



Recent Employment Trends in the Textiles and Apparel Industries

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Overview



Introduction

- Data sources
- Industry definitions

Recent employment trends

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Introduction

Data sources

- **Current Employment Statistics (CES) survey:** *monthly sample survey of about 400,000 business establishments that provides estimates of employment, hours, and earnings by industry.*
- **Displaced Worker Survey (DWS):** *biennial, supplemental survey to the Current Population Survey (CPS), a monthly sample survey of about 60,000 households that provides basic demographic information on the labor force; primary purpose of the DWS is to measure involuntary, permanent job loss.*



Introduction continued...

Industry definitions

- **Textile mills (NAICS 313):** *establishments that transform a basic fiber such as wool, cotton, or polyester into a product such as yarn or fabric.*
- **Textile product mills (NAICS 314):** *establishments that make non-apparel products from purchased fabric, such as curtains, sheets, towels, and canvas products.*
- **Apparel (NAICS 315):** *manufacturers in apparel are either “cut and sew” establishments (they purchase fabric and perform cutting and sewing activities to make a garment), or they knit fabric and then cut and sew the fabric into a garment.*

In January 2008, the textile mills, textile product mills, and apparel manufacturing industries employed a total of 519,000 workers



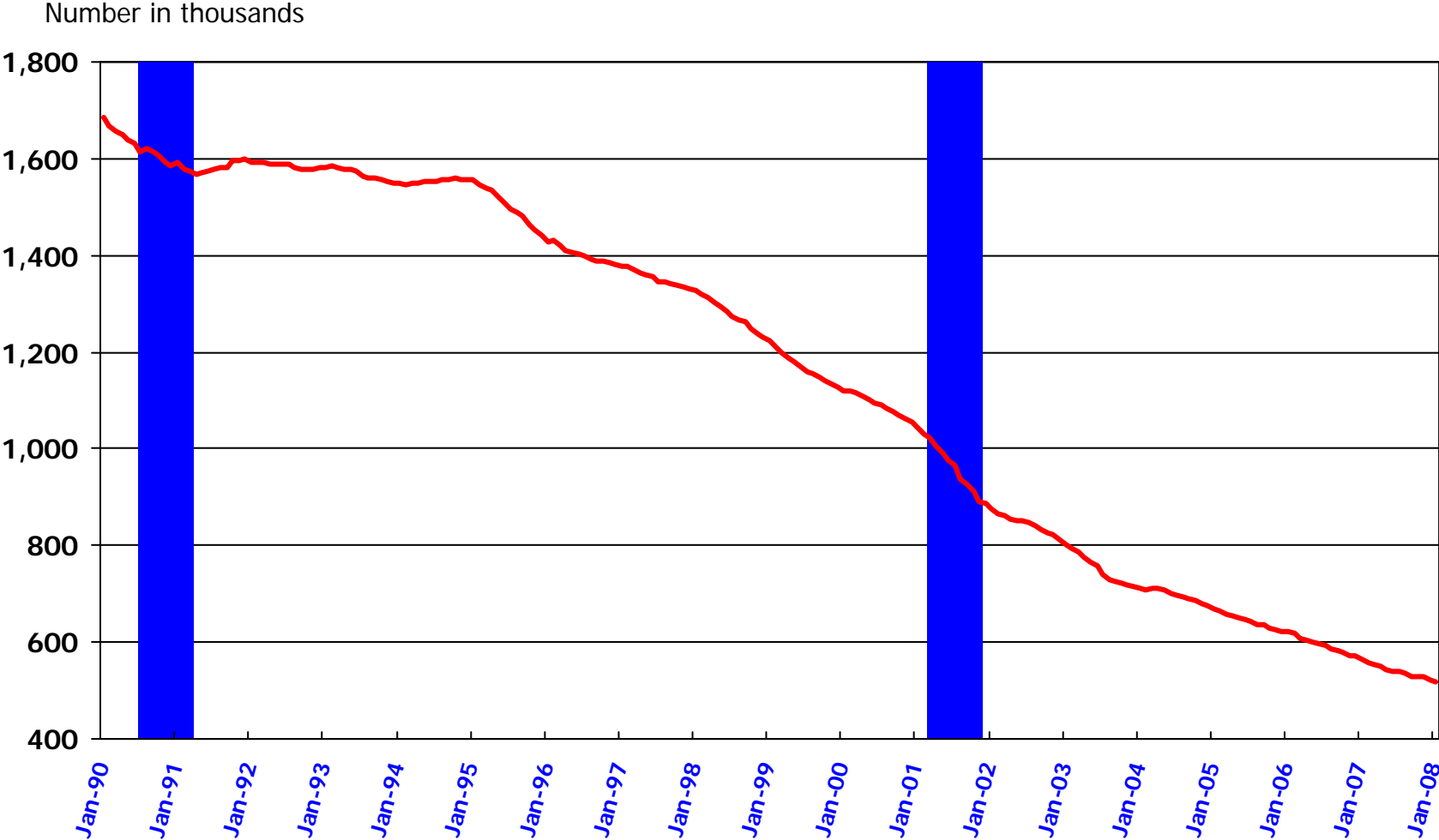
- The apparel manufacturing segment is the largest of the three, employing 202,000 workers, followed by textile mills (162,000), and textile product mills (155,000).
- Production workers account for almost 2 in every 3 jobs in these industries; by comparison, in all industries, production workers account for less than one in every 10 jobs.
- About 2 in every 5 jobs in textile mills, textile product mills, and apparel are in three States—California, North Carolina, and Georgia.

Wages and union membership patterns in textile and apparel industries



- In 2007, average hourly earnings of nonsupervisory production workers were \$13.00 in textile mills, \$11.93 in textile product mills, and \$10.96 in apparel manufacturing.
- By comparison, 2007 average hourly earnings were \$17.23 for production workers in all manufacturing and \$17.41 for production workers throughout private industry.
- Relatively few workers in the textile and apparel industries belong to unions; in 2007, only about 5 percent of wage and salary workers in textiles and apparel were union members, compared with 12 percent of all wage and salary workers.

Chart 1. Since January 1990, the textiles and apparel industries have shed nearly 1.2 million jobs



NOTE: Shaded areas denote recessions. Most recent 2 months of data are preliminary.

SOURCE: Bureau of Labor Statistics, Current Employment Statistics survey

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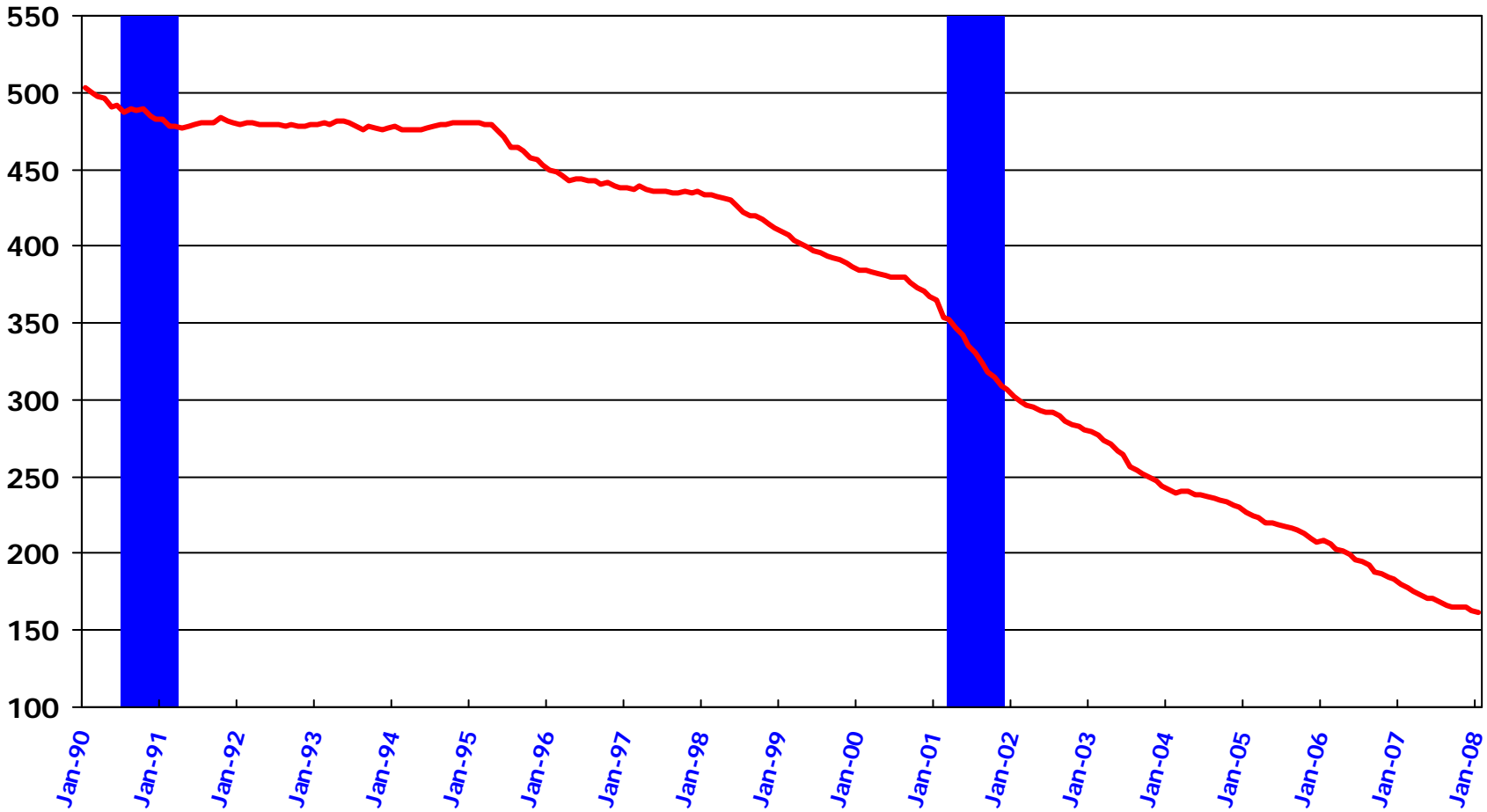


- As of January 2008, the textiles and apparel industries employed 519,000 workers, representing about 4 percent of total factory employment.
- The number of jobs in these industries has been declining for decades from the levels (about 2.5 million) reached just after World War II.
- Despite their small share of total factory employment, the textiles and apparel industries accounted for 29 percent of the total contraction in manufacturing since 1990.
- In the context of total employment, about 6 percent of all workers were employed in textiles and apparel in 1948; today, the figure is less than half a percentage point.

Chart 2. Employment in textile mills has dropped by two-thirds, from its most recent peak employment level reached in February 1995



Number in thousands



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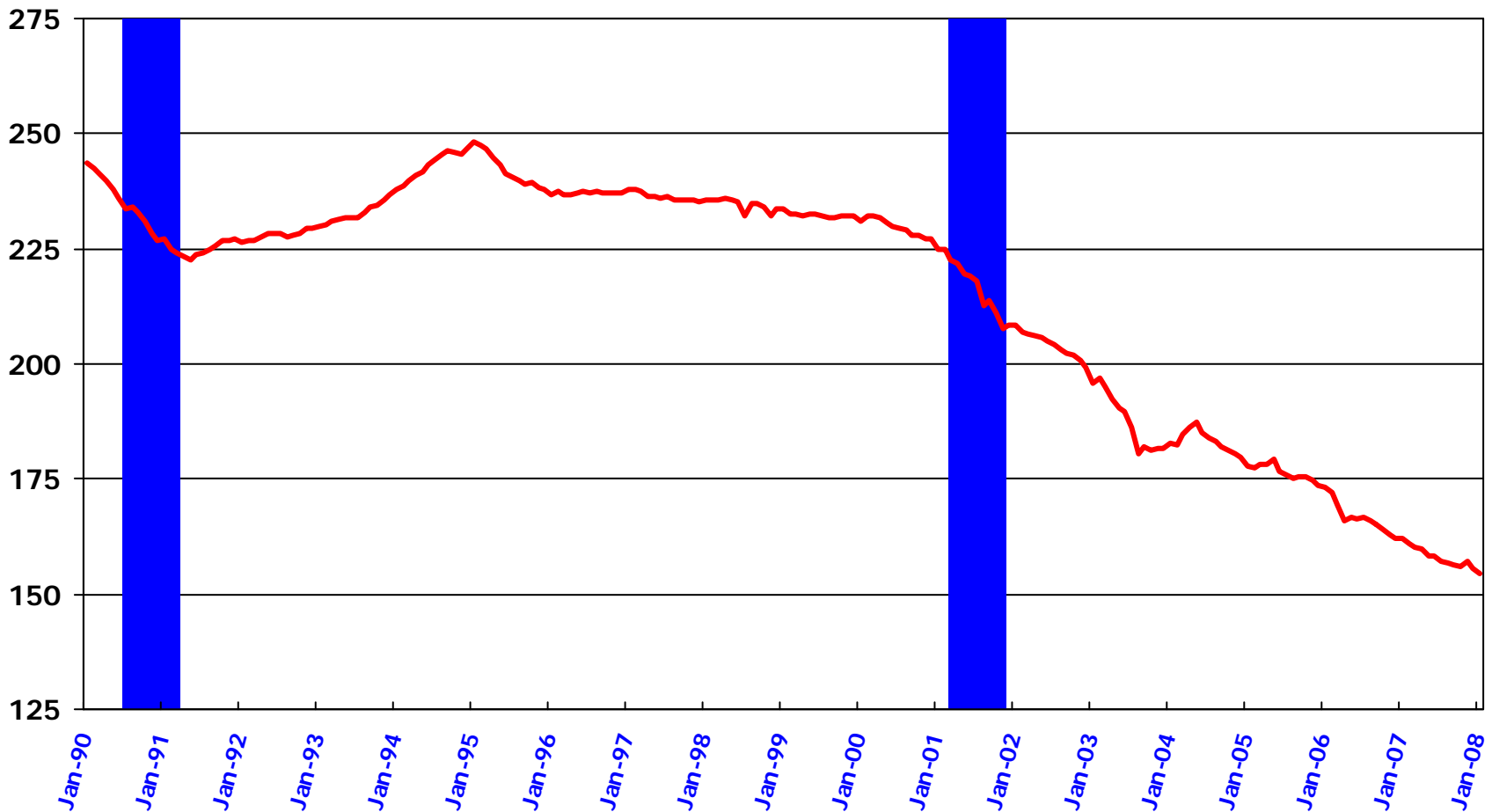


- During the 2001 recession, textile mills' employment dropped by about 12 percent.
- Since the end of the recession in late-2001, the downward trend in employment has continued, although the pace of job losses has moderated.
- Fabric mills, the largest textile mills component, has accounted for the majority of job losses in textile mills.

Chart 3. Since reaching its most recent peak in December 1999, textile product mills employment has declined by one-third



Number in thousands



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SOURCE: Bureau of Labor Statistics, Current Employment Statistics (CES) survey

Chart 3. Since reaching its most recent peak in December 1999, textile product mills employment has declined by one-third

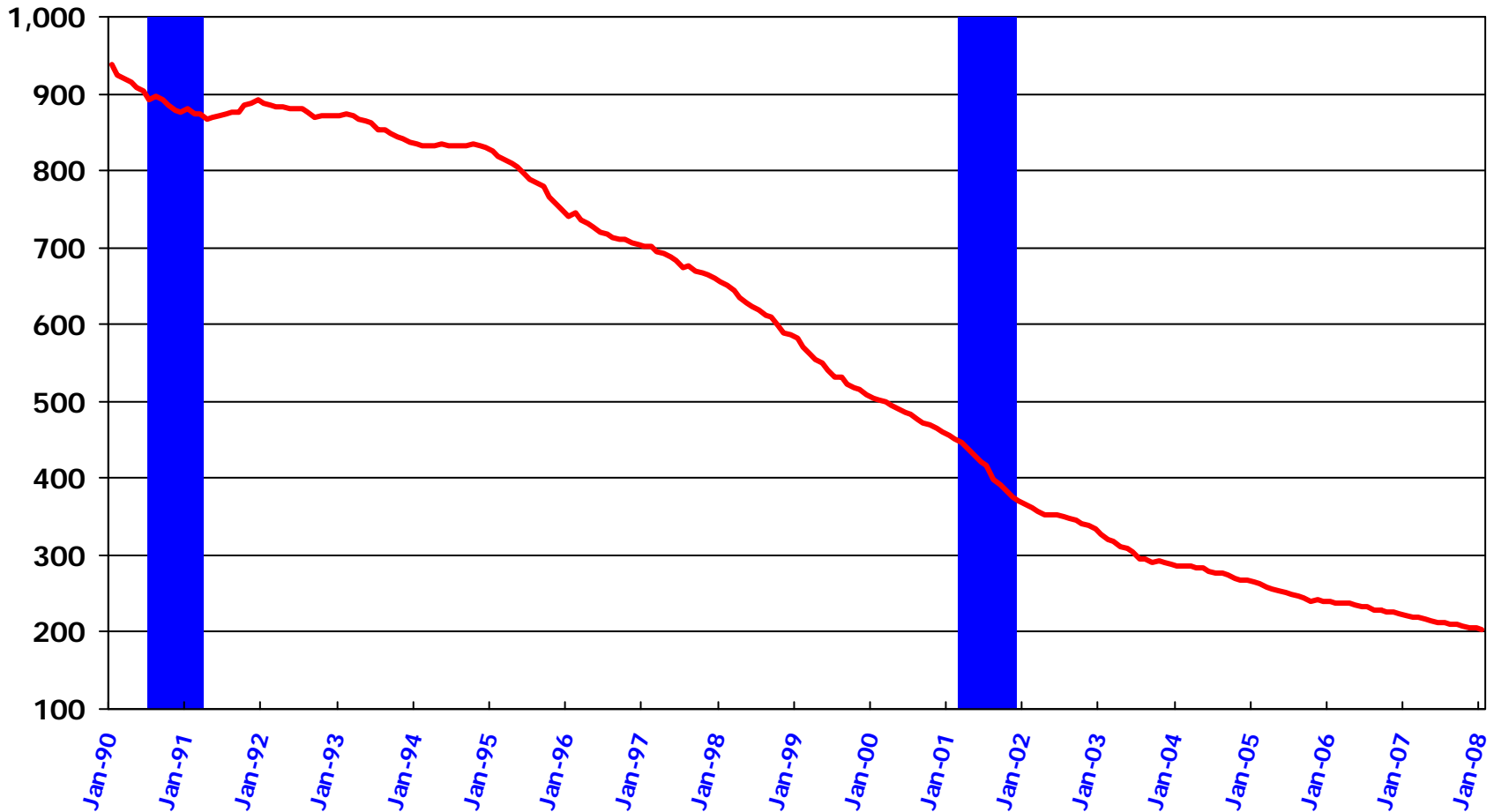


- The smallest of the textile and apparel industries, textile product mills, registered small monthly losses from the beginning of 1990 through mid-1991.
- Following the end of the 1990-91 recession, textile product mills began to slowly add jobs until February 1995.
- Employment in the industry declined through the remainder of 1995 and then remained relatively stable until March 2000, when the trend turned downward again.

Chart 4. Since 1990, apparel employment has declined by 78 percent, more than any other detailed industry within manufacturing



Number in thousands



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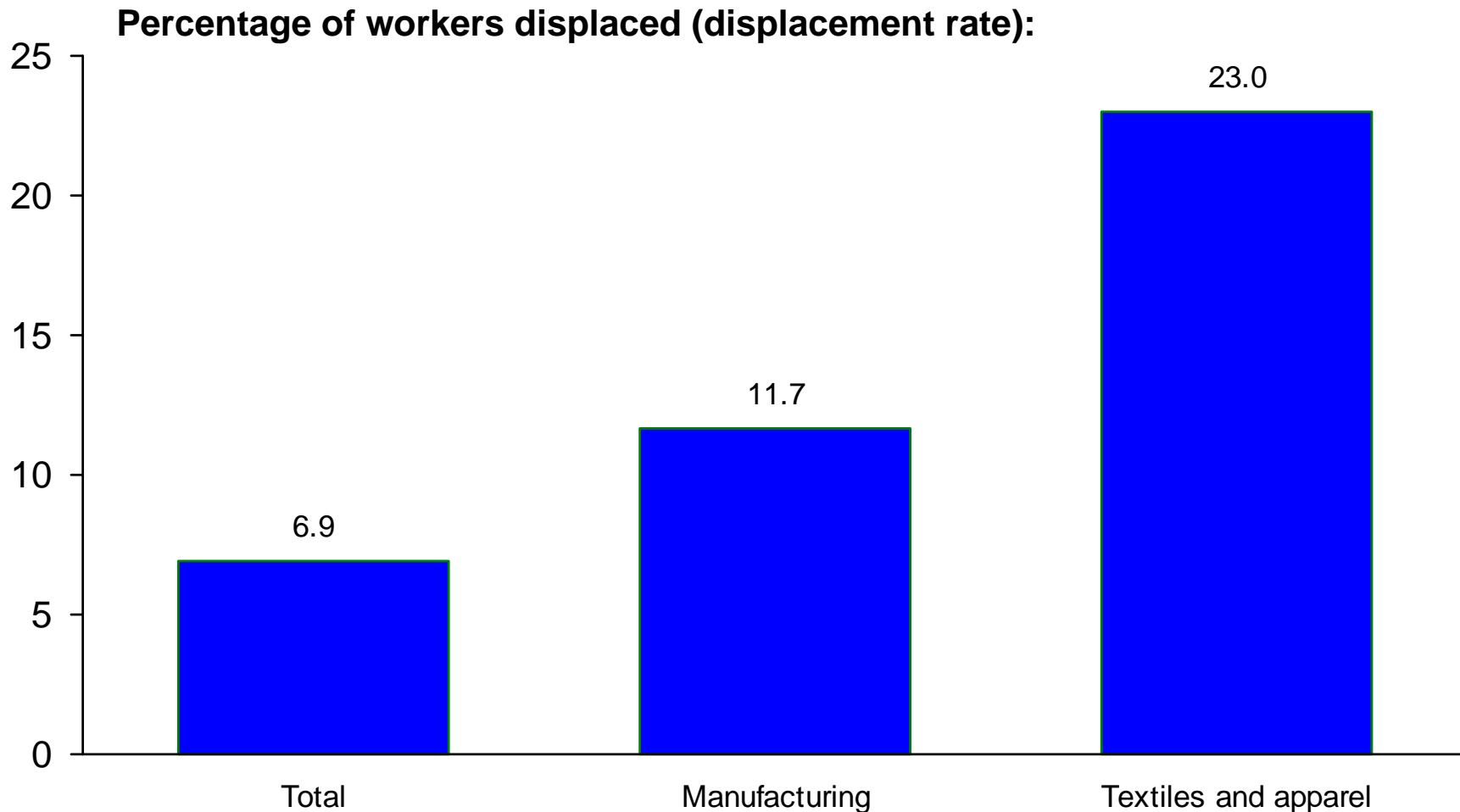
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- Since 1990, apparel employment has fallen by 736,000.
- Apparel recovered a bit after the 1990-91 recession ended and added jobs until December 1991, which was its last employment peak; since that time, employment has steadily declined.
- The majority of the job loss has occurred in cut and sew apparel, which shed 603,000 jobs from January 1990 to January 2008.

Chart 5. The risk of job displacement is much higher for workers in textiles and apparel



NOTE: Survey reference period for job loss is 2003-05.

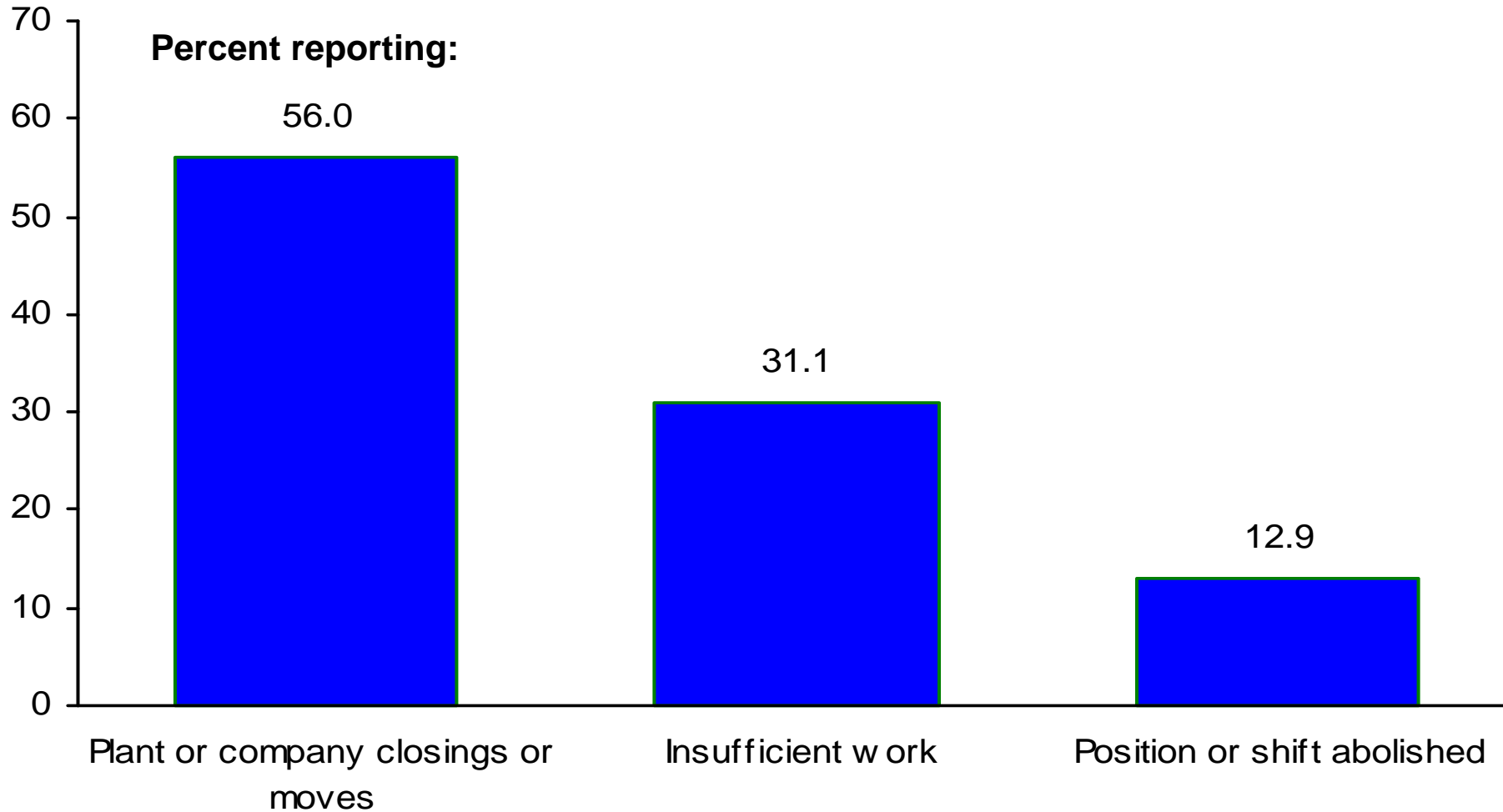
SOURCE: January 2006 Displaced Worker Survey

Chart 5. The risk of job displacement is much higher for workers in textiles and apparel



- Over the 2003-05 period, 8.1 million workers were displaced from their jobs because of plant or company closings, reduced work loads, or the abolishment of positions or shifts.
- Among the total displaced, 1.8 million, or 22 percent, lost manufacturing jobs. Within manufacturing, 185,000 workers were displaced from textiles and apparel.
- During 2003-05, the displacement rate—which represents the likelihood of job loss—was 23.0 percent for textiles and apparel; by comparison, the rates for all workers and those in manufacturing were much lower—6.9 percent and 11.7 percent, respectively.

Chart 6. Workers displaced from textiles and apparel are most likely to cite plant or company closings or moves as the reason for losing their jobs



NOTE: Survey reference period for job loss is 2003-05.

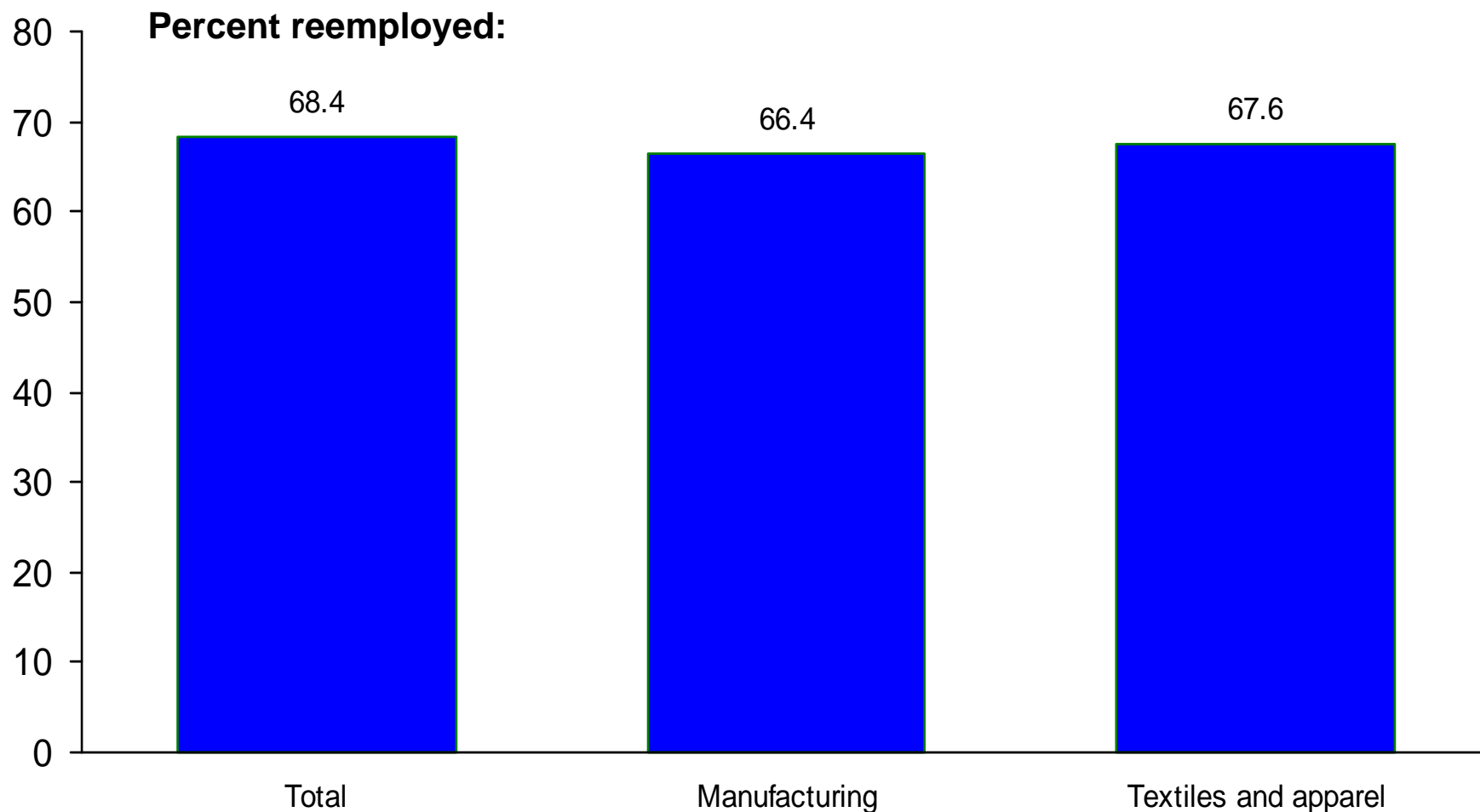
SOURCE: January 2006 Displaced Worker Survey

Chart 6. Workers displaced from textiles and apparel are most likely to cite plant or company closings or moves as the reason for losing their jobs



- In general, workers displaced from manufacturing jobs are more likely than workers in other major industries to cite plant or company closings or moves as the reason for losing their jobs.
- Among all manufacturing workers displaced during 2003-05, just over half (53 percent) attributed their job loss to plant closings or moves.
- Of the 185,000 workers displaced from textiles and apparel, 56 percent lost or left their jobs due to plant closings or moves, 31 percent reported that there was insufficient work for them to do, and 13 percent said that their position or shift was abolished.

Chart 7. More than two-thirds of workers displaced from jobs in textiles and apparel during 2003-05 were reemployed in January 2006



NOTE: Survey reference period for job loss is 2003-05.

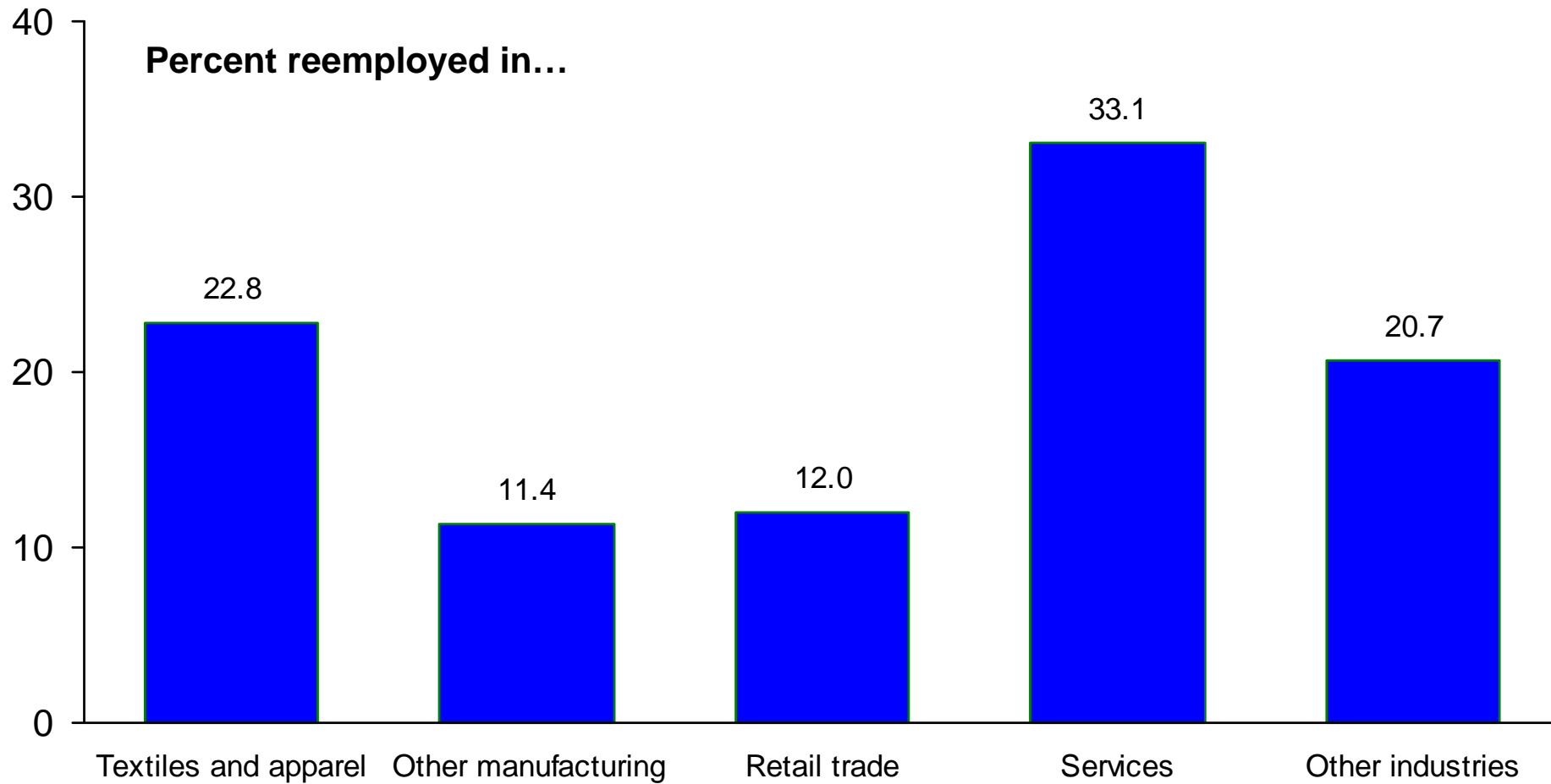
SOURCE: January 2006 Displaced Worker Survey

Chart 7. More than two-thirds of workers displaced from jobs in textiles and apparel during 2003-05 were reemployed in January 2006



- The overall reemployment rate—the proportion of displaced workers employed at the time of the survey—was 68.4 percent, compared with 66.4 percent for displaced manufacturing workers.
- The reemployment rate for workers displaced from textiles and apparel was 67.6 percent.

Chart 8. The vast majority of displaced textile and apparel workers who found new jobs by January 2006 were employed in a different industry



NOTE: Survey reference period for job loss is 2003-05.

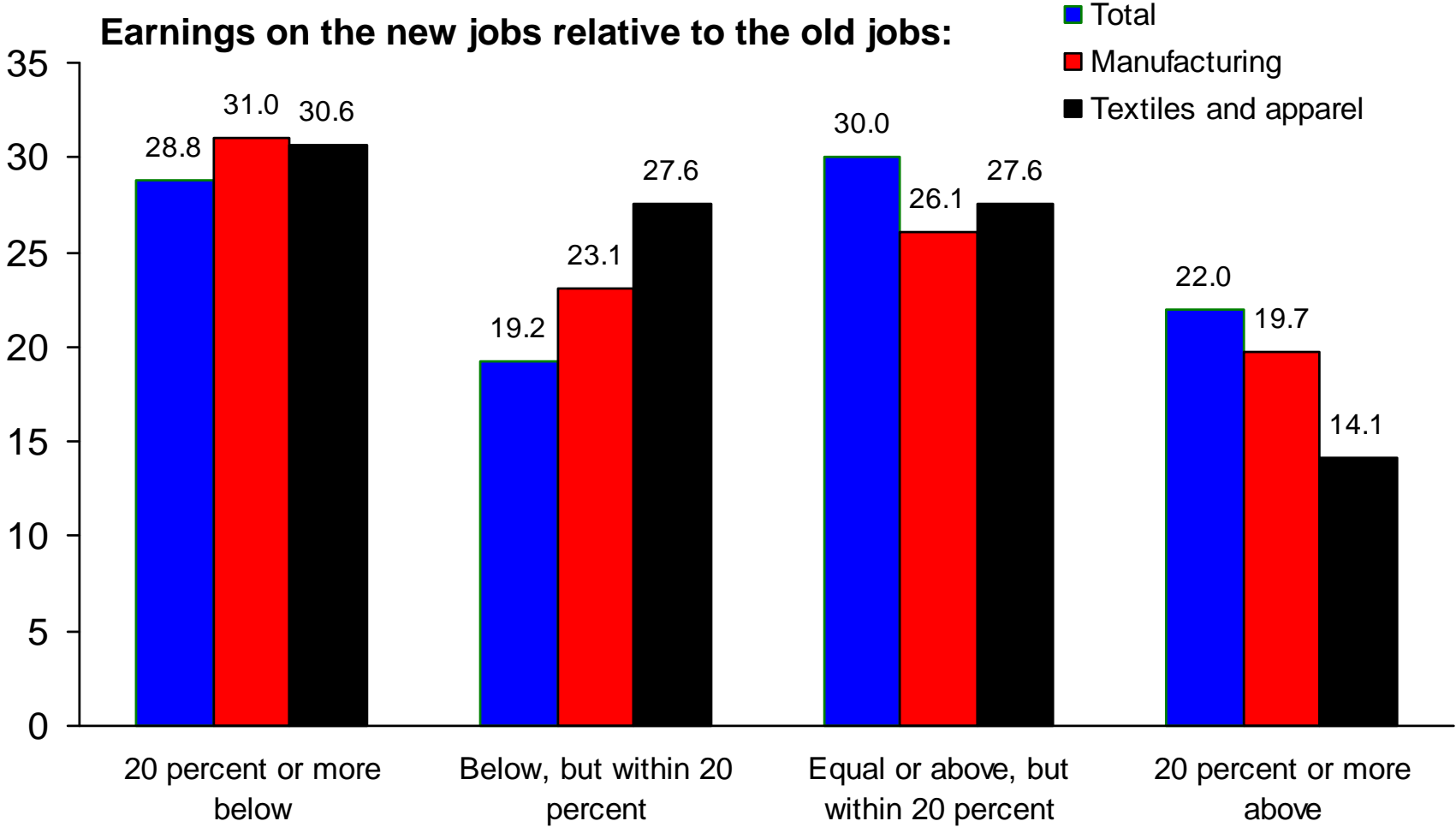
SOURCE: January 2006 Displaced Worker Survey

Chart 8. The vast majority of displaced textile and apparel workers who found new jobs by January 2006 were employed in a different industry



- Of reemployed displaced workers who lost jobs in textiles and apparel, 23 percent had found new jobs in textiles and apparel by January 2006.
- Of the total number of reemployed workers displaced from textiles and apparel, one in every 3 had taken a job in the services industry.

Chart 9. About 3 in every 10 displaced textiles and apparel workers suffered earnings losses of 20 percent or more



SOURCE: January 2004 and January 2006 Displaced Worker Surveys

Chart 9. About 3 in every 10 displaced textiles and apparel workers suffered earnings losses of 20 percent or more



- Of those displaced from full-time jobs in textiles and apparel and were reemployed full-time when surveyed, about 2 in every 5 found new jobs that paid at least what they made on their old jobs.
- By comparison, slightly more than half of the total displaced found new jobs that paid at least what they made on their old jobs.



Summary of recent trends

- In January 2008, textiles and apparel industries employed 519,000 workers, or about 4 percent of all manufacturing workers.
- The number of workers in textiles and apparel reached an all-time high in the late-1940s; since then, both employment in the industries and their share of the manufacturing workforce have been in a long-term decline.
- Since January 1990, the textiles and apparel industries have lost nearly 1.2 million jobs.



Summary of recent trends continued...

- Although they comprise a small share of total factory employment, the textiles and apparel industries accounted for 29 percent of the total decline in manufacturing since 1990.
- Over the past two decades, the apparel industry has lost nearly 4 in every 5 jobs, more than any other detailed manufacturing industry.
- Compared with other industries, the risk of job displacement is much higher for workers in textiles and apparel.



Summary of recent trends continued...

- Workers displaced from jobs in textiles and apparel are most likely to cite plant or company closings or moves as the reason for losing their jobs.
- More than two-thirds of workers displaced from textiles and apparel during 2003-05 were reemployed by January 2006.
- Of the displaced textiles and apparel workers who found new jobs, slightly more than three-fourths were employed in a different industry.



Summary of recent trends continued...

- Of those displaced from full-time jobs in textiles and apparel who were reemployed full-time, about 2 in every 5 found new jobs that paid at least what they made on their old jobs.
- About 3 in every 10 displaced textiles and apparel workers suffered earnings losses of 20 percent or more.



Additional information

Current Employment Statistics (CES) survey link:

<http://www.bls.gov/ces/home.htm>

January 2006 Displaced Worker Survey news release:

<http://www.bls.gov/news.release/pdf/disp.pdf>

Bureau of Labor Statistics' *Career Guide to Industries*:

<http://www.bls.gov/oco/cg/home.htm>

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