

EMPLOYMENT

Aerospace industry employment entered its second year of growth in 1998 following six years of contraction. On an annual average employment basis, the industry's labor force grew by 34,000 workers, reaching a total of 893,000, a gain of 4.0% over the previous year. Hiring in the aircraft manufacturing sector accounted for two-thirds of the new jobs.

The 1998 employment figure represented 4.8% of the total employment in all U.S. manufacturing industries; that compares with 4.6% in 1997 and 6.8% at its peak level in the 1989-1990 period. The aerospace workforce also represented 8.0% of total employment by U.S. companies engaged in production of durable goods; the comparable figures were 7.8% in 1997 and 11.7% at its peak level in 1990.

The overall increase in employment was fueled by a gain of 23,000 jobs in the segment of the industry that produces aircraft, engines, and parts; and a gain of 11,000 jobs in the catch-all "other" segment that includes communications, navigation, flight control, displays, and related equipment. The missiles and space vehicles segment accounted for another 1,000 new workers.

The total aerospace payroll for 1998 was \$32.9 billion, up from \$31.7 billion the previous year. Both figures include lump-sum payments made by many aerospace companies in lieu of general wage increases or cost-of-living adjustments. Expressed as a percentage of the total payroll of all U.S. manufacturing industries (\$752 billion), the aerospace payroll amounted to 4.4%, same as in 1997.

Average weekly earnings by production workers (again including lump-sum payments) came to \$848, down from \$850 for the previous year. The highest paying jobs among production workers were those in airframe fabrication at \$934 per week. For other segments, the average weekly rate

was \$845 for employees working on missiles and space systems, \$840 for engine and parts workers, and \$752 for those working on aircraft parts and equipment other than engines.

Average hourly earnings amounted to \$19.28, up from \$19.09 in 1997. The average work week for production workers was 44.0 hours, which compares to 44.6 hours in the previous year.

The number of R&D scientists and engineers in the aerospace industry dipped dramatically in 1998 to 77,000 from the previous year's 94,600. Aerospace scientists and engineers accounted for just 8.1% of the 951,500 R&D scientists and engineers employed by all U.S. manufacturing or non-manufacturing industries known to conduct or finance research and development.

After holding fairly steady at around 1 million workers throughout the 1980s and early 1990s, the federal civilian workforce in the Department of Defense (DoD) continued a steady decline that began in 1993. In 1998, DoD federal civilian employment dipped to 732,089 from 771,914 in the previous year, and it is projected to continue falling over the next two years. Employment in NASA programs also dropped to 183,109 in 1998 from 189,070 in the previous year. NASA directly employed 10% of the total; NASA contractors employed approximately 164,000 or the remaining 90%.

