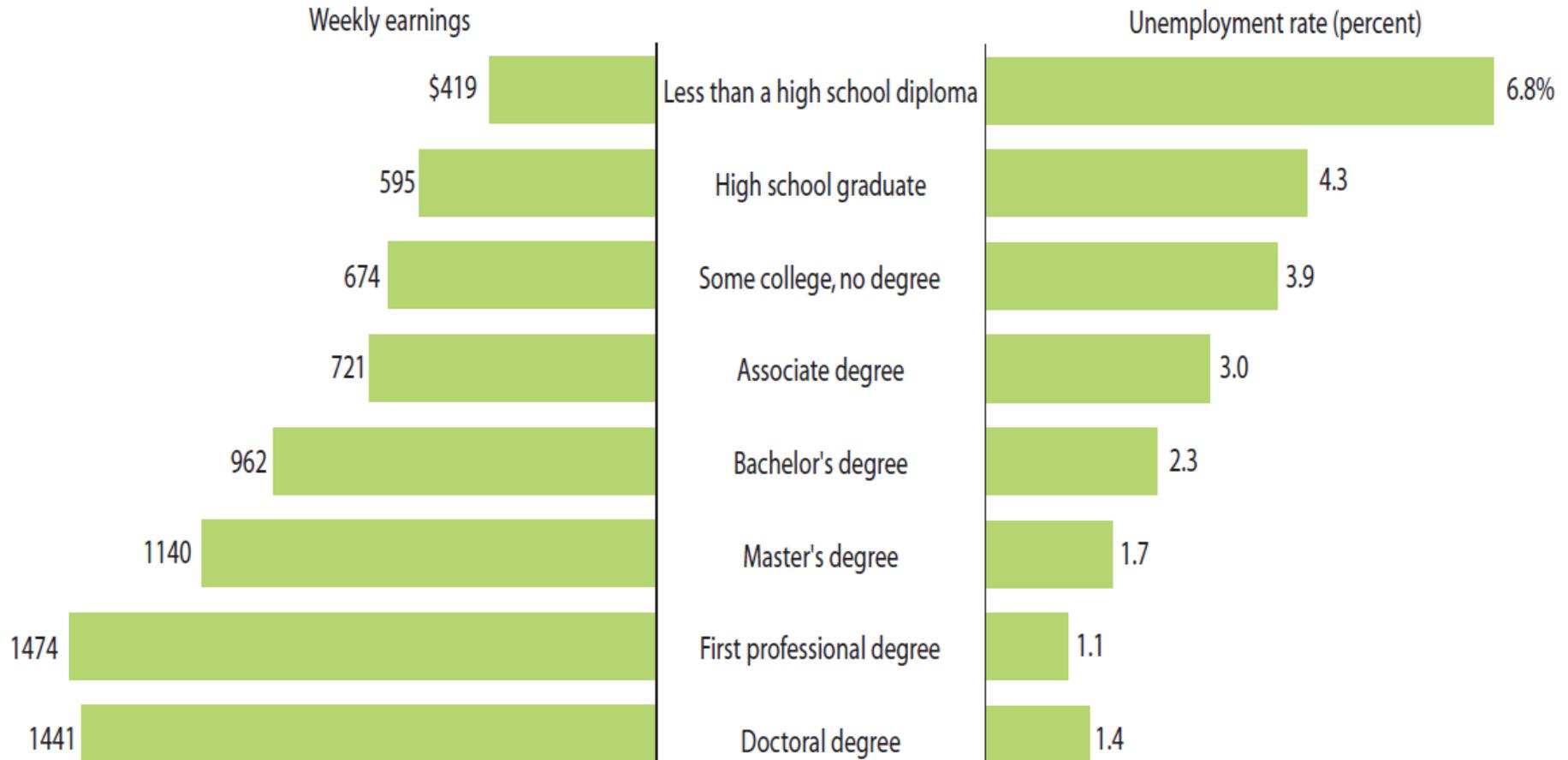
Source: U.S. Bureau of Labor Statistics

www.bls.gov

Source: Current *Population Survey (CPS)*



Earnings and Unemployment by Education 2006



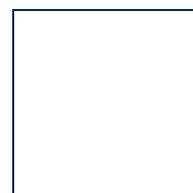


The Recovery and Labor Markets

Some of the signs to watch ...

- **Consumer Spending** – positive signs in recent months, but still down relative to last year – largely dependent on economic outlook improving & income returning
- **Unemployment rate** – we will not see this decline for some time – this will lag other positive movements
- **Employment** – need to see bottom in terms of employment contraction so wages (income) can grow
- **Workforce Implications** – firms have learned to do more with fewer workers – means some of the jobs will not return – but as economy picks up can expect continued growth in high-skilled sectors





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