

A Review of 2004-2014 Employment Projections

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“It will be years—not in my time—before a woman will become Prime Minister.” That’s a quote made by Margaret Thatcher in 1969, ten years before she took over as Prime Minister of the United Kingdom in 1979. In other words, projections—especially 10 years ahead of time—are difficult.

Every two years, the Office of Research at the Connecticut Department of Labor creates 10-year employment projections for the state. Now that employment statistics for 2014 have been released, we are going to take a look at the 2004-2014 projections and see how well the projections fared. Statewide numbers for the Major Standard Occupational Classification (SOC) groupings and Occupation Employment Statistics data from 2014 will be what is focused on. There are a couple of things to bear in mind when looking at the original projections. First of all, there was an unanticipated global economic meltdown in 2007 from which we are still recovering. Secondly, even if the economic issues had been foreseen, these are projections, not forecasts. They are made anticipating full employment in order to guide training and development decisions and ensure

that there is a properly trained workforce in the target year.

Between 2004 and 2014, total employment in Connecticut increased by 1.3 percent as opposed to the projected 8.5 percent increase. Since projecting what the economy will look like in ten years as opposed to the exact number of jobs in each field is the real goal, the accuracy of the projections is judged by comparing the projected relative size (as a percentage of all jobs) of each job category to the observed relative size. For instance, Office and Administrative Support occupations represented 17.06 percent of all jobs in 2004. That percentage was projected to decrease to 16.13 percent of jobs by 2014. Maybe the economists expected the preponderance of technology to replace a number of those jobs. In reality, we did observe a decrease in those types of jobs. In 2014 they made up only 15.82 percent of the total jobs. Some other good calls based on relative size are Personal Care and Service occupations (projected at 3.83 percent, observed at 3.81 percent), Community and Social Services (1.96%, 1.99%), Transportation and Material Moving (5.38%,

5.47%), and Healthcare Support (3.09%, 3.00%). At the other end of the spectrum, Food Preparation and Serving Related occupations was 1.38 percentage points higher than the projected 6.86 percent of employment, and Management occupations were 1.37 percentage points higher than the 5.45% of employment they were expected to represent. Overall, 12 of the 22 groups were within a quarter of a percentage point of their projection.

Some of the discrepancy between the projections can be easily explained by the state of the economy during the period examined. Construction and Extraction occupations (3.84%, 2.83%) and Sales and Related occupations (11.24%, 10.09%) are some of the hardest hit fields during a recession and would thus be less likely to grow at a rate you would typically see during full employment. Other fields such as Education, Training, and Library occupations (6.45%, 7.53%) or Healthcare Practitioners and Technical occupations (5.68%, 6.16%) will be more insulated from the state of the economy. People do not stop getting hurt or sick and kids do not stop going to school because the economy isn’t running at 100%, whereas they are more likely to put off a home remodeling or a shopping trip when times are tough.

In the end, the projections worked out well given that you look at them with the proper frame of reference. It’s impossible to predict where the economy will be in ten years even when removing some of the variables from the equation. While we may not know exactly what occupations may be in demand in the future, as long as people can be pointed in the right direction in terms of desirable skills and training, the projections are doing their job. ■

Description	Emp. Share of the Total Occupations		
	2004	2014 Proj.	2014 Actual
Office and Administrative Support Occupations	17.06%	16.13%	15.82%
Sales and Related Occupations	11.27%	11.24%	10.09%
Food Preparation and Serving Related Occupations	6.59%	6.86%	8.24%
Education, Training, and Library Occupations	6.42%	6.45%	7.53%
Management Occupations	5.30%	5.45%	6.82%
Healthcare Practitioners and Technical Occupations	5.38%	5.68%	6.16%
Production Occupations	6.77%	6.02%	5.84%
Business and Financial Operations Occupations	5.21%	5.40%	5.57%
Transportation and Material Moving Occupations	5.53%	5.38%	5.47%
Personal Care and Service Occupations	3.64%	3.83%	3.81%
Building and Grounds Cleaning and Maintenance Occupations	3.74%	3.85%	3.51%
Installation, Maintenance, and Repair Occupations	3.37%	3.40%	3.12%
Healthcare Support Occupations	2.88%	3.09%	3.00%
Construction and Extraction Occupations	3.87%	3.84%	2.83%
Computer and Mathematical Occupations	2.72%	3.00%	2.80%
Protective Service Occupations	2.15%	2.12%	2.23%
Architecture and Engineering Occupations	2.27%	2.21%	2.02%
Community and Social Services Occupations	1.82%	1.96%	1.99%
Arts, Design, Entertainment, Sports, and Media Occupations	1.62%	1.69%	1.47%
Legal Occupations	0.96%	0.95%	0.85%
Life, Physical, and Social Science Occupations	1.16%	1.19%	0.76%
Farming, Fishing, and Forestry Occupations	0.28%	0.27%	0.07%