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Region's Earnings Lag National Inflation Rate, Analysis Shows

FORT WAYNE, IN – Earnings among all northeast Indiana industries have not kept pace with inflation in the last 10 years, according to an analysis released by Northeast Indiana Works, the region's nonprofit workforce development organization.

Conversely, earnings among all industries nationally and statewide have topped the inflation rate since 2007. Earnings include wages and benefits.

"This is especially concerning in light of the fact that an opposite trend exists nationally," said Edmond O'Neal, president of Northeast Indiana Works. "To keep talent here and attract top-notch workers from elsewhere is dependent on a lot of factors, not the least of which are wages and benefits. The spending power of our workers has been going in the wrong direction, and that impedes our ability to keep workers here or lure workers from other areas of the country."

The U.S. inflation rate for all industries in the last decade was 18.06 percent, as calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index (CPI).

Earnings among all northeast Indiana industries, meanwhile, rose just 16.46 percent between 2007 and 2017 to an average of \$48,064 a year, according to the analysis, which is based on data from Emsi, a labor market information provider.

Earnings among all industries nationally increased 21.99 percent in the last decade and earnings among all industries in Indiana rose 19.05 percent.

Among the industries regionally that lag the inflation rate is manufacturing, northeast Indiana's largest employing industry with 82,800 workers. Manufacturing earnings increased 15.15 percent to an average of \$65,721 a year. Nationally, manufacturing earnings increased 22.02 percent to an average of \$81,248 a year.

Health care, the region's second largest employing industry with 50,878 workers, bucked the overall regional trend by posting an earnings increase of 25.99 percent to an average of \$53,671 annually. The earnings increase in health care regionally is higher than the national increase of 19.54 percent to \$57,933 annually.

"Northeast Indiana has made wage and earnings increases a priority as the region works to develop, attract and retain talent," said O'Neal. "While we have seen some employers raise wages and enhance benefits in response to low unemployment and a corresponding dearth of workers, the fact that workers' earnings generally across the board have not kept up with inflation suggests that more improvement needs to take place."

About Northeast Indiana Works: Northeast Indiana Works, the region's workforce development board, provides public and private financial and employment resources to businesses and individuals for education and skills training to meet the needs of regional industries. The nonprofit sets policy for how public and private funds are utilized to support talent development. It also operates and staffs the 11 county-based WorkOne Northeast career centers in the region. Individuals and companies may access resources and services by visiting or calling WorkOne in their county. To find your local WorkOne, log on to www.neinworks.org