

Highlights of State and Jurisdiction Job Growth through 2014

Data released in November 2015 from the U.S. Bureau of Economic Analysis (BEA) details the 2014 jobs and personal income down to the jurisdiction level. As such, it represents the latest and most comprehensive data available for Maryland's 23 counties and Baltimore City.¹

Maryland continues to lag U.S. growth

Maryland's job growth slowed in 2014 compared to the state's gains in each of the three previous years, as well as in context with national trends. Maryland's job total grew by 36,667 (1.1%) in 2014, well below the (revised) 54,311 (1.6%) gain in 2013 and also below increases in 2012 (41,515, 1.2%), and 2011 (50,802, 1.5%). In contrast, for the U.S. the 3,408,700 (1.9%) gain in 2014 was a bit better than the 3,308,400 (1.8%) increase for 2013, and was the largest numeric gain since 2007. (See [Tables 1A](#) and [1B](#) and [1C](#).)

Maryland's 1.1 percent growth rate in 2014 was ranked 42nd in the U.S., much worse than its ranking in 2013 (23rd) and its worst ranking since 1992 (when it was ranked 49th).

With gains over the last four years, total jobs in Maryland in 2014 (3,527,847) are now 2.4 percent above where they were in 2007 (3,445,459) before the Great Recession began.² U.S. totals for 2014 (185.8 million), are 3.3 percent above where they were in 2007 (179.9 million). (For a more information on job growth for the U.S. and states see, [Annual Jobs by Place of Work for States and Regions of the U.S. Through 2014](#))

Montgomery leads state in job growth in 2014

The slowdown in 2014 job growth statewide was reflected in several major counties. Each of the top three gainers in 2014 had smaller increases than in the previous year. Montgomery led the state in numeric growth in 2014 (8,923, or 1.3%), slightly below its 9,240 increase in 2013. (See [Table 1A](#) and [Table 1B](#) for data over the last five years and see [Total Jobs by Place of Work, 1969-2014](#) for data since the beginning of the series.)

Montgomery's growth in 2014 was led by gains in professional & technical services (2,162), other services (2,263) and local government (1,000). (See [Jobs by Place of Work, Detailed Tables](#) for change by industrial sector in individual county files covering

¹ Annual 2015 wage and salary data for jurisdictions from the U.S. Bureau of Labor Statistics should be available by the fall of 2016 from the ES-202 (QCEW) program.

² What is being termed the "Great Recession" has an official date of December 2007 thru June 2009. At 18 months, this recession was two months longer than the two, 16-month recessions in the early 1980s, and was the longest recession since the one covering the August 1929 to March 1933 period (43 months). See <http://www.nber.org/cycles/cyclesmain.html>

the 2001 to 2014 period.³) Montgomery's 2014 job total (678,273) is the largest in the state, accounting for nearly one-of-five jobs (19.2%).

Following Montgomery in 2014 job gains was Anne Arundel County (5,245, or 1.3%). The county's 2014 gain was substantially below the 15,414 increase in 2013, itself the largest gain in the data series back to 1969. The slower growth in 2014 was partly due to smaller gains in the arts, entertainment and recreation (814) and accommodation and food services (585) sectors that were about one-half the combined gains in 2013. The larger increases in 2013 were largely due to the expansion of casino gambling in the county. In addition, professional & technical services, which grew by nearly 2,900 in 2013, are estimated to have declined by 470 in 2014. In the public sector, state government employment fell by 453 in 2014 compared to a gain of over 3,000 in 2013.⁴

Prince George's County had the third largest numeric gain in 2014 (5,019, or 1.1%), well below its 2013 increase of 8,252 (1.9%). Growth in 2014 was led by gains in transportation & warehousing (1,604, or 10.4%) and retail trade (1,127, or 2.4%). Both of these increases were the largest in the data series. Despite these historic gains, overall total job gains were held back by a few sectors which lost jobs, including finance & insurance (-597, or -4.9%) and state government (-551, or -2.4%).

Rounding out the top five numeric gains in 2014 were Baltimore County (4,977, 1.0%) and Baltimore City (3,713, 0.9%). For these two jurisdictions the 2014 gains were actually greater than in 2013. For Baltimore County the 2014 increase was about 300 greater than in the previous year and was the largest increase for the county since 2007. Professional & technical services (1,737, or 3.9%) led the sectoral gains in the county. Baltimore County did not get any boost from the public sector in 2014, as total government jobs dropped by just over 1,200 (-2.0%), with more than one-half of this lost state government jobs.

Baltimore City's 2014 increase makes it four consecutive years of job gains, the first time that has happened since the mid-1980s when it had growth in six consecutive years, from 1984 through 1989. The 2014 gain itself (3,713, 0.9%) was greater than in 2013 (1,865) but below the 6,000 plus jobs added in both 2011 and 2012. The 2014 gains

³ While total jobs data is available back to 1969, consistent private sector data in the NAICs classification system is only available back to 2001 at the county level. Government sectors did not change with the introduction of NAICs in 2001 and so can be compared back to 1969, the beginning of the older SIC system-based data set. For the SIC data for the 1969 to 2001 period, see [Jobs by Place of Work, Detailed Tables](#).

⁴ However, the 3,060 gain in state government employment in 2013 was mostly due to a correction in the location of state prison employment to Anne Arundel County from past years when it had been reported (erroneously) in other counties. By assigning that employment to Anne Arundel County in 2013, it shows up as a job gain for that year (and a decline to other jurisdictions where the data was previously reported). This is known as a "non-economic code change."

were led by the largest increase in the arts entertainment & recreation sector in the series (1,337, or 16.9%), due in large part to the opening of a major casino. The City also got a boost from a 563 gain in state government jobs, the largest gain for this sector among the state's 24 jurisdictions in 2014.

At the bottom of the change in jobs in 2014 were Worcester County (-40, or -0.1%), Allegany (+68, or 0.2%), Garrett (+88, or 0.4%), Wicomico (169, or 0.3%) and Caroline (+174, or 1.2%). All are rural jurisdictions located in Western Maryland or on the Eastern Shore, which typically have struggled with post-Great Recession job growth. For example, the small gain for Allegany County in 2014 was the first in four years and only the second time in the last eight years. Total jobs in Allegany in 2014 (37,542) are 1,600 (-4.1%) below its peak in 2006. Eight of the 12 jurisdictions on the Eastern Shore or in Western Maryland have 2014 totals below peaks of previous years. Only three other jurisdictions (Carroll and Calvert counties and Baltimore City) outside these two regions have 2014 job totals below previous peaks. (See [Map 1](#), for the percent difference between 2014 job totals and the previous peak year.)

The small job loss in Worcester, the only jurisdiction to suffer a decline in 2014, actually represents a break from three mostly solid years of job gains. A large decline in accommodation & food services (-389, or -4.8%) was the chief reason for the overall loss. Home to the resort town of Ocean City, the accommodation & food service sector is the largest in the county at 7,788 jobs in 2014, comprising nearly one-quarter of all jobs (23.4%), and over one-quarter (27.1%) of all private sector jobs.

Garrett County's 2014 gain (88, 0.4%), although small, did represent the fourth consecutive year of total job gains. Even with gains over the last four years, however, total jobs in 2014 (21,112) are still just short of the previous peak of 21,134 in 2007.

Caroline County's 2014 gain of 174 jobs (1.2%), while below previous year's gains, does represent the third consecutive year of growth. Over the previous two years, the county gained 883 jobs, and combined with the latest gain puts the 2014 job total (14,354) just below the 2008 peak of 14,465.

Wage & Salary and Proprietor Jobs

The U.S. BEA total jobs numbers are comprised of a wage & salary (i.e., payroll) component and a proprietor (or self employed) component. Over time, the proprietor component has become an increasingly larger share of total jobs. For instance, in 1969 just over one out of 10 jobs (10.2%) in Maryland were proprietor jobs. By 2014, the

proportion of proprietor jobs in the state had more than doubled, accounting for more than one out of five jobs (22.6%).⁵

In past years, there have been marked increases in the proprietor share during periods of recessions and/or periods of weak recovery. This has also been true over the 2009 to 2014 period as the percent change in proprietor jobs (10.5%) was over three times the percentage increase in wage & salary jobs (3.2%), although the numeric gains were fairly close (75,572 for proprietors and 83,859 for wage & salary jobs. (See [Table 1C](#) and [Table 1D](#) for wage and salary data [Table 1E](#) and [Table 1F](#) for proprietor data.)

While there were 13 jurisdictions which exceeded their pre-recession peaks for total jobs by 2014, there were only seven which have exceeded their pre-recession wage & salary peaks: Anne Arundel, Harford, Howard, Frederick, St. Mary's, Washington and Cecil counties. (See [Map 2](#).) Of those still below their wage & salary peaks, the largest numeric differences are two jurisdictions which peaked in 2007, Baltimore County (-14,808, or -3.7% below its peak) and Prince George's County (-14,778, or -4.3% below its peak). The greatest wage & salary percentage deficits from peak years are in Kent County (-12.0 percent from its peak in 2007) and Dorchester County (-12.6 percent from its 1990 peak).⁶

Montgomery also leads in wage & salary growth

As with total jobs, the largest gain in wage & salary jobs within the last year was in Montgomery County (6,713, or 1.4%). The 2014 gain was the third in the last four years, and included a substantial increase from the local government sector (1,000, or 2.4%) for the fourth year in a row.⁷ Still, because of past losses, wage & salary jobs in Montgomery County in 2014 are nearly 7,400, or 1.5 percent, below the previous peak in 2006.

The remaining top five county wage & salary gains in 2014 also had the largest total job gains (and in the same rank order) – Anne Arundel (4,220, or 1.4%), Prince George's County (3,413, or 1.0%), Baltimore County (3,338, or 0.9%) and Baltimore City (3,045, or 0.9%). Of these four jurisdictions, only Anne Arundel County also had wage & salary job gains in 2013. And, over the last five years (2009-2014), Anne Arundel also had the

⁵While the proprietor share has grown substantially over the long term, it has been accelerating in the last decade or so. For example, in 1969, the proprietor share of total jobs was 10.2 percent; in 1979 it increased to only 10.5 percent; in 1989 to 14.0 percent and in 1999 it was 15.5 percent.

⁶As with total jobs, Baltimore City would have both the largest numeric and percentage "deficit" from the peak total for wage & salary jobs (-154,497, or -30.6%) when measured from 1969, the beginning of the data series. The City's wage & salary totals bottomed out in 2010 (341,072), and since that time have grown by 9,797, or 2.8 percent.

⁷Although NAICs level wage & salary and proprietor detail is not available at the county level (only for states), all of government employment is classified as wage & salary and therefore can be tracked by looking at the total jobs data for the government sector.

largest numeric (31,967) and percentage change (11.3%) in wage & salary jobs among the state's 24 jurisdictions.

In all, there were only three jurisdictions with wage & salary losses in 2014, with only the loss for Worcester (-135, or -0.5%) greater than 100.

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