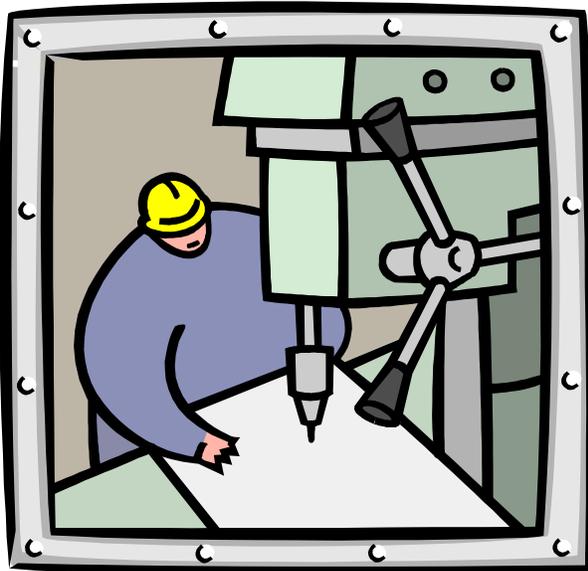


# MANUFACTURING

## Workforce Demographics



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Regulation  
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## INTRODUCTION

This publication examines some of the demographic trends and employment dynamics within the private sector Manufacturing Cluster. The Manufacturing Cluster consists of all of the industry groups that comprise the North American Industry Classification System (NAICS) sector of Manufacturing (NAICS 31-33).

The labor market is a complex, dynamic system, very active in both good and bad economic times. Firms continually add and eliminate jobs; workers frequently change employers or move in and out of the job market. Workforce experiences can vary greatly between men and women and among workers of different age groups, even under the same economic conditions. Using data from the Local Employment Dynamics (LED) Program, a labor market information partnership between the U.S. Census Bureau and participating states, this report provides insight into some of the complexities in Maryland's Manufacturing Cluster.

For more information on the Local Employment Dynamics Program, go to <http://lehd.dsd.census.gov/led>.

### SOURCE OF DATA

Local Employment Dynamics Program, U.S. Census Bureau and Maryland Department of Labor, Licensing and Regulation. Data are annual averages for Workforce Investment Act (WIA) Program Year 2003 (July 2003-June 2004).

### SCOPE OF COVERAGE

Wage and salary employees covered by the Unemployment Insurance Law of Maryland. Because of conceptual and reference period differences, data from the LED program will differ from that reported by the Quarterly Census of Employment and Wages (QCEW), also known as the ES 202 report.

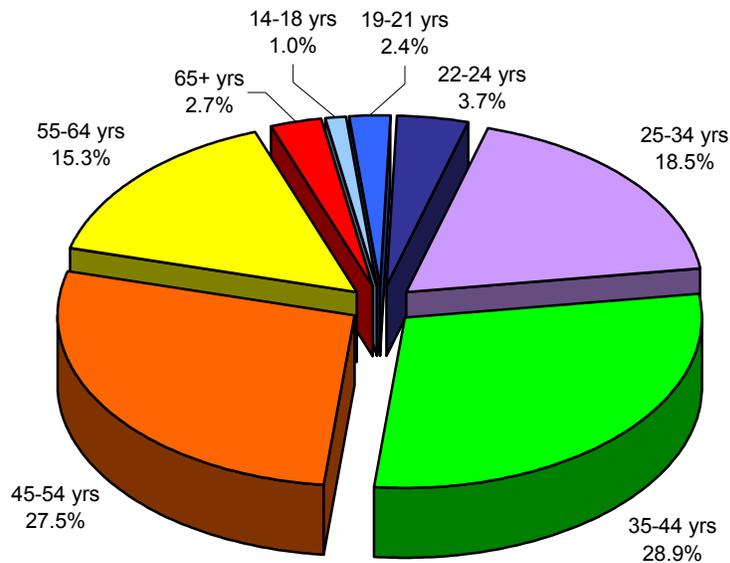
### EXPLANATION OF TERMS

Average Monthly Earnings, New Hires – mean monthly earnings of new workers in their first full quarter of employment with a firm.

Employment – all workers employed by a firm at the beginning of the quarter.

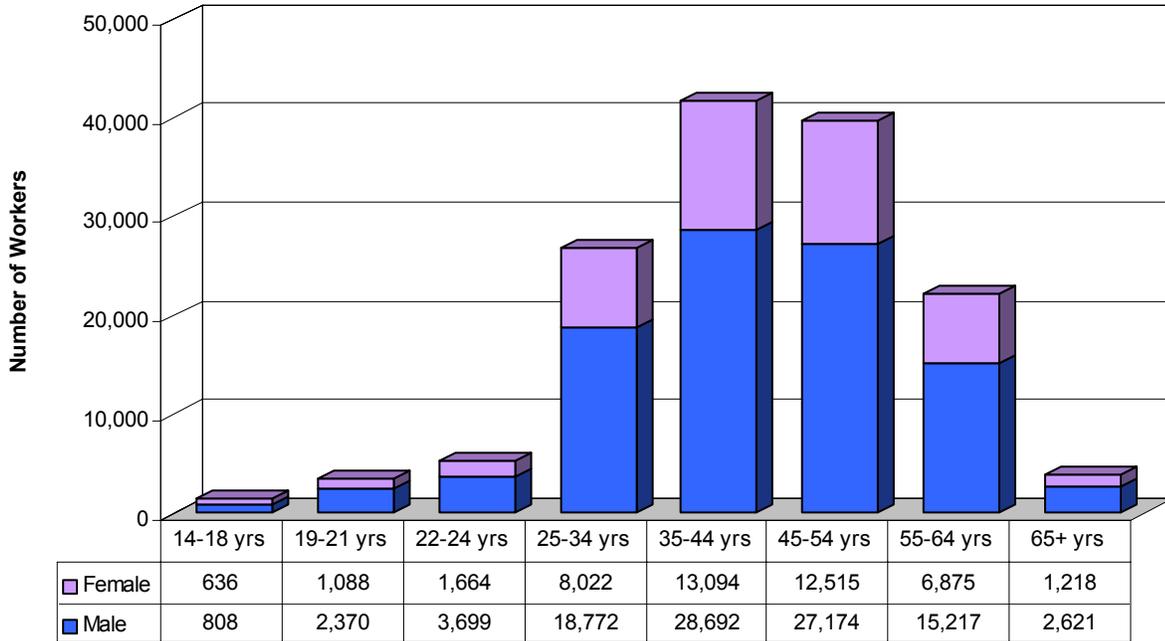
Turnover Rate – the percentage of workers moving into and out of employment with a firm during the reference period.

**Maryland  
Manufacturing  
Employment Distribution by Age  
PY 2003**



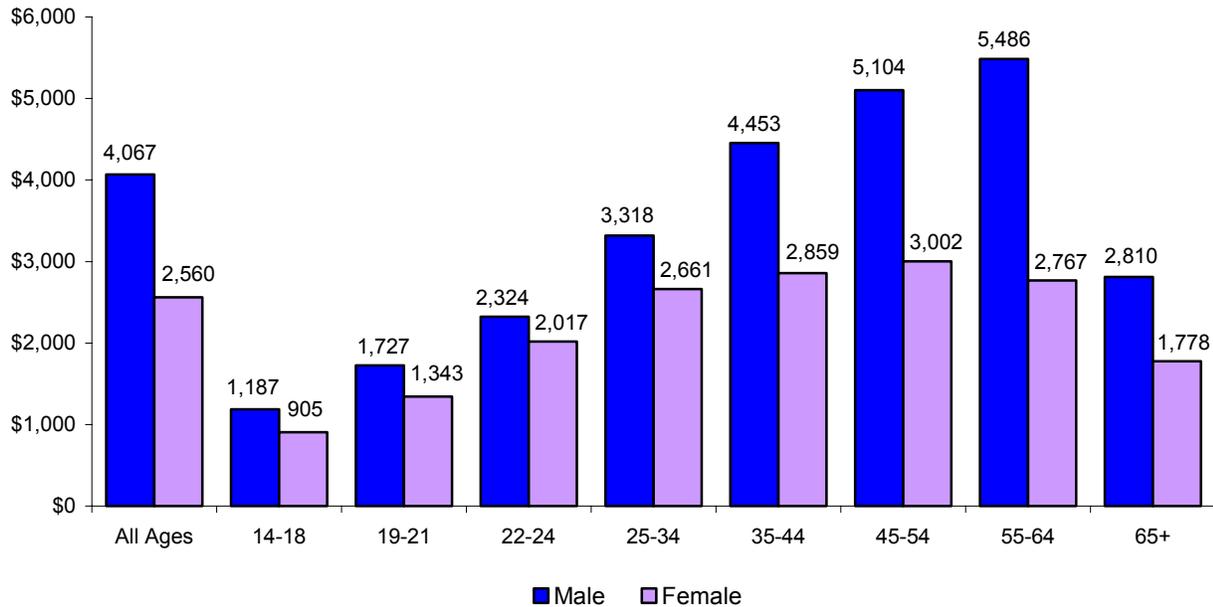
About three-fourths of Manufacturing employees during PY 2003 were in the prime working years of 25-54—compared to 69% in the private sector overall. Only about 7% of Manufacturing's workforce were 14-24 years old—less than half the share of all private employment. With few part time evening and weekend positions to accommodate education needs, and Child Labor Laws restricting the youngest from some production jobs, Manufacturing is not the easiest field for a young person to find work. The industry's workforce is also aging. The long-term decline in Manufacturing employment has resulted in fewer young entrants, while above average pay and benefits have helped retain mature workers. An estimated 18% of workers were 55 and older, suggesting that a substantial portion of the workforce could be lost to retirements in the coming years.

**Maryland  
Manufacturing  
Employment by Age & Sex  
PY 2003**



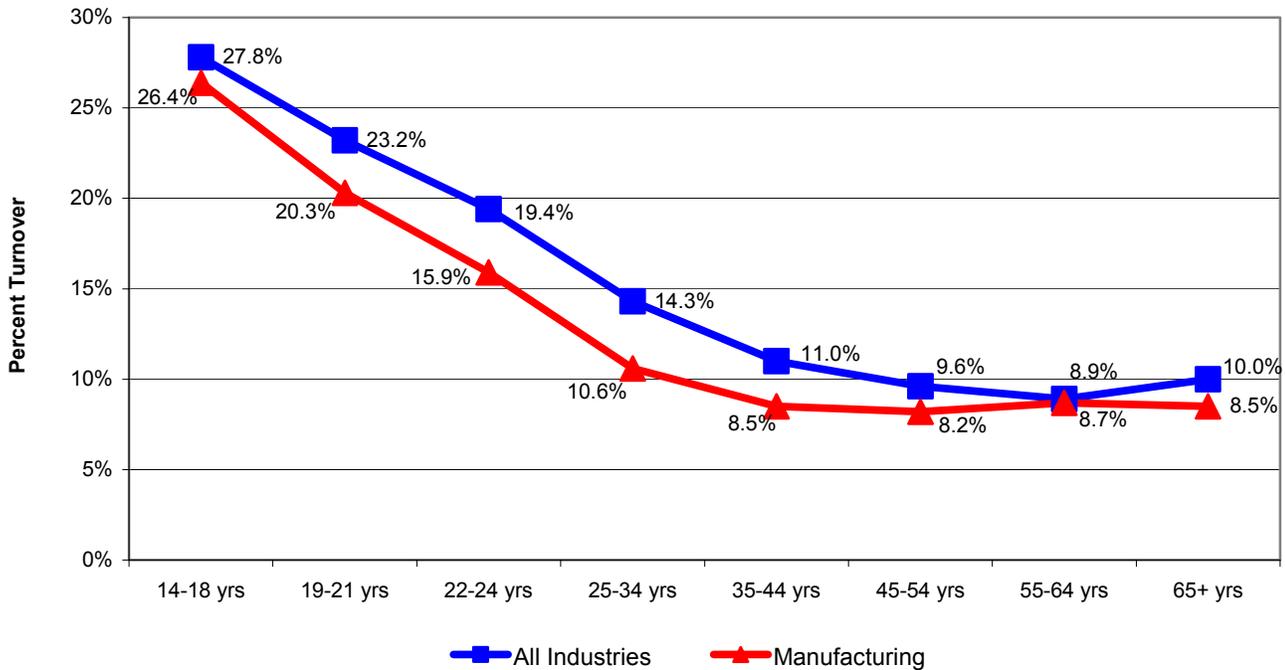
In PY 2003 women accounted for nearly half of all private sector employees in Maryland, but only 3 out of 10 workers in Manufacturing. Across age groups, the female share of Manufacturing showed little variation--30-32%--except among the youngest workers (14-18 years), where women comprised 44%. Gender distribution exhibited some diversity among industry groups: women claimed above average portions of the workforce in food production, chemicals, and miscellaneous manufacturing, but much smaller shares in fabricated metal products, machinery manufacturing, and primary metals. Many occupations typically found in Manufacturing, including production work and material handling, are usually held by men.

**Maryland  
Average Monthly Earnings  
New Hires in Manufacturing by Age & Sex  
PY 2003**



Newly hired workers in Manufacturing, in all age groups and both genders, were paid significantly more than their counterparts in the private sector as a whole. Overall, Manufacturing new hires earned \$3,604 per month, or \$1,254 more than the private sector average in PY 2003. New worker earnings in Manufacturing were lowest for both genders among 14-18 year olds, rising to a peak of \$3,002 per month for females in the 45-54 age group, and for males topping out at \$5,486 for ages 55-64. On average, new female Manufacturing workers earned about 63% of male new hire pay, slightly less than the percentage for all private industry. The earnings gap was smallest among 22-24 year olds, where females earned about 87% of male new hire wages, and greatest among 55-64 year olds, where females made about half of male earnings. Much of this disparity can be attributed to pay differences in the occupations for which men and women were hired, and variation in hours worked. Female new hires were also somewhat more likely than males to be accepting positions in lower paid industry groups, and less likely to be hired in higher paying industries.

**Maryland  
Turnover Rates by Age  
Manufacturing & All Private Industries  
PY 2003**



Manufacturing turnover by age followed a similar trend to that of the total private sector in PY 2003. Turnover was highest for 14-18 year olds, declining steeply as age increased. Reaching its lowest level among 45-54 year olds, turnover rose slightly for workers 55 and older, as retirements became a factor. In each age group, however, turnover in Manufacturing was lower than for the same cohort in the private economy as a whole. For all ages, Manufacturing turnover averaged 8.8%, compared with 12.8% in the total private sector. Factors contributing to this trend include: a low percentage of young employees who typically have high turnover; relatively high wages and good benefits, which discourage voluntary separations; and tepid hiring in this declining industry, tempering the accessions level. Since turnover analysis measures both the movement of workers into (accessions) and out of (separations) employment, reduced levels of either can lower the rate.

