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Labor Market Information

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Second Quarter 2018: A Comparison of Private-and Public-Sector Wages

Oregon employers must report total wages and hours worked for each employee covered by unemployment insurance. These quarterly records cover more than two million individuals employed in the state, but don't include roughly 280,000 self-employed workers. Past quarterly wage reports are available in the Oregonians @ Work box at www.qualityinfo.org/pubs.

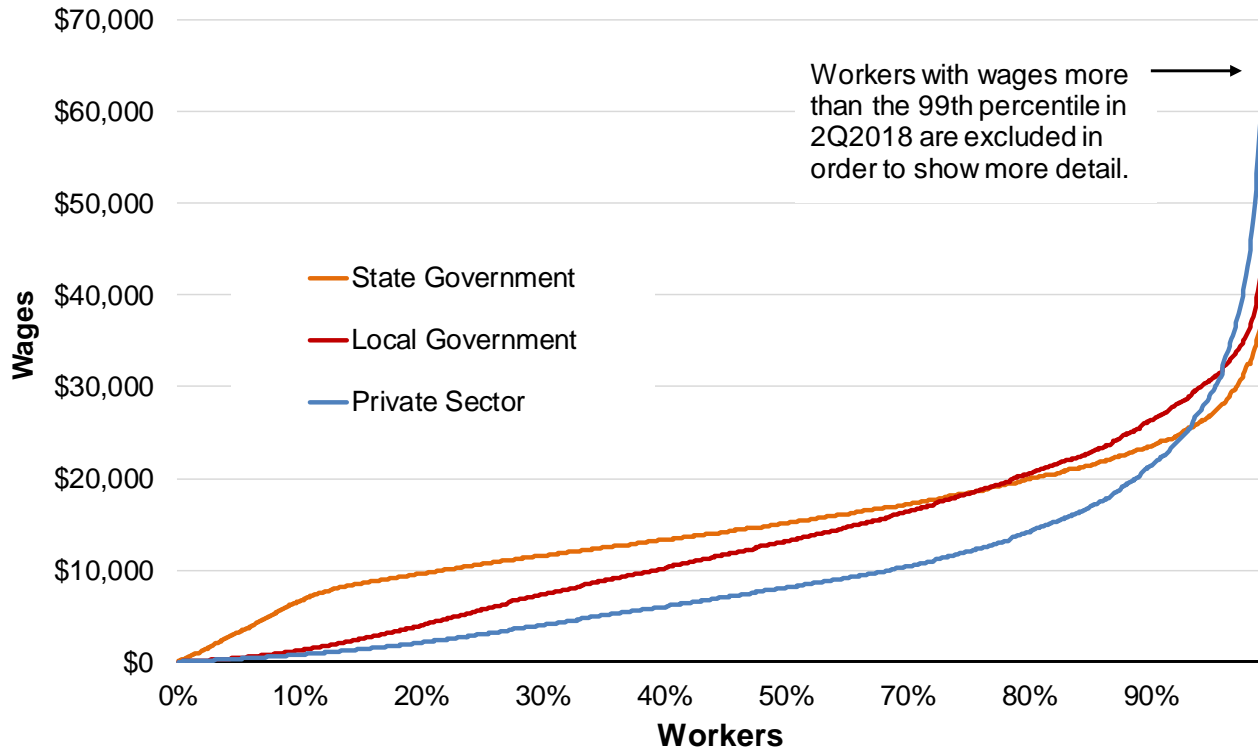
Although most comparisons of private- and public-sector wages use annual averages or wages by industry, looking at the individual wages available from these unemployment insurance records provides a different and interesting picture. Most people are aware that the private sector is larger than the public sector, and that the range of wages that workers receive is quite wide. But seeing these differences in graphs can be surprising. Two important things to note are that wage records for Federal employees are not available, and that no single individual's wages are presented due to confidentiality laws.

The range of wages paid to Oregonians is so wide that it is difficult to show in one graph. The graphs below start with a detailed look at most workers then zoom out to look at all workers in the second quarter (April through June) of 2018 who were covered by unemployment insurance.

The first graph shows the wage distributions for each percentile of state government, local government, and private-sector workers. (The graph was actually made using one-tenth percentiles to show more detail.) Two obvious results are that most state government workers made more than most local government and private-sector workers, and the lines are not horizontal, some workers made more than other workers.

Also note that towards the top percentiles of workers, the lines cross. About 72 percent of state government workers earned more than local government workers, but the top 18 percent of local government workers earned more than state workers. About 92 percent of state government workers earned more than private-sector workers, but the remaining 8 percent earned more than state workers. And finally about 96 percent of local government workers earned more than private-sector workers, but the remaining 4 percent earned more than local government workers. Workers with wages above the 99th percentile are not shown in this graph in order to show more detail for the lower wage 99 percent of workers.

Quarterly Wages* by Percentile of Oregon Workers, Second Quarter 2018



*Wages shown are the midpoints for each 1/10 percentile of workers.

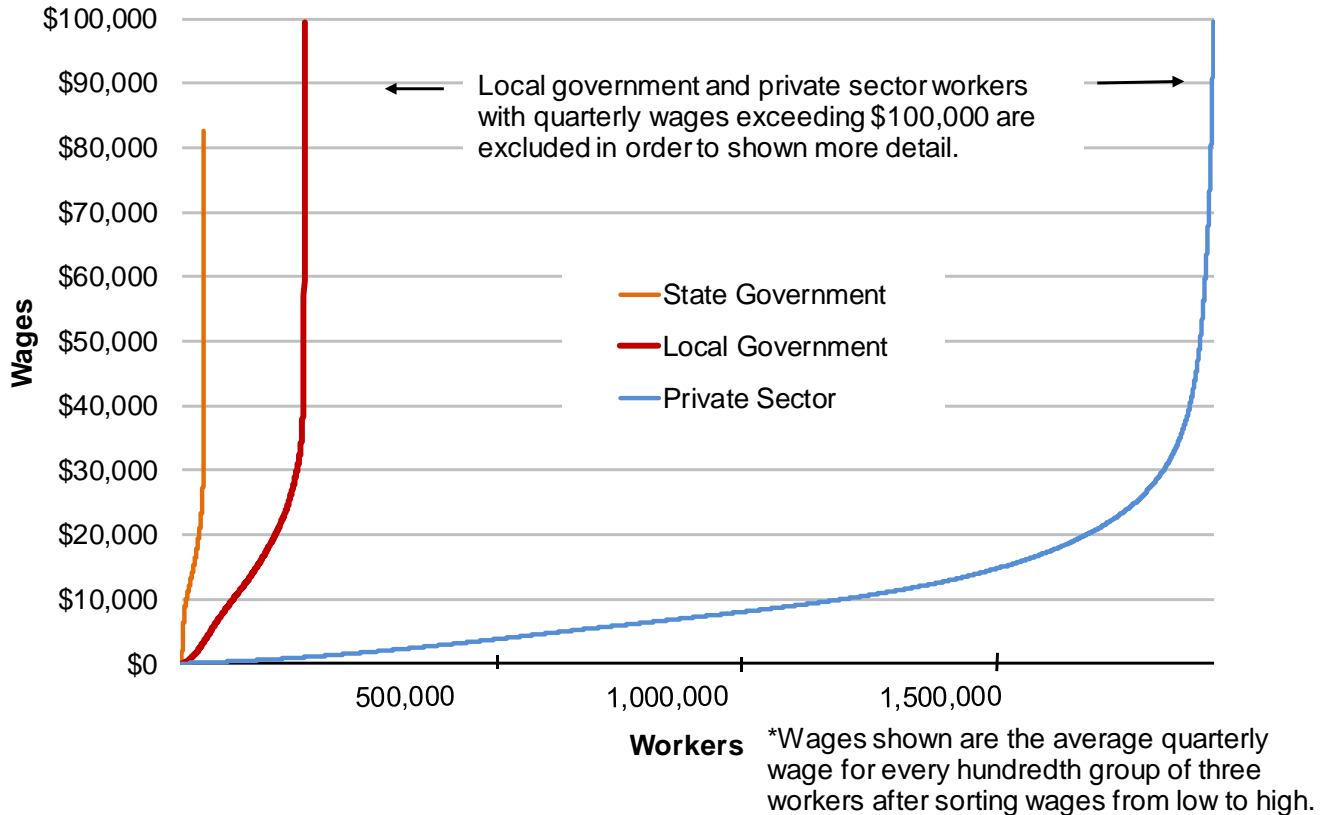
Although looking at wages by percentile of workers makes it easier to compare workers and wages, it hides the fact that there are many more private-sector workers than public-sector workers. The second graph shows wages by the actual number of workers. There are many more private-sector workers than either state or local government workers. There are also more local government workers than state government workers. Additionally, the highest paid group of state workers had an average quarterly wage of about \$83,000, but some local government and private-sector groups made more than this and are shown as hitting the \$100,000 maximum shown on the graph.

The higher-wage workers, those making more than \$100,000 in the quarter, were excluded in order to show more detail for the lower-wage workers. Also, just representative samples of workers are used due to the difficulty of graphing wages for millions of Oregon's workers.

A main purpose of this second graph is to show that a very small number of high-wage earners causes the lines to become nearly vertical. And also that most workers don't earn these high wages; the lines do have curved sections that show wage variation. This detail is difficult to see in the last graph that includes the very high wage earners.

The last graph shows wages for all the previous workers plus the wages for the very high wage earners. Although most of the information is the same as in the second graph, it appears quite different due to the significant difference in wages between the top earners and most workers.

Quarterly Wages* of Oregon Workers, Second Quarter 2018

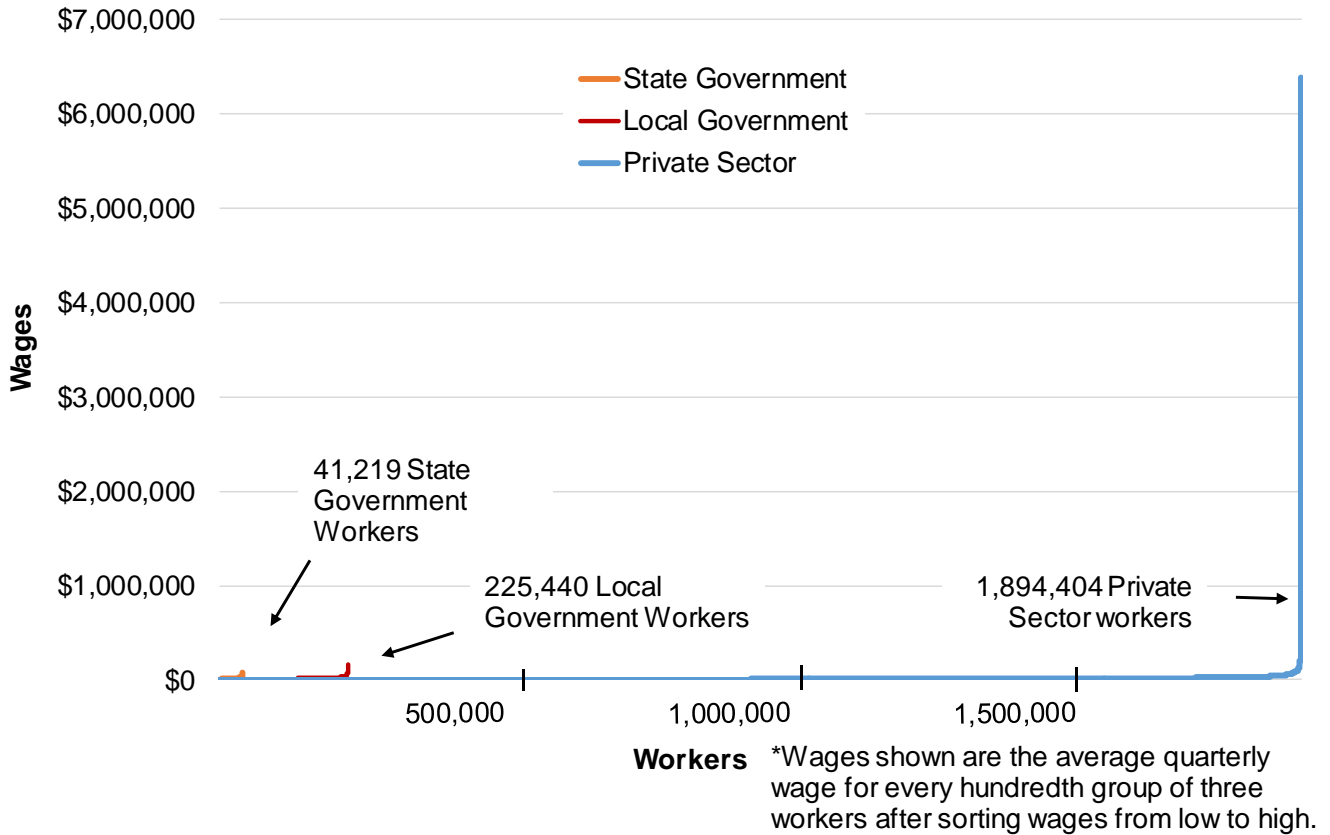


First, note the relative size of the different sectors. The private sector has about 46 times as much employment as state government and it has more than eight times as much as local government. Although a relatively large private sector may make for a very dynamic economy, it contributes to Oregon's economic sensitivity to recessions – the public sector in Oregon simply isn't large enough to provide much economic stability in downturns.

Secondly, note that wage variation is very much dominated by a small number of private-sector workers. The top group of private-sector workers has quarterly earnings in excess of \$6 million. Although top state and local government workers make wages that many of us would envy, the high wages are confined to the private sector. Local government includes state universities, and *The Wall Street Journal* recently reported that the highest paid public employee in 39 states was a basketball or football coach. The paper reported a University of Oregon coach as Oregon's highest paid public employee, but even the coach's salary was dwarfed by top private-sector wages.

Wages vary for many reasons. The public and private sectors differ by the types of occupations they employ and the tenure, education, and experience of their workers. But one simple difference is the number of hours employees work. In the second quarter of 2018 state government workers averaged about 34 hours per week of work versus 29 hours for local government workers and 27 hours for private-sector workers.

Quarterly Wages* of Oregon Workers, Second Quarter 2018



The data tables below provide additional information about wages and workers in Oregon in the second quarter of 2018. Wages and employment are provided by industry and employer size. Information is also included about multiple job holding and full- and part-time workers.

Table 1: Oregon - Number of Jobs by Hourly Wage Level and Broad Industry - 2nd Quarter 2018*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total	Median Wage
Total - All Industries	28,586	676,834	408,474	446,631	221,107	136,945	84,036	158,666	2,161,279	\$19.47
Natural Resources and Mining	1,398	43,372	17,564	13,305	2,862	935	460	1,020	80,916	\$14.15
Construction	522	13,785	26,054	35,280	22,116	14,504	5,334	4,943	122,538	\$25.00
Manufacturing	1,242	38,180	46,034	53,612	24,954	13,666	8,533	23,713	209,934	\$22.79
Wholesale Trade	553	14,025	16,842	21,519	10,421	5,983	3,686	9,139	82,168	\$23.77
Retail Trade	4,606	134,023	49,360	35,907	10,309	4,219	2,501	6,355	247,280	\$14.02
Transportation, Warehousing, and Utilities	543	11,413	14,917	16,426	7,304	4,632	3,113	5,417	63,765	\$22.22
Information	232	5,259	3,743	7,288	6,043	4,267	3,031	6,932	36,795	\$33.05
Financial Activities	831	13,047	19,711	25,280	12,540	7,700	4,484	9,865	93,458	\$24.26
Professional and Business Services	3,382	80,787	50,503	51,818	29,952	19,270	13,334	29,465	278,511	\$20.50
Private Educational Services	716	8,934	7,187	8,799	4,595	2,413	1,415	1,959	36,018	\$20.83
Health Care & Social Assistance	2,697	72,613	55,579	53,989	25,781	19,355	14,970	29,308	274,292	\$20.71
Leisure and Hospitality	7,992	163,419	45,995	33,082	8,468	2,404	1,144	2,683	265,187	\$12.98
Other Services	1,599	34,213	18,076	16,417	6,719	3,078	1,756	2,944	84,802	\$16.24
State Government	417	13,143	7,405	14,658	11,651	6,892	2,528	1,911	58,605	\$25.78
Local Government	1,827	30,250	29,201	58,941	37,221	27,497	17,666	22,837	225,440	\$28.38
Non-classifiable	29	371	303	310	171	130	81	175	1,570	\$21.55

* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: Unemployment Insurance Wage Records

Table 2: Oregon - Fraction of Jobs by Broad Industry by Hourly Wage Level - 2nd Quarter 2018*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Industries	1.3%	31.3%	18.9%	20.7%	10.2%	6.3%	3.9%	7.3%	100.0%
Natural Resources and Mining	1.7%	53.6%	21.7%	16.4%	3.5%	1.2%	0.6%	1.3%	100.0%
Construction	0.4%	11.2%	21.3%	28.8%	18.0%	11.8%	4.4%	4.0%	100.0%
Manufacturing	0.6%	18.2%	21.9%	25.5%	11.9%	6.5%	4.1%	11.3%	100.0%
Wholesale Trade	0.7%	17.1%	20.5%	26.2%	12.7%	7.3%	4.5%	11.1%	100.0%
Retail Trade	1.9%	54.2%	20.0%	14.5%	4.2%	1.7%	1.0%	2.6%	100.0%
Transportation, Warehousing, and Utilities	0.9%	17.9%	23.4%	25.8%	11.5%	7.3%	4.9%	8.5%	100.0%
Information	0.6%	14.3%	10.2%	19.8%	16.4%	11.6%	8.2%	18.8%	100.0%
Financial Activities	0.9%	14.0%	21.1%	27.0%	13.4%	8.2%	4.8%	10.6%	100.0%
Professional and Business Services	1.2%	29.0%	18.1%	18.6%	10.8%	6.9%	4.8%	10.6%	100.0%
Private Educational Services	2.0%	24.8%	20.0%	24.4%	12.8%	6.7%	3.9%	5.4%	100.0%
Health Care & Social Assistance	1.0%	26.5%	20.3%	19.7%	9.4%	7.1%	5.5%	10.7%	100.0%
Leisure and Hospitality	3.0%	61.6%	17.3%	12.5%	3.2%	0.9%	0.4%	1.0%	100.0%
Other Services	1.9%	40.3%	21.3%	19.4%	7.9%	3.6%	2.1%	3.5%	100.0%
State Government	0.7%	22.4%	12.6%	25.0%	19.9%	11.8%	4.3%	3.3%	100.0%
Local Government	0.8%	13.4%	13.0%	26.1%	16.5%	12.2%	7.8%	10.1%	100.0%
Non-classifiable	1.8%	23.6%	19.3%	19.7%	10.9%	8.3%	5.2%	11.1%	100.0%

* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

Table 3: Oregon - Fraction of Jobs by Hourly Wage Level by Broad Industry - 2nd Quarter 2018*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Industries	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Natural Resources and Mining	4.9%	6.4%	4.3%	3.0%	1.3%	0.7%	0.5%	0.6%	3.7%
Construction	1.8%	2.0%	6.4%	7.9%	10.0%	10.6%	6.3%	3.1%	5.7%
Manufacturing	4.3%	5.6%	11.3%	12.0%	11.3%	10.0%	10.2%	14.9%	9.7%
Wholesale Trade	1.9%	2.1%	4.1%	4.8%	4.7%	4.4%	4.4%	5.8%	3.8%
Retail Trade	16.1%	19.8%	12.1%	8.0%	4.7%	3.1%	3.0%	4.0%	11.4%
Transportation, Warehousing, and Utilities	1.9%	1.7%	3.7%	3.7%	3.3%	3.4%	3.7%	3.4%	3.0%
Information	0.8%	0.8%	0.9%	1.6%	2.7%	3.1%	3.6%	4.4%	1.7%
Financial Activities	2.9%	1.9%	4.8%	5.7%	5.7%	5.6%	5.3%	6.2%	4.3%
Professional and Business Services	11.8%	11.9%	12.4%	11.6%	13.5%	14.1%	15.9%	18.6%	12.9%
Private Educational Services	2.5%	1.3%	1.8%	2.0%	2.1%	1.8%	1.7%	1.2%	1.7%
Health Care & Social Assistance	9.4%	10.7%	13.6%	12.1%	11.7%	14.1%	17.8%	18.5%	12.7%
Leisure and Hospitality	28.0%	24.1%	11.3%	7.4%	3.8%	1.8%	1.4%	1.7%	12.3%
Other Services	5.6%	5.1%	4.4%	3.7%	3.0%	2.2%	2.1%	1.9%	3.9%
State Government	1.5%	1.9%	1.8%	3.3%	5.3%	5.0%	3.0%	1.2%	2.7%
Local Government	6.4%	4.5%	7.1%	13.2%	16.8%	20.1%	21.0%	14.4%	10.4%
Non-classifiable	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%

* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

Table 4: Oregon - Number of Jobs by Hourly Wage Level and Firm Employment Size Class - 2nd Quarter 2018*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total	Median Wage
Total - All Size Classes	28,586	676,834	408,474	446,631	221,107	136,945	84,036	158,666	2,161,279	\$19.47
Under 5 employees	2,195	35,576	24,559	23,550	9,954	5,774	3,674	8,883	114,165	\$18.46
5 - 9 employees	2,154	45,959	29,150	27,534	11,095	5,379	2,787	5,911	129,969	\$17.34
10 - 19 employees	2,893	66,258	39,372	37,333	15,467	7,720	3,873	7,789	180,705	\$17.27
20 - 49 employees	4,508	103,045	60,138	58,614	25,033	12,838	6,487	12,410	283,073	\$17.42
50 - 99 employees	3,035	69,823	43,032	45,394	21,615	11,656	6,170	11,277	212,002	\$18.56
100 - 249 employees	3,769	93,356	56,341	60,229	30,136	16,554	8,779	16,977	286,141	\$18.87
250 - 499 employees	2,781	69,572	38,622	41,236	21,667	14,149	7,712	14,216	209,955	\$19.00
500 or more employees	7,251	193,245	117,260	152,741	86,140	62,875	44,554	81,203	745,269	\$22.88

* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: *Unemployment Insurance Wage Records*

Table 5: Oregon - Fraction of Jobs by Firm Employment Size Class by Hourly Wage Level - 2nd Quarter 2018*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Size Classes	1.3%	31.3%	18.9%	20.7%	10.2%	6.3%	3.9%	7.3%	100.0%
Under 5 employees	1.9%	31.2%	21.5%	20.6%	8.7%	5.1%	3.2%	7.8%	100.0%
5 - 9 employees	1.7%	35.4%	22.4%	21.2%	8.5%	4.1%	2.1%	4.5%	100.0%
10 - 19 employees	1.6%	36.7%	21.8%	20.7%	8.6%	4.3%	2.1%	4.3%	100.0%
20 - 49 employees	1.6%	36.4%	21.2%	20.7%	8.8%	4.5%	2.3%	4.4%	100.0%
50 - 99 employees	1.4%	32.9%	20.3%	21.4%	10.2%	5.5%	2.9%	5.3%	100.0%
100 - 249 employees	1.3%	32.6%	19.7%	21.0%	10.5%	5.8%	3.1%	5.9%	100.0%
250 - 499 employees	1.3%	33.1%	18.4%	19.6%	10.3%	6.7%	3.7%	6.8%	100.0%
500 or more employees	1.0%	25.9%	15.7%	20.5%	11.6%	8.4%	6.0%	10.9%	100.0%

* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: Unemployment Insurance Wage Records

Table 6: Oregon - Fraction of Jobs in Hourly Wage Level by Firm Employment Size Class - 2nd Quarter 2018*

	Under \$10.00	\$10.00 - \$14.99	\$15.00 - \$19.99	\$20.00 - \$29.99	\$30.00 - \$39.99	\$40.00 - \$49.99	\$50.00 - \$59.99	\$60.00 or more	Total
Total - All Size Classes	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Under 5 employees	7.7%	5.3%	6.0%	5.3%	4.5%	4.2%	4.4%	5.6%	5.3%
5 - 9 employees	7.5%	6.8%	7.1%	6.2%	5.0%	3.9%	3.3%	3.7%	6.0%
10 - 19 employees	10.1%	9.8%	9.6%	8.4%	7.0%	5.6%	4.6%	4.9%	8.4%
20 - 49 employees	15.8%	15.2%	14.7%	13.1%	11.3%	9.4%	7.7%	7.8%	13.1%
50 - 99 employees	10.6%	10.3%	10.5%	10.2%	9.8%	8.5%	7.3%	7.1%	9.8%
100 - 249 employees	13.2%	13.8%	13.8%	13.5%	13.6%	12.1%	10.4%	10.7%	13.2%
250 - 499 employees	9.7%	10.3%	9.5%	9.2%	9.8%	10.3%	9.2%	9.0%	9.7%
500 or more employees	25.4%	28.6%	28.7%	34.2%	39.0%	45.9%	53.0%	51.2%	34.5%

* Count of records. Individuals holding multiple jobs will be counted more than once.

Records meeting the following conditions have been excluded from this analysis:

- 0 (zero) hours reported
- 999 hours reported
- wages < \$7.25/hr calculated
- wages > \$500/hr calculated and < 10 hours reported
- federal government employment

Source: Unemployment Insurance Wage Records

Table 7: Oregon - Unemployment Insurance Wage Record Summary Statistics - 2nd Quarter 2018

	Count	12-Month Percent Change	Percent of Total SSNs	Total Wages	12-Month Percent Change	Percent of Total Wages	Mean Wages Per Quarter	12-Month Percent Change
Total SSNs	1,947,842	2.1%	100.0%	\$ 24,309,094,284	6.5%	100.0%	\$ 12,480	4.3%
One Job	1,724,454	2.3%	88.5%	\$ 22,118,432,157	6.7%	91.0%	\$ 12,826	4.3%
Two Jobs	192,843	0.8%	9.9%	\$ 1,919,967,084	4.5%	7.9%	\$ 9,956	3.6%
Three Jobs	24,373	1.2%	1.3%	\$ 211,477,862	4.8%	0.9%	\$ 8,677	3.6%
Four or More Jobs	6,172	5.8%	0.3%	\$ 59,217,182	7.6%	0.2%	\$ 9,594	1.7%
Total Records	2,211,621	2.0%						
Records per SSN	1.14							
Two or More Jobs	223,388	1.0%	11.5%					
Workers in Oregon's workforce in 2nd Quarter 2018 who:								
- did not work in Oregon in 1st quarter 2018	165,851	-0.5%						
- had not worked in Oregon since 1990	54,588	2.1%						
- returned to Oregon's workforce*	111,263	-1.8%						
Percent in workforce one year ago	83.2%							
Percent in same primary industry	84.0%							
Percent in new primary industry (3-digit NAICS)	16.0%							

*Did not work in Oregon in 1st Quarter 2018, but have worked in Oregon at some point since 1990.

Source: Unemployment Insurance Wage Records

Table 8: Oregon - Quarterly Wages by Quintile and Hours Worked - 2nd Quarter 2018

2018 2nd Quarter Wages

All Workers

	Quintile					
	All ¹	1	2	3	4	5
Quintiles		\$3,707	\$7,327	\$11,109	\$17,823	NA
Mean	\$12,480	\$1,716	\$5,592	\$9,109	\$14,031	\$31,953
Median	\$9,048	\$1,651	\$5,637	\$9,048	\$13,820	\$24,733

¹1,947,842 SSNs

Employed 200+ Hours

	Quintile					
	All ²	1	2	3	4	5
Quintiles		\$6,042	\$8,964	\$12,706	\$19,531	NA
Mean	\$14,457	\$4,325	\$7,492	\$10,700	\$15,704	\$34,064
Median	\$10,630	\$4,432	\$7,492	\$10,630	\$15,489	\$26,493

²1,603,335 SSNs

Employed 350+ Hours

	Quintile					
	All ³	1	2	3	4	5
Quintiles		\$7,396	\$10,182	\$14,038	\$21,000	NA
Mean	\$15,967	\$5,846	\$8,749	\$11,970	\$17,111	\$36,178
Median	\$11,914	\$6,000	\$8,738	\$11,914	\$16,903	\$28,107

³1,343,757 SSNs

Percent Change from Prior Year

All Workers

	Quintile					
	All ¹	1	2	3	4	5
Quintiles		5.8%	4.6%	3.8%	3.1%	NA
Mean	4.3%	6.3%	5.4%	4.0%	3.5%	4.3%
Median	3.8%	6.9%	5.7%	3.8%	3.6%	2.9%

Employed 200+ Hours

	Quintile					
	All ²	1	2	3	4	5
Quintiles		4.7%	3.7%	3.3%	2.8%	NA
Mean	3.9%	5.4%	4.1%	3.5%	3.1%	4.1%
Median	3.4%	5.5%	4.1%	3.4%	3.3%	2.7%

Employed 350+ Hours

	Quintile					
	All ³	1	2	3	4	5
Quintiles		4.2%	3.5%	3.4%	2.9%	NA
Mean	3.8%	5.2%	3.7%	3.5%	3.1%	4.0%
Median	3.5%	5.3%	3.8%	3.5%	3.0%	2.9%

Source: Unemployment Insurance Wage Records