

**Table V–2. Factors affecting industry output and employment, 2004–14**

2002 NAICS code	Industry Title	Factors affecting output and employment
111	Crop production	Output is expected to grow more slowly than GDP. Employment is projected to fall as a result of increasing productivity, global competition, increasing consolidation of farms, and a decline in the number of self-employed farmers and unpaid family workers.
112	Animal production	Output is expected to grow more slowly than GDP. Employment is projected to continue to decline, although more slowly than in the preceding decade, because of the continued consolidation of ranches. The reopening of global markets for U.S. beef is expected to help offset some of the employment effects of continued productivity growth.
1131, 1132	Forestry	Output is purchased by the logging industry. Global competition is expected to have little or no effect on growth in U.S. production. Employment is projected to fall slightly because of landowners' conversion of more and more land to recreational and other purposes.
1133	Logging	Output is used in industries that produce pulp, paper, veneer, and plywood. Output is expected to grow slowly. Employment is projected to decline because of increases in productivity and slow growth in this industry.
114	Fishing, hunting and trapping	Output is used in food production and is consumed by individuals. Because of imports, an increase in fish farming, and declines in the level of fish stocks in U.S. waters, output is projected to grow slowly and employment is projected to decrease.
115	Support activities for agriculture and forestry	Output is used in the agricultural and livestock industries and is projected to grow more slowly than GDP. Overall, employment is expected to grow slowly as farms and ranches get larger and increasingly hire out specialized workers from this industry to perform tasks previously done by self-employed farmers.
211	Oil and gas extraction	Output is used in petroleum refining and by gas utilities industries. Although this industry saw its output decrease during the 1994–2004 period, the industry is projected to grow at a relatively slow rate over the next 10 years. This turnaround is due to increased demand worldwide. Employment is projected to fall because of improved extraction techniques and other productivity gains.
2121	Coal mining	Output is used in the production of electricity and primary steel products. Demand is expected to increase on the world market. Improvements in productivity and an increase in mining in western States where coal is easier to access are expected to contribute to declining employment.
2122	Metal ore mining	Output is expected to fall because of the increasing difficulty of extracting ore within the United States. Output is used in a large variety of manufactured goods. Employment also is expected to fall as the U.S. industry contracts and some productivity gains are realized. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.
2123	Nonmetallic mineral mining and quarrying	Output is used in new residential and maintenance construction and concrete products industries. This industry is expected to increase output slowly. Small improvements in productivity are expected to contribute to a slight decrease in employment.
213	Support activities for mining	Output is used primarily by the oil and gas extraction industry, but also is found in all mining operations. Production is expected to fall slightly. Employment is projected to remain flat as productivity declines slightly.
2211	Electric power generation, transmission and distribution	Output is consumed by individuals and is used as an input in virtually all industries. Output in this industry is expected to grow more slowly than GDP. The demand for electronic appliances is expected to grow, but will be offset by gains in energy efficiency in these appliances. Employment is projected to fall slightly as a result of continued productivity growth.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
2212	Natural gas distribution	The output from this industry is consumed by individuals and by industries, including gas and combined utility services. Output is expected to fall, because of decreased productivity. Employment is projected to fall slightly, though not as fast as output.
2213	Water, sewage and other systems	Output is consumed by individuals and is used as an input in other industries. This industry is expected to increase its output as the population grows in rural areas. Employment is expected to grow slightly faster than that of the overall economy, primarily because of the industry's relatively slow productivity growth.
23	Construction	Output is expected to grow as a result of continued government expenditures on infrastructure and an aging housing stock, both of which will require repair and refurbishment. Output, however, is expected to grow more slowly than GDP and more slowly than in the recent past because of a decline in residential building from historic highs. Employment is projected to continue to grow because productivity is expected to grow relatively slowly.
3111	Animal food manufacturing	Output is used in the production of pet food and agriculture. Output is expected to increase because of an increasing number of households with pets. Employment is expected to decrease slightly because of continuing advances in productivity. This industry will continue to incorporate improved technology and automation of food processing plants and techniques.
3112	Grain and oilseed milling	Output is used in the livestock industry, is consumed by individuals, and is exported. Output is expected to grow as productivity increases. Employment is projected to fall slightly, also as a result of productivity growth.
3113	Sugar and confectionery product manufacturing	Output is used by other food industries and is consumed by individuals. Output is expected to grow more slowly than GDP. Productivity is expected to increase, so employment is projected to decline slightly.
3114	Fruit and vegetable preserving and specialty food manufacturing	Output is used in food services establishments and is consumed by individuals. Output is expected to grow at a rate slower than GDP. Employment is projected to show a slight decline as a result of productivity growth.
3115	Dairy product manufacturing	Output is consumed by individuals and is used by food services establishments. Output is expected to increase more slowly than GDP. Improved technology and productivity growth are expected to contribute to a slight decline in employment.
3116	Animal slaughtering and processing	Output is used by food services establishments and is consumed by individuals. Output is expected to grow at a rate slower than GDP. Because this industry is relatively labor intensive, productivity growth rates are expected to be small; employment is therefore projected to continue to grow at a rate comparable to the rate for the overall economy.
3117	Seafood product preparation and packaging	Output is consumed by individuals and is used by food services establishments. Output is expected to rise more slowly than GDP. Employment is expected to fall slightly as a result of improvements in productivity.
3118	Bakeries and tortilla manufacturing	Output is consumed by individuals and is used by food services establishments. Output is expected to grow at a rate slower than GDP. Productivity is expected to grow at roughly the same rate as industry output; consequently, employment is projected to grow only slightly.
3119	Other food manufacturing	This industry group includes snack food manufacturing, coffee and tea manufacturing, seasoning and dressing, and other miscellaneous food manufacturing. Output is consumed by individuals and is used in food services establishments. Population growth, rising incomes, and successful marketing will affect the industry; output is expected to grow at a rate slower than GDP. Employment is projected to grow slightly as modest productivity growth occurs.

**Table V–2. Factors affecting industry output and employment, 2004–14 — Continued**

<i>2002 NAICS code</i>	<i>Industry Title</i>	<i>Factors affecting output and employment</i>
3121	Beverage manufacturing	Output is consumed by individuals and by food services establishments. Output is projected to grow more slowly than GDP and employment is projected to remain flat because of increases in productivity. Automation of packaging and filling will continue to affect productivity in this industry.
3122	Tobacco manufacturing	Output is consumed by individuals, is used by other firms in the tobacco industry, and is exported. Output is expected to continue to fall, even faster than it did in the preceding decade. Employment also is projected to fall, because of small gains in productivity. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.
3131	Fiber, yarn, and thread mills	Output is used in the apparel, textile, and furniture industries. Output is projected to decline, mostly because of increasing imports. With its low labor costs and efficient production techniques, China is expected to dominate much of the market. Employment in this industry is projected to fall not only as a result of declining U.S. production, but also because of increasing productivity. The industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.
3132	Fabric mills	Output is used in the apparel, textile, and furniture industries. Imports are expected to continue to grow, causing domestic production to fall. Productivity growth is expected to continue, albeit at a slower rate than during the previous decade because an increased proportion of design and management functions within the industry will slow productivity growth. Combined with consolidation among the textile producers, the improvements in productivity are projected to result in declining employment. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.
3133	Textile and fabric finishing and fabric coating mills	Output is used in the apparel, textile, and furniture industries. Domestic production is expected to fall in this industry as a result of increasing imports. Employment is projected to fall even faster because of declining output and continuing productivity growth. The industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.
3141	Textile furnishings mills	Output is consumed by individuals and by other industries. Output is expected to grow at the same rate as GDP. Because productivity is expected to grow faster than output, employment is projected to fall.
3149	Other textile product mills	Output is consumed by individuals and is used in other industries. Because imports are expected to have less of an effect on this industry, output is projected to grow slowly. Productivity growth, however, is expected to contribute to declining employment.
3151	Apparel knitting mills	Output is consumed by individuals and is used in the cut-and-sew apparel industries. The reduction in import quotas on China is expected to cause output to continue to fall. In addition, productivity growth is projected to further the decline of employment in this industry. The industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.
3152	Cut and sew apparel manufacturing	Output is consumed by individuals. Output is expected to fall as a result of increasing imports, primarily from China. Decreased domestic production and increased productivity levels are projected to lead to a significant decline in employment. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004–14 projection period.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
3159	Apparel accessories and other apparel manufacturing	Output is consumed by individuals. Output is expected to continue to fall, but at a slower rate than during the preceding decade. Productivity is expected to continue to grow, causing a further decline in employment. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004-14 projection period.
3161	Leather and hide tanning and finishing	Output is used in other leather industries and in the motor vehicle parts manufacturing industry. Output is projected to fall because of an increasing share of imports. Continued productivity improvements are expected to contribute to declining employment.
3162	Footwear manufacturing	Output is consumed mostly by individuals and is expected to fall. Imports will satisfy most of the demand for this product. Employment is projected to fall as a result of declining production and increasing productivity. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004-14 projection period.
3169	Other leather and allied product manufacturing	Output is consumed mainly by individuals and is expected to grow more slowly than GDP. Productivity growth is projected to contribute to a decline in employment.
3211	Sawmills and wood preservation	Output is used in the construction industry (primarily for new single-unit housing) and by individuals. Output is expected to grow at a rate slower than GDP. Productivity is projected to continue to grow, causing a slight decline in employment.
3212	Veneer, plywood, and engineered wood product manufacturing	Output is used as an input in residential construction and is projected to grow more slowly than GDP. Productivity is projected to grow faster than in the preceding decade, but still slower than output. The overall result is expected to be marginal growth in employment.
3219	Other wood product manufacturing	Output is used in the construction industry and is expected to grow slower than GDP. Little productivity growth is expected in this industry, resulting in some growth in employment.
3221	Pulp, paper, and paperboard mills	Output is used as an input to paper and printing industries and is projected to show little growth. Employment is projected to fall because of continued, but relatively slower, growth in productivity. Consolidation and an increased level of computerization are expected to contribute heavily to the projected trends for output, productivity, and employment.
3222	Converted paper product manufacturing	Output is used by individuals and as an input to other industries, especially wholesale and retail trade. Output is expected to grow more slowly than GDP. Little productivity or employment growth is expected.
323	Printing and related support activities	Output is purchased by commercial printing, publishing, and advertising industries and is projected to grow at a rate slower than GDP. Productivity growth, the result of increasing computerization, is expected to combine with rising imports and the increasing use of the Internet to diminish employment overall.
324	Petroleum and coal products manufacturing	Output is consumed by individuals and as an input to the electric utilities and transportation industries. Output is expected to show little growth. Employment is projected to fall because of productivity growth.
3251	Basic chemical manufacturing	Output is used as an input in the chemical, plastics, and petroleum-refining industries. Output is expected to fall slightly as a result of increasing imports. Employment is projected to decline because of decreasing production and increasing productivity. This industry is projected to be one of the 10 most rapidly declining industries, in terms of wage and salary employment, over the 2004-14 projection period.

Table V-2. Factors affecting industry output and employment, 2004-14 — Continued

2002 NAICS code	Industry Title	Factors affecting output and employment
3252	Resin, synthetic rubber, and artificial synthetic fibers and filaments manufacturing	Output is used as an input in a variety of other manufacturing industries, including plastics and textiles. Output is expected to grow more slowly than GDP. Employment is projected to continue to fall as productivity growth improves.
3253	Pesticide, fertilizer, and other agricultural chemical manufacturing	Output is used in the agricultural industries and is projected to fall slightly. Employment is projected to fall because of continued improvements in productivity.
3254	Pharmaceutical and medicine manufacturing	Output is consumed by individuals and is used in the health care industries. Output is projected to grow at a rate close to that of GDP as the aging population contributes to increased demand. Employment is projected to increase because of relatively strong demand.
3255	Paint, coating, and adhesive manufacturing	Output is used in the manufacturing and construction industries and is expected to grow at one-third the rate of GDP. Improved productivity is expected to cause a decline in employment.
3256	Soap, cleaning compound, and toilet preparation manufacturing	Output is consumed mostly by individuals. Output is projected to continue to grow at a rate slower than GDP. Employment is projected to grow more slowly than output, primarily because of productivity growth.
3259	Other chemical product and preparation manufacturing	Output is used as an input in the manufacturing and construction industries and is projected to continue to grow more slowly than GDP. Employment is projected to fall because of continued improvements in productivity.
3261	Plastics product manufacturing	Output is used as an input in many industries. Demand is expected to grow as manufacturers continue to substitute plastic products for products made out of other materials. Employment is projected to fall slightly as computer-controlled automation and other technological improvements contribute to strong productivity growth.
3262	Rubber product manufacturing	Output is used as an input in the construction, motor vehicles, and textiles industries and is projected to decline slightly. Employment is projected to fall as output falls and productivity improves.
3271	Clay product and refractory manufacturing	Output is used in the construction and manufacturing industries. Output is expected to grow because demand for these goods in the construction industry is projected to remain strong. Employment is projected to grow slowly. Productivity is expected to grow at a slower rate than the average for all industries.
3272	Glass and glass product manufacturing	Output is consumed by the beverage, prepared foods, motor vehicle, and other manufacturing industries. Output is expected to continue to grow, but more slowly than GDP. Employment is projected to fall as productivity growth remains strong.
3273	Cement and concrete product manufacturing	Output is used in the construction industry and in owner-occupied dwellings. Output is projected to increase more slowly than GDP, primarily because of the continued growth in construction. Employment is projected to continue to increase at approximately the rate of growth of the total economy.
3274	Lime and gypsum product manufacturing	Output is used in the construction industry and in owner-occupied dwellings and is projected to grow slightly more slowly than GDP. Employment is projected to increase slightly faster than the rest of the economy because of relatively slow productivity growth in the industry.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
3279	Other nonmetallic mineral product manufacturing	Output is used in the construction and manufacturing industries. Output and employment are projected to grow slowly.
3311	Iron and steel mills and ferroalloy manufacturing	Output is used in manufacturing industries and is projected to grow more slowly than GDP. Productivity growth is projected to be strong, resulting in declining employment.
3312	Steel product manufacturing from purchased steel	Output is used in manufacturing industries. Output is projected to grow; employment is projected to fall because of improved productivity.
3313	Alumina and aluminum production and processing	Output is used in metal cans and shipping containers, fabricated structural metal products, and semiconductors and electronic components, as well as in other manufacturing industries. Output is projected to fall slightly because of increased imports. Employment also is projected to decline, as a result of decreasing output and increasing productivity.
3314	Nonferrous metal (except aluminum) production and processing	Output is used in manufacturing industries and is expected to grow slightly. Employment is projected to decline because of improved productivity.
3315	Foundries	Output is used primarily in the motor vehicle parts manufacturing industry and in other industrial sectors. Output is projected to fall because of declining intermediate sales. Employment is projected to fall as a result of decreasing output and increasing productivity.
3321	Forging and stamping	Output is used in manufacturing industries, as well as in construction, utilities, and oil and gas extraction. Output is projected to grow slowly. Productivity is projected to grow slowly as well, so that a slight decline in employment is expected.
3322	Cutlery and handtool manufacturing	Output is purchased primarily by individuals and is projected to increase more slowly than GDP. Employment is projected to decline, but at a slower rate than in the preceding decade because of a slowing in the rate of productivity growth.
3323	Architectural and structural metals manufacturing	Output is used mostly in construction. Output is projected to grow at roughly two-thirds the rate of GDP. Employment is projected to increase slightly because of relatively low growth in productivity.
3324	Boiler, tank, and shipping container manufacturing	Output is used in the construction and manufacturing industries, for light gauge metal shipping containers, among other things. Output is projected to grow slightly; demand is projected to continue to grow as the shipping of goods increases. Because productivity is projected to grow more quickly than output, employment is expected to fall.
3325	Hardware manufacturing	Output is used mostly in the construction and manufacturing industries and is projected to grow at approximately two-thirds the rate of GDP. Employment is projected to fall because productivity growth is expected to outpace output growth.
3326	Spring and wire product manufacturing	Output is used in the construction, motor vehicle manufacturing, and aircraft manufacturing industries. Output is expected to fall slightly as a result of decreasing demand. Continued productivity growth and decreasing output are projected to cause a decline in employment.
3327	Machine shops; turned product; and screw, nut, and bolt manufacturing	Output is purchased by motor vehicle manufacturers and repairers, aircraft producers, and other industrial manufacturers. Output is projected to grow at approximately the same rate as GDP. Because output is projected to grow faster than productivity, employment is expected to increase slightly.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
3328	Coating, engraving, heat treating, and allied activities	Output is used in a variety of manufacturing industries, including electronic components, motor vehicle parts, and communications equipment. Output is projected to increase at approximately the same rate as GDP. Employment is projected to increase only slightly, because of continued productivity growth.
3329	Other fabricated metal product manufacturing	Output is used in the construction industry and is consumed by both individuals and businesses. Output is expected to grow at roughly one-third the rate of GDP. Employment is projected to decline slightly because of productivity gains.
3331	Agriculture, construction, and mining machinery manufacturing	Output is purchased as investment by construction, crude petroleum, coal mining, and other manufacturing industries. Continued demand in the construction, mining, and petroleum industries will contribute to growth. Output and productivity are projected to grow slowly and result in a small decrease in employment.
3332	Industrial machinery manufacturing	Output is used as investment in the food, printing and publishing, paper, and other manufacturing industries. Many of these industries, including paper and textiles manufacturing, are expected to face increased international competition, resulting in downward pressure on demand. Other industries, such as petroleum refining and food processing, will increase their demand. The net result is slow growth in output. Employment is projected to fall because of relatively strong productivity growth.
3333	Commercial and service industry machinery manufacturing	Output from this industry is purchased for investment and personal consumption purposes. An increasing amount of imports is expected to put pressure on the industry, resulting in a decrease in output. Employment also is projected to fall, because of the shrinking output as well as increasing productivity.
3334	Ventilation, heating, air-conditioning, and commercial refrigeration equipment manufacturing	Output is used in the motor vehicle manufacturing and construction industries. It also is purchased as an investment by retail trade and food services establishments. Output is projected to grow more slowly than GDP as new residential construction slows from historic peaks and as aging equipment is replaced more gradually. Improved production techniques are expected to result in higher productivity, so employment is projected to fall slightly.
3335	Metalworking machinery manufacturing	Output is purchased as investment by construction, crude petroleum, coal mining, and other manufacturing industries. This industry is susceptible to import pressures because transportation costs are low. As a result, output growth is expected to be limited. New technologies are expected to increase productivity, resulting in a decrease in employment.
3336	Engine, turbine, and power transmission equipment manufacturing	Output is used mostly as an intermediate input to other industries and is exported. Growth in domestic electricity generation and trucking fleets is expected to contribute to output growth in this industry. Because industry output is projected to grow slower than GDP and improvements in productivity are expected to continue, employment is projected to decrease.
3339	Other general purpose machinery manufacturing	Output is purchased as an investment by utilities and the chemical, construction, steel, and mining industries and is used as an intermediate input in heavy manufacturing sectors. Output is projected to grow more slowly than GDP. Productivity growth is projected to continue, so employment is expected to continue to fall.
3341	Computer and peripheral equipment manufacturing	Output is purchased as a capital investment by many industries, including retail trade, finance and insurance, and many other service industries. Output is projected to continue growing rapidly, primarily because of extremely large productivity gains, which are typical of this industry. Because of the large productivity gains, employment is projected to decrease, although not as rapidly as it did in the preceding decade.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
3342	Communications equipment manufacturing	Output is purchased primarily as investment in the air transportation, broadcasting, and communications industries. Output also is used as an input to the aircraft missiles, space vehicles, construction, and communications industries. Output is projected to grow approximately 4 times as fast as GDP, with much of the increase due to productivity improvements. Employment is projected to fall slightly, at a rate much slower than in the preceding decade.
3343	Audio and video equipment manufacturing	Output is purchased primarily by individuals and is projected to grow very slowly. Because productivity growth is expected to continue, employment is projected to decline.
3344	Semiconductor and other electronic component manufacturing	Output is used as an input in the communications and computer equipment industries and also is exported. Output is projected to increase faster than GDP, with much of the increase due to rapidly rising exports. Productivity growth is expected to continue, resulting in a decline in employment.
3345	Navigational, measuring, electromedical, and control instruments manufacturing	Output is used mostly by the defense, aerospace, ship, and transportation industries. Output is expected to grow at approximately the same rate as GDP because of an increase in the number of satellites and global positioning systems used in navigational systems. Productivity is projected to continue to grow, so employment is expected to increase only slightly.
3346	Manufacturing and reproducing magnetic and optical media	Output is used in the construction, motor vehicles, lighting and wiring equipment, computers, and communications industries. Output is projected to grow at the same rate as GDP. Productivity growth is projected to continue, resulting in no change in the level of employment.
3351	Electric lighting equipment manufacturing	Output is purchased by the construction industry, motor vehicle manufacturers, and individuals. Output is projected to grow more slowly than GDP. Productivity is projected to grow relatively fast; as a result, employment is expected to continue to fall.
3352	Household appliance manufacturing	Output is purchased mainly by individuals and by the real estate and construction industries. Output is projected to grow slightly slower than GDP. Employment is projected to continue to decline as a result of productivity growth.
3353	Electrical equipment manufacturing	Output is consumed as a capital investment by electric utilities and is used as an input by electrical and nonelectrical machinery manufacturers. Output is projected to grow very slowly as imports continue to rise. Improvements in productivity are expected to continue. Employment is projected to continue to decline, as it did in the preceding decade.
3359	Other electrical equipment and component manufacturing	Output is purchased as an investment by construction and by the motor vehicles and parts manufacturing industries. Output also is purchased by individuals for consumption and is used as an intermediate input in a variety of industries. Output is projected to grow at approximately the same rate as GDP. Continuing productivity growth is expected to result in a decline in employment.
3361	Motor vehicle manufacturing	Output is purchased by consumers and as investment. Output is projected to grow more slowly than GDP, because large incentives in the form of low interest rates and significant rebates will not be as prevalent in the coming decade. Productivity is expected to increase, although not as fast as it did in the preceding decade. Employment is projected to grow only slightly.



Table V-2. Factors affecting industry output and employment, 2004-14 — Continued

2002 NAICS code	Industry Title	Factors affecting output and employment
3362	Motor vehicle body and trailer manufacturing	Output is purchased by the motor vehicle manufacturing industry, various intermediate industries, and consumers. Output in this industry is projected to grow faster than GDP. Slower growth in motor vehicle manufacturing will affect the industry; however, a growing market for commercial semitrailers will offset some of the deceleration. An increase in consumer equipment also is expected to affect the industry. Productivity growth is expected to continue because of automation and advanced manufacturing methods. Because of improvements in productivity, employment is not projected to increase as fast as output.
3363	Motor vehicle parts manufacturing	Output is used in the motor vehicle manufacturing industry and in various intermediate industries. Consumers also purchase parts for their vehicles. Output is projected to grow at approximately the same rate as GDP. Employment is projected to rise only slightly as productivity continues to grow because of improved technology.
3364	Aerospace product and parts manufacturing	Output is purchased by the defense industry, is exported, and is used in the production of aircraft and missiles. Output is projected to grow faster than GDP because of increasing defense aerospace production and an improving trend in the demand for civilian aircraft. Productivity should continue to improve, causing employment to increase modestly.
3365	Railroad rolling stock manufacturing	Output is purchased as an investment and is used as an intermediate input in the rail transportation industry. Output is projected to grow more slowly than GDP. Productivity is projected to continue to improve, so employment is expected to continue to decline.
3366	Ship and boat building	Output is consumed by the military, by individuals, and as an investment in water transport and energy industries. Output is projected to grow at approximately the same rate as GDP. The Oil Pollution Act of 1990 requires the conversion of all tankers and tank barges to double hulls by 2015; many vessels will need refitting. Productivity is projected to increase faster than output, resulting in a small decline in employment.
3369	Other transportation equipment manufacturing	Output is consumed by individuals and by the military. Output is projected to increase as the demand for motorcycles, bicycles, golf carts, and other recreational vehicles rises. Productivity is projected to improve slowly, and employment is expected to increase.
3371	Household and institutional furniture and kitchen cabinet manufacturing	Output is purchased by individuals and by the construction industry. Output is expected to continue growing at its current rate, two-thirds that of GDP. Productivity also is projected to continue to grow, so a slight decline in employment is expected.
3372	Office furniture (including fixtures) manufacturing	Output is typically purchased as an investment by offices and is projected to grow at roughly the same rate as GDP. The growth in administrative and support services will drive demand in this industry. Employment is projected to increase only slightly as a result of increases in productivity.
3379	Office furniture and related product manufacturing	Output is purchased mainly by individuals and as an investment in some industries. Output is projected to grow more slowly than GDP. Growth in productivity is projected to cause a small decline in employment.
3391	Medical equipment and supplies manufacturing	Output is consumed as a capital purchase or as an intermediate input by hospitals and other health care services. Output is projected to continue to grow faster than GDP, although the rate of growth is expected to be slightly less than that in the preceding decade because of some overseas outsourcing of production and of research and development. Employment is projected to continue to grow slowly, partly because of the expected effect of outsourcing on employment.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
3399	Other miscellaneous manufacturing	Output is consumed as an input in a variety of industries, such as apparel and retail trade. Output is projected to grow at its historical rate, about two-thirds the growth rate of GDP. Employment is projected to fall, because productivity is expected to grow faster than output.
42	Wholesale trade	Output is consumed as a trade margin on goods sold at various stages of production. Output is projected to grow about twice as fast as GDP. However, big box retailers are expected to put some downward pressure on this industry. Improved technology, such as electronic data interchange and radio frequency identification tags, will make storage, tracking, and shipping more efficient and lessen the demand for employment, which is still projected to increase slightly in the next decade, because output is expected to grow faster than productivity.
44-45	Retail trade	Output is consumed as a trade margin on goods sold to individuals and is projected to grow faster than GDP. Productivity is projected to increase because of gains in technology. However, productivity is not expected to grow as quickly as output, so employment is projected to increase slightly.
481	Air transportation	Output is consumed by individuals and as a transportation margin on the shipment of goods. Output is projected to grow in the United States and abroad as GDP and the population increase. Cargo traffic is expected to increase with the economy and growing world trade. Productivity is projected to continue to grow, but at a slower rate than in the previous decade. Because output is projected to grow faster than productivity, employment is expected to increase modestly.
482	Rail transportation	Output is consumed both by individuals and as a transportation margin on nearly all manufactured products and public utilities. Output is projected to grow at approximately the same rate as GDP. Demand for railroad freight service is expected to increase as the economy expands. Intermodal systems, which utilize trains to transport goods over longer distances, should come into greater use. Employment is projected to fall slightly as productivity increases at the same rate as GDP. Improvements in productivity include a more widespread use of computers for tracking, dispatching, and monitoring trains.
483	Water transportation	Output is consumed both by individuals and as a transportation margin on shipping goods to market. Output is projected to grow more slowly than GDP. Plans to introduce more ferries along the congested coasts to ease the burden on highways, in addition to a likely increase in shipments of primary products for the energy industry (especially coal), will help expand output and employment on internal U.S. waterways.
484	Truck transportation	Output is consumed as a transportation margin on shipping goods to market and by individuals. Output is projected to grow at approximately the same rate as GDP as the population increases. Productivity is projected to grow at a slower rate than output, so employment is projected to increase slightly.
485	Transit and ground passenger transportation	Output is consumed by individuals, by businesses, and by State and local governments for school transportation. Output is expected to grow slightly more slowly than GDP. Demand is expected to increase with population growth. Employment is projected to grow at approximately the same rate as output, because productivity growth is expected to be very slow.
486	Pipeline transportation	Output is consumed as a transportation margin on the shipment of petroleum. Output and employment are projected to fall slightly as productivity grows very slowly.

Table V-2. Factors affecting industry output and employment, 2004-14 — Continued

2002 NAICS code	Industry Title	Factors affecting output and employment
487	Scenic and sightseeing transportation	Output is purchased mostly by individuals, but some is used as an input in various industries. Output is projected to grow faster than GDP. Retirement of the baby boomers will increase demand for this industry's services. Employment in the industry is projected to grow faster than total U.S. employment. Productivity growth is expected, but it is not likely to be as fast as growth in output.
488	Support activities for transportation	Output is purchased by other transportation industries and is used as an input in other industries. Output is expected to grow faster than GDP; packaging, freight, cargo arrangement, and other transportation-related services are expected to play a key role in logistics management. Productivity is projected to grow at a slower rate than output; employment is projected to continue to grow.
491	Postal Service	Output is consumed as an intermediate input by most industries and by individuals. Output is projected to grow slowly; growth will stem from an increase in deliveries of packages, but will be offset by increasing competition from alternative delivery systems. Employment is projected to decline slightly as a result of automation, competition from alternative delivery systems, and the increasing use of electronic communications. An increase in the number of rural routes is expected only to partially offset the negative impacts on employment from the other factors.
492	Couriers and messengers	Output is consumed by businesses and individuals and is projected to grow more slowly than GDP. The courier industry has been aided by the growth of electronic commerce and catalog sales. However, the increasing use of e-mail and fax machines has had a deleterious effect on the messenger industry.
493	Warehousing and storage	Output is consumed as a transportation margin on shipping goods to market and by individuals. Output is projected to grow faster than GDP. Manufacturers will continue to outsource distribution functions to warehousing companies. Inventory management and just-in-time shipping, as well as the expansion of electronic commerce, will continue to increase demand for the logistical services of the warehousing industry. Productivity is projected to grow at about half the rate of output, resulting in an increase in employment.
5111	Newspaper, periodical, book, and directory publishers	Output is purchased mostly by individuals and is projected to increase at the same rate as GDP. Increased market activity can be expected in custom publishing and ethnic publications. Productivity is projected to grow at the same rate as output, resulting in little growth in employment.
5112	Software publishers	Output is purchased as an investment and is used as intermediate input to many industries. Output is projected to grow much faster than GDP. Strong growth in the video games market will be part of the growing demand in the software publishing industry. Productivity is expected to continue to grow, but not as rapidly as output; employment in the industry also is projected to grow faster than total U.S. employment. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.
512	Motion picture, video, and sound recording industries	Output in this industry is consumed as an input to motion picture theaters and to the television broadcasting industry. Output is projected to increase as a growing population continues to be entertained by movies. Productivity is projected to increase, but at a slower rate than output; consequently, employment is projected to increase.
515	Broadcasting (except Internet)	Output is purchased mostly by individuals and as an intermediate input in the broadcasting and telecommunications industries. Output is projected to grow slightly faster than GDP. Cable and other subscription services are expected to grow rapidly; offerings from satellite radio services such as XM and Sirius are expected to grow faster than broadcast services. Employment is projected to increase as a result of productivity growing more slowly than output.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
517	Telecommunications	Output is consumed by individuals, government, business, and other institutions. Output is projected to grow slightly faster than GDP. Revenue gains will come from new services such as video on demand and other, yet more sophisticated, services. The future of the industry is in wireless, cable, and satellite telecommunications. New products, such as WiMax wireless, 4G wireless, and VoIP calling, will encourage businesses to rethink their structure and favor wireless, cable, and satellite companies. Productivity is projected to grow more quickly than output, resulting in a small decline in employment.
516, 518, 519	Internet and other information services	Most output is used as an intermediate input by many other industries; some output is consumed by individuals. Output is projected to grow much faster than GDP, with the Internet expanding and branching out as the amount of information generated continues to increase. Productivity is projected to continue to grow at a rapid pace as well, however, not expected as fast as output. Employment is projected to continue to grow, but at a slower rate than during the previous decade.
521,522	Monetary authorities, credit intermediation, and related activities	Output is consumed by individuals and by firms and is projected to grow slightly faster than GDP. This industry includes depository credit intermediation establishments, such as banks and credit unions, and nondepository credit intermediation establishments, such as credit card and financing companies. Demand for services provided by nondepository institutions is expected to grow faster than demand in depository institutions. In the overall industry, productivity is projected to grow slightly more slowly than output, resulting in a small increase in employment.
523	Securities, commodity contracts, and other financial investments and related activities	Output is consumed by individuals and by financial firms. Output is projected to grow much faster than GDP. Population growth and increased saving by baby boomers will increase demand. Fairly rapid gains in productivity are expected because of further consolidation, improved technology, and automation. Productivity growth, however, is expected to be slower than output growth. As a result, employment is projected to increase.
5241	Insurance carriers	Output is purchased by individuals and a variety of intermediate industries. Output is projected to increase as a growing population demands more insurance of all kinds, particularly health insurance. Productivity is expected to increase at a slower rate than output, and employment is projected to increase as a consequence.
5242	Agencies, brokerages, and other insurance related activities	Output is purchased mostly by the insurance carrier industry. Output is projected to grow, with a continuing trend of brokers and agencies taking away business from insurance carriers. Employment also is projected to continue to grow as productivity growth decelerates.
525	Funds, trusts, and other financial vehicles	Output is purchased mostly by individuals and is projected to increase more slowly than GDP. Productivity is projected to grow slowly, resulting in some growth in employment.
531	Real estate	Output is purchased by individuals and businesses as rent, real estate commissions, or fees. Output is projected to continue growing as the demographic composition of the population changes, driving the need for various types of suitable housing. Employment is projected to increase, because output is expected to grow faster than productivity.
5321	Automotive equipment rental and leasing	Output is purchased by individuals and a variety of industries, including wholesale trade. Output is projected to continue to increase, with firms preferring to lease and rent motor vehicles over purchasing them, because of the associated cost savings. In addition, many equipment rental companies will offer a mix of services, including rental, sales, dealership, and repair. More employees will be needed in order to expand the services offered. Employment is projected to increase, but at a slower rate than output.

Table V-2. Factors affecting industry output and employment, 2004-14 — Continued

2002 NAICS code	Industry Title	Factors affecting output and employment
53, 225, 323	Consumer goods rental and general rental centers	Output is purchased primarily by individuals and is projected to grow more slowly than GDP. Growth in this industry is affected by consumers' preference for leasing or renting rather than purchasing, because of the smaller capital outlays required when renting or leasing. Employment is projected to increase slightly as industry productivity grows relatively slowly.
5324	Commercial and industrial machinery and equipment rental and leasing	Output is purchased as an intermediate input in wholesale and retail trade and in construction. Output is projected to continue to grow at approximately the same rate as GDP. Productivity is projected to grow slowly, resulting in healthy employment growth.
533	Lessors of nonfinancial intangible assets (except copyrighted works)	Output is used as an intermediate input and is exported. Establishments in this industry are engaged in assigning various rights, such as patents, trademarks, brand names, and franchise agreements, to assets. Output is projected to continue to demonstrate rapid growth. Productivity levels also are projected to rise rapidly, resulting in modest growth in employment.
5411	Legal services	Output is purchased by individuals and by a wide variety of industries, including wholesale and retail trade. Output is expected to increase, with growth stimulated by increased litigation as a result of a rise in the amount and complexity of business practices. Employment is projected to increase as well, because productivity is expected to grow more slowly than output. The increasing utilization of paralegals in legal services and the trend toward hiring more in-house lawyers are expected to increase employment.
5412	Accounting, tax preparation, bookkeeping, and payroll services	Output is purchased by individuals and by a variety of industries and is projected to increase as the rest of the economy grows. Productivity is projected to grow slowly, resulting in employment growth.
5413	Architectural, engineering, and related services	Output is purchased as an investment and is used as an intermediate input to many industries. Output is projected to continue to increase, but not as rapidly as it did in the 1990s. Employment also is projected to grow at a slower rate than it did in the previous decade. Demand for commercial architectural services has been waning for the past few years; indications are that large-scale residential projects may be starting to cool now. The communications revolution in the 1990s generated a good deal of growth in designing systems and devices that have now become commodities.
5414	Specialized design services	Output is purchased by most industries and by individuals. Output and employment are projected to increase. Productivity also is projected to grow, but at a slower rate than output. New computer graphics software makes graphic design and layout easier to perform. Certain industrial products increasingly will be designed overseas. Interior design will not be susceptible to overseas outsourcing, but that component makes up only a small share of the industry.
5415	Computer systems design and related services	Output is used as an intermediate input and is purchased as an investment. Output is projected to continue to grow rapidly. Factors affecting this industry include the expansion of intranets, an increased need for remote access, and the growing importance of security. Productivity also is projected to increase rapidly, although not as fast as output. Employment is projected to continue to grow as well, but not as quickly as it did in the preceding decade. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
5416	Management, scientific, and technical consulting services	Output is used as an intermediate input in many industries. Output is projected to continue to grow as more companies hire consultants for various projects. Areas such as planning and logistics, as well as compliance with environmental regulations, employee benefits, and compliance with workplace safety regulations, should continue to drive demand for these services. Some productivity growth is expected, although employment is projected to continue growing at a healthy rate. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.
5417	Scientific research and development services	Output is used as an intermediate good, is purchased by the Federal Government, and is consumed by individuals. Output is projected to continue to grow faster than GDP. Research and development (R&D) in the physical sciences and in engineering should grow faster as manufacturing industries—particularly pharmaceuticals—outsource their R&D. Because R&D in the social sciences and the humanities is less sensitive to business cycles and is not directly linked to new developments in technology and industrial output, this segment should grow at a slower pace than the physics and engineering segments of the industry. As a result of large gains in productivity, employment in the overall industry is projected to grow more slowly than the average for the total U.S. economy.
5418	Advertising and related services	Output is purchased by retail and wholesale trade, food services establishments, and real estate. Output is expected to continue to grow rapidly. New opportunities created by the Internet, international business markets, and the further specialization of firms will contribute to growth in this industry. Productivity also is expected to continue to grow, resulting in moderate employment growth.
5419	Other professional, scientific, and technical services	Output is purchased primarily as an intermediate input and by individuals for personal consumption. Output is projected to grow slightly faster than GDP. Employment also is projected to grow, although not as quickly as output. Growth of the cat population, coupled with pet owners' greater willingness to spend money on advanced feline and other veterinary medical care, will drive demand. Photographic services will increase slowly as improvements in camera technology and reduced prices allow more consumers to take photographs for themselves and as more commercial photographers work as self-employed contractors.
55	Management of companies and enterprises	Output is used as an intermediate input and is exported. Output is projected to continue to grow faster than GDP. Productivity also is projected to continue growing rapidly, although not as quickly as output. Employment is expected to increase.
5611	Office administrative services	Output is consumed primarily as an intermediate input in a variety of industries. Output is projected to grow rapidly, although at a slower rate than in the previous decade. Employment and productivity are projected to increase, at about half the growth rate of output. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.
5612	Facilities support services	Output is consumed as an intermediate input to both manufacturing and services. Output is expected to increase at about the same rate as GDP. Productivity is projected to decrease slightly, causing employment to increase faster than output. Businesses realize the importance of maintaining, securing, and efficiently operating their facilities. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.

**Table V–2. Factors affecting industry output and employment, 2004–14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
5613	Employment services	Output is purchased as an intermediate input in many industries. Output is projected to grow faster than GDP. Because productivity growth is relatively slow in this industry, employment also is projected to increase. Business reliance on temporary help services and employment placement agencies is expected to continue, because of these sources of employment tend to endure business cycles by expanding or diversifying the categories of workers they offer. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004–14 projection period.
5614	Business support services	Many intermediate industries purchase business support services. Output is projected to continue to increase more rapidly than GDP. Productivity also is projected to grow rapidly, although not as fast as GDP. As a result, employment is expected to increase moderately.
5615	Travel arrangement and reservation services	Output is purchased by individuals and as an intermediate input and is projected to grow. Employment growth is projected to be minimal, primarily the result of increasing productivity. The number of retiring baby boomers, who have time and money to spend on travel, is expected to increase. The majority of the growth in this sector is expected in other services, which include tour operators, condominium time-share exchange services, ticket offices, ticket agencies, and reservation services.
5616	Investigation and security services	Output is used primarily as an intermediate input in various business services. Output is projected to grow more slowly than GDP. Because productivity is projected to fall, employment is projected to rise faster than output. Increased post-9/11 security awareness is still spurring growth in this industry. Private firms are taking over duties both investigative and protective, formerly performed by police. An increase in employment background checks and increasing demand for investigative services to solve Internet-based crimes such as identity theft, intellectual property theft, and harassment also have contributed to growth in this industry.
5617	Services to buildings and dwellings	Output is purchased by individuals and many industries, including real estate, educational services, and hotels. Output is projected to continue to grow with the population and number of buildings that will need to be serviced by this industry. Employment also is projected to grow, but not as quickly as output, because of improvements in productivity. As residential construction in warmer States grows, so will demand for these services, particularly landscaping.
5619	Other support services	Output is used as an intermediate input to various business services. Industry output is projected to fall slightly. Employment is projected to remain at its current level as a result of a small drop in productivity.
5621	Waste collection	Output is consumed by various industries and by individuals. Output and employment are projected to increase, even though technological improvements are expected to occur. Demand for waste collection will increase with new residential construction and as more communities implement or mandate the recycling of materials. Automated and semiautomated collection methods are expected to contribute to improvements in productivity, but demand for services will grow faster than productivity, resulting in employment growth.
56, 225, 629	Waste treatment and disposal and waste management services	Output is consumed by various industries and is expected to grow more slowly than GDP. Employment is projected to grow slightly more slowly than output, because of small productivity gains. As people produce more waste, there will continue to be a need for landfills and material recovery facilities. Optical sorters and other labor-saving technologies are being implemented at recycling facilities. However, these improvements are not expected to have a significant effect on productivity growth for the entire industry.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
6111	Elementary and secondary schools	Output is consumed by individuals and is projected to grow faster than it did in the previous decade. Low productivity growth, which is typical for this industry, and a greater share of K-12 students attending private schools will cause employment to grow.
61, 126, 113	Junior colleges, colleges, universities, and professional schools	Output is consumed by individuals and by government. Output is projected to grow as the college-aged population increases and as workers in the labor force utilize this industry to improve their skills, for ongoing education, and to make a transition into a new career. Productivity is projected to fall slightly, and employment is projected to grow faster than output.
6, 114, 611, 561, 166,110	Other educational services	Output is purchased by individuals and by government. Output is projected to grow, with strong demand for self enrichment education, as the baby boomers enter retirement and with additional demand for educational consulting and tutoring services geared towards youth. Productivity is expected to decline, causing an even greater increase in employment growth.
621, 162, 126, 213	Offices of health practitioners	Output is consumed almost entirely by individuals and is projected to grow faster than GDP as a growing and aging population demands more physician care. Some productivity gains are expected—for example, in areas such as medical record keeping; however, these improvements are expected to be relatively small. Employment is projected to increase at a rate similar to output.
6216	Home health care services	Output is consumed entirely by individuals and is projected to grow faster than GDP. Employment is projected to grow even faster than output. Both output and employment are expected to grow as a result of more patients receiving routine and post-operative care at home in order to contain costs. Relatively little work in this industry can be improved through technology, and new technology is usually slow to be implemented. The industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.
621, 462, 156, 219	Outpatient, laboratory, and other ambulatory care services	Output is consumed mostly by individuals and is projected to grow at roughly the same rate as GDP. Employment is projected to increase because very little productivity growth is expected. More patients are expected to be treated in specialty outpatient clinics, such as kidney dialysis centers and mental health facilities, rather than hospitals. Demand for outpatient services is expected to grow with the elderly population. Ambulance services also will increase with a growing population and higher utilization of emergency care by patients without insurance. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004-14 projection period.
622	Hospitals, private	Output is consumed by individuals and is projected to increase as the population ages. Employment is projected to increase because labor-saving technology is implemented only very slowly in the industry. Employment in the largest segment—general medical and surgical hospitals—is projected to grow in line with employment in the overall hospital industry. Employment in specialty hospitals is expected to grow faster than the industry average as more patients seek treatment in these facilities. By contrast, employment in psychiatric and substance abuse hospitals is expected to decline as services shift to outpatient facilities.
6231	Nursing care facilities	Output is purchased by individuals and is expected to increase more slowly than it did in the previous decade. Despite a growing elderly population, many are living longer and with fewer illnesses; many will choose either to have home health care or to live in assisted living facilities. Employment is projected to increase at approximately the same rate as output.



Table V–2. Factors affecting industry output and employment, 2004–14 — Continued

2002 NAICS code	Industry Title	Factors affecting output and employment
623, 262, 336, 239	Residential care facilities	Output is consumed by individuals and is expected to continue to grow faster than GDP. Employment also is expected to grow, as productivity growth remains flat. Demand for residential care services will increase because of growth in the active elderly population, many of whom prefer to live in assisted living facilities instead of nursing homes. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004–14 projection period.
624, 162, 426, 243	Individual, family, community, and vocational rehabilitation services	Output is consumed by individuals and is expected to grow faster than during the previous decade. Employment is expected to grow at a similar rate, because of stagnant productivity growth. Demand for services for the elderly and the disabled is driven primarily by population growth; because much of the funding for these services is from private sources, government budgetary fluctuations are expected to have minimal impact.
6244	Child day care services	Output is consumed entirely by individuals and is expected to continue to grow as the number of women in the labor force grows and the baby-boom echo enters childbearing years. Employment also is expected to grow as productivity remains stagnant.
7111	Performing arts companies	Output is purchased by individuals, by food services and drinking places, and as an input to other industries. Output is projected to increase more slowly than GDP. Attendance at performing arts events has not grown significantly in recent decades, a trend that should continue. The segment of this industry that includes musical groups and all other performing arts companies is expected to grow more rapidly than theater companies and dinner theaters, largely because the former includes musical groups and artists, carnivals, and circuses, all of which cater strongly to youths. Productivity is projected to increase slowly, resulting in employment growth.
7112	Spectator sports	Output is consumed by individuals and by radio and television broadcasting. Output is projected to grow as a larger population with more leisure time continues to be interested in sports as a form of entertainment. Productivity gains in this industry are expected to be minimal, and as a result, employment is projected to grow only slightly more slowly than output.
71, 137, 114	Promoters of events, and agents and managers	Output is consumed by individuals, independent artists, writers, and performers and as an input to other industries. Output is projected to grow at roughly the same rate as GDP. Employment is projected to grow more slowly than output as a result of productivity growth.
7115	Independent artists, writers, and performers	Output is consumed mostly as an input to performing arts companies and is projected to grow at approximately the same rate as GDP. Productivity growth is expected to be moderate. This industry is projected to be one of the 10 fastest growing industries, in terms of wage and salary employment, over the 2004–14 projection period. Wage and salary employment accounts for approximately 15 percent of the total employment in the industry and typically includes administrative support for artists, writers, and performers. Total employment, including self-employed and unpaid family workers, is projected to grow at roughly the same rate as that of the total U.S. economy.
712	Museums, historical sites, and similar institutions	Output is consumed by individuals and will continue to grow as public interest in science, art, and history increases because of growth in both leisure time and disposable income. Employment is projected to increase as productivity grows more slowly than output.
713	Amusement, gambling, and recreation industries	Output is purchased by individuals and is expected to continue to grow as increasing numbers of retirees spend more time and money on leisure activities. Productivity is projected to grow, but at a slower rate than output, resulting in increased employment.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

2002 NAICS code	Industry Title	Factors affecting output and employment
721	Accommodation	Output is consumed by individuals and businesses and is projected to grow as a result of demand for short-term lodging. Because this is a labor-intensive industry with a largely hourly-wage workforce, productivity should grow slowly; therefore, as output increases, so, too, should employment.
722	Food services and drinking places	Output is consumed primarily by individuals and is expected to increase as a result of demographic factors such as increases in population, growth of personal income, increased leisure time, and a rise in the number of dual-income families. Much of the food services industry is labor intensive and does not lend itself well to enhancements in productivity. Many of the productivity gains already have been realized; hence, employment is projected to increase.
8111	Automotive repair and maintenance	Output is consumed primarily by individuals and is projected to increase more slowly than it did in the previous decade. Productivity growth is projected to be very slow; employment is expected to increase at a rate similar to that of output. Factors moderating growth include improvements in the durability of cars and slower growth in the driving age population.
8112	Electronic and precision equipment repair and maintenance	Output, which is purchased as an input by many industries and is consumed by individuals, is projected to remain flat over the next decade. Automated repair and self-repairing equipment are expected to contribute to productivity growth and a decline in employment.
8113	Commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance	Output is used as an intermediate input in many industries and is projected to continue to grow faster than GDP. Productivity is expected to grow faster than average, but slower than output. Employment is projected to continue to grow modestly.
8114	Personal and household goods repair and maintenance	Output is used as an intermediate input in telecommunications and other industries and is consumed by individuals. Output is projected to continue to grow relatively slowly. Productivity is projected to increase at approximately the same rate as output, resulting in very little employment growth.
8121	Personal care services	Output is consumed mostly by individuals and is expected to continue to grow as the population grows, as incomes rise, and as demand for personal care increases. Productivity is projected to grow more slowly than output, resulting in employment growth that is similar to that of the total U.S. economy.
8122	Death care services	Output is purchased mainly by individuals and is projected to continue to grow as the population and the number of deaths increase. Employment also is projected to increase because of declining productivity.
8123	Drycleaning and laundry services	Output is used mainly by individuals, but is also contracted for by other industries, such as food services establishments. Output is expected to grow as the affluent population requiring these services increases. Central drycleaning facilities that process work for multiple stores will contribute to productivity growth, but overall, productivity is projected to grow more slowly than output, resulting in modest employment growth.
8129	Other personal services	Output is purchased by individuals and is expected to continue to grow as the population increases; demand for services such as parking lots and garages will influence much of the growth in this industry. Some gains in productivity are expected, but output will grow faster. Employment is projected to grow slightly faster than that of the total U.S. economy.

Table V-2. Factors affecting industry output and employment, 2004-14 — Continued

2002 NAICS code	Industry Title	Factors affecting output and employment
8131	Religious organizations	Output is consumed entirely by individuals and is projected to grow faster than it did in the preceding decade. Growing demand for religious advocacy groups is expected to continue. Employment is projected to continue to increase, but at a slower rate because of improvements in productivity.
81, 328, 133	Grantmaking and giving services and social advocacy organizations	Output is consumed mostly by individuals and is projected to continue to grow at a healthy rate. An increasingly affluent population involved in advocacy groups for causes such as human rights and conservation will continue to fuel growth in this industry. Productivity is expected to increase as the application of modern information technology is incorporated into communications, marketing, fundraising, decision-making, and management. Productivity is expected to continue to rise, but not as quickly as output. As a result, employment is projected to grow.
81, 348, 139	Civil, social, professional, and similar organizations	Output is consumed mostly by individuals and is expected to increase slightly faster than the population because of rising demand for professional networking and political organizations. Employment is projected to grow at approximately the same rate as output, primarily because of stagnant productivity growth.
814	Private households	Output is purchased by individuals and is expected to grow very little. Government workplace regulations make the use of private household workers expensive, relative to hiring specialized firms. Employment is projected to decline slightly over the next decade because of improvements in productivity.
NA	Federal electric utilities	Output is projected to increase as the number of end users grows. Productivity is projected to grow faster than output, resulting in declining employment.
NA	Federal enterprises, except the Postal Service and electric utilities	Output is directed mostly to the finance industries and is projected to grow as the demand for federally delivered services increases. Productivity is projected to continue to grow faster than output, resulting in a decline in employment.
NA	Federal Government, except enterprises	Output is allocated to defense and nondefense compensation and is projected to increase. After years of decline, employment is projected to rise slightly because of an increasing need for jobs related to homeland security, emergency preparedness, public health, and information analysis.
NA	Federal Government capital services	Output is projected to grow slightly. No employment is counted in this sector.
NA	Local government passenger transit	As towns and cities continue to grow, this industry will develop and expand. Limited productivity growth is expected to result in increasing employment.
NA	Local government enterprises, except passenger transit	Output is consumed mostly by individuals and is projected to continue to grow as it did in the preceding decade. Employment is projected to increase as a result of increasing demand.
NA	Local government hospitals	Output is projected to increase as demand for health care for the elderly and the uninsured rises in government hospitals. Employment is projected to increase marginally. Recent employment gains are due to an overall increase in demand for health care, especially among the uninsured and among Medicare or Medicaid patients who use local government hospitals.
NA	Local government educational services	Output growth will result from increased spending on education as all levels of government continue to focus on the performance of K-12 education. Growth will be moderated by a low level of enrollment growth as the baby boom echo exits the public school system. Low productivity growth is expected to cause employment to increase, but not as quickly as output.

**Table V-2. Factors affecting industry output and employment, 2004-14 — Continued**

<i>2002 NAICS code</i>	<i>Industry Title</i>	<i>Factors affecting output and employment</i>
NA	Local government, excluding enterprises, educational services, and hospitals	Output is projected to continue to grow as it did in the previous decade, spurred by increasing demand for services from local governments. Employment also is projected to continue to grow, largely as a result of population increases. Local governments increasingly are outsourcing non-core functions, but Homeland Security-related employment growth is expected to continue.
NA	State government enterprises	Output is expected to continue to grow at roughly the same rate as in the previous decade. Employment growth is projected to continue to be marginal.
NA	State government hospitals	Output is projected to grow. Recent gains in output appear to be caused by uninsured and underinsured patients seeking treatment in government hospitals instead of in more expensive private facilities. Improvements in productivity are expected to result in declining employment. Employment in State psychiatric hospitals is expected to decline as more patients are treated in outpatient facilities.
NA	State government educational services	Output, which is based on State spending on higher education, is projected to grow as enrollments continue to increase, both among traditional college students and among current workers who take classes to learn new job skills or enter new careers. Employment growth is expected to result from increased enrollments, and also from institutions hiring more part-time adjunct faculty.
NA	State government, excluding enterprises, educational services, and hospitals	Output is projected to grow at a rate similar to that of the past half decade. Employment is projected to grow as spending on homeland security continues and demand for services from State governments increases.
NA	State and local government capital services	Output is projected to grow more slowly than it did in the previous decade. There is no employment in this sector.
NA	Owner-occupied dwellings	Output is projected to grow at the same rate as it did during the previous decade. There is no employment in this sector.