
≡ ALL SECTIONS

COMMENTARY YESTERDAY

Show 'em the money: From plumbers to engineers, D-FW firms are paying more for talent

*Mitchell Schnurman, Business columnist*

Don't miss a story. Like us on Facebook.

Like 449K

There's a silver lining to the labor shortage: Workers' pay is finally rising in a meaningful way.

As unemployment hits a record low and the economy stays strong, pay increases have accelerated over the past two years.

Average annual pay for private industry workers in Dallas County topped \$69,000 in 2018, a gain of over \$3,600 from two years earlier, according to data from the U.S. Bureau of Labor Statistics. On average, local workers here earned over \$10,000 more than in the rest of the U.S. and Texas.

While companies lament the difficulty in recruiting and retaining employees, many are pushing up wages, bonuses and benefits. And certain occupations have seen significant bumps.

From 2016 to 2018, plumbers and construction laborers in D-FW had pay hikes totaling 12%. Civil, mechanical and aerospace engineers had double-digit gains, and carpenters' pay rose almost 8%.

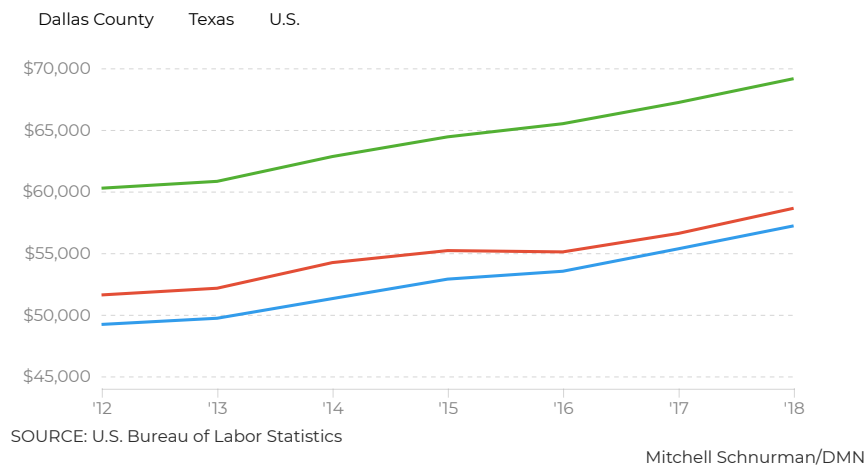
That compares with an average gain of 4.4% for all local workers over the same two-year time.

“The cost of hiring and keeping employees continues to increase,” a technology company [told the Dallas Fed in May](#).

“Additionally, the challenge of finding qualified employees has caused us to look outside of the local market (and outside of the state).”

Finally, workers' pay is growing

Average annual pay for all workers in private industry:



Unemployment is at a record low, and there are [more job openings today than people looking for work](#). During the recession, there were nearly six job-seekers for every job opening.

Some companies said they're [missing out on millions in annual sales](#) because they can't find enough qualified workers. That's driving them to boost pay significantly.

“We're seeing a consistent rise in pay for staff-level roles as well as mid-level roles,” said Dan Rymas, the Dallas-based metro market manager for Robert Half, a global staffing company.

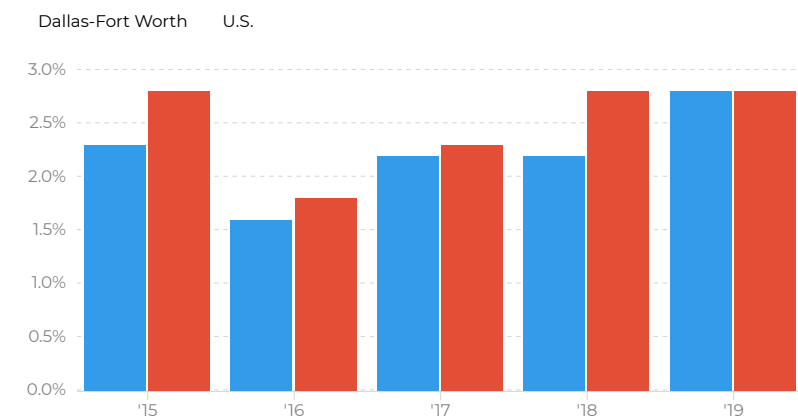
Supply and demand is part of the story, he wrote in an email. Plus, there's a premium for those whose knowledge of software and technology can pay off immediately.

“We are seeing a unanimous increase virtually across the board in accounting, finance, operations, administrative, clerical, creative, management and IT roles,” Rymas wrote.

The BLS' employment cost index, which considers all costs in worker compensation, is growing faster. For the 12 months ended in March, the index [rose 2.8% in Dallas-Fort Worth](#). That was the highest gain for the period since 2008.

D-FW matches U.S. on pay growth

Growth in total compensation for private industry workers for the years ended in March:



SOURCE: U.S. Bureau of Labor Statistics Employment Cost Index

Mitchell Schnurman/DMN

Put another way: Total pay in D-FW is rising at the fastest rate since before the Great Recession. It's also the first time in five years that D-FW pay growth matched the U.S. growth rate for the period.

"You get what you pay for, and our clients are willing to pay a lot," said Matt Bomberger, a longtime local recruiter who's vice president at [Bresatech](#), a Plano tech company.

A few years ago, most customers were eager to hire software pros on a contract basis, he said. Today, the emphasis is on locking up permanent hires, even if companies must pay a hefty premium.

Some tech workers can command salaries of \$200,000, he said, because their specialties are in high demand and work visas for international candidates are harder to come by.

"There just aren't enough qualified tech folks to keep labor prices down," Bomberger said.

There aren't enough construction workers, either. According to the Dallas Builders Association, the North Texas region needs at least 20,000 more workers in residential and commercial construction. That's driving up home prices and extending construction times.

Several construction jobs in D-FW have had big pay increases over the past two years. Plumbers, carpenters, laborers, brick masons and rebar workers all notched gains far above the average employee's. Even building inspectors in D-FW were paid 10% more than two years earlier, BLS data shows.

Jobs getting more (and less) pay

How average wages changed in select occupations in Dallas-Fort Worth:

Occupation	Average annual wage, May 2018	Two-year change
Plumber	\$49,630	12.0%
Construction laborer	\$33,120	11.9%
Civil engineer	\$104,290	11.5%
Carpenter	\$39,530	7.6%
Loan officer	\$86,020	5.8%
Construction manager	\$99,990	4.6%
All occupations	\$52,590	4.4%
Truck driver	\$47,740	4.4%
Lawyer	\$160,860	4.3%
Elementary teacher	\$59,460	3.9%
Auto mechanic	\$42,950	3.5%
Software developer	\$111,010	3.2%
Office support	\$39,230	2.3%
Registered nurse	\$74,140	1.7%
Pediatrician	\$223,480	1.7%
Food preparer	\$24,010	1.4%
Retail salesperson	\$26,630	-7.2%
Securities sales agent	\$92,990	-7.4%
PR specialist	\$61,360	-9.9%
Wholesale sales rep	\$70,290	-14.6%

SOURCE: U.S. Bureau of Labor Statistics; Dallas Morning News research

Mitchell Schnurman/DMN

In a May survey, the Dallas Fed asked companies about the main obstacles to finding qualified workers. The top reason was the labor shortage, followed by a lack of technical competency.

But nearly half the companies cited a different problem: Job candidates were looking for more money than they were offering.

A tight job market significantly affects the economy, according to a recent Dallas Fed report. Workers have more bargaining power to drive up wages and benefits, and that limits companies' ability to expand, wrote assistant economist [Christopher Slijk](#).

Companies also have more reason to invest in labor-saving technologies. [W.W. Cannon](#), a wholesale distributor of material handling and storage equipment, invested about \$90,000 in software systems to process orders and keep up with inventory, said president and owner Greg Brown.

That reduces the need for more administrative workers but doesn't address the Dallas company's shortage of installers. In the past, Cannon would pay minimum wage for a helper who might later become foreman of an installation team.

"Now, we're paying \$15 an hour to find someone who'll just show up," Brown said. "So work ethic is an issue. And everybody's looking for more money."

Editor's note: This story was updated to correct the spelling of the last name of Dan Rymas, metro market manager for Robert Half.

Comparing pay growth by sector

Annual change in wages for workers in Dallas County, December 2018:

Trade, transportation	5.5%
Information	3.2%
Education, health	2.6%
Financial activities	2.6%
Professional, business	2.5%
All industries	2.4%
Leisure, hospitality	2%
Construction	1.3%
Manufacturing	-4.9%

SOURCE: U.S. Bureau of Labor Statistics

Mitchell Schnurman/DMN



COMMENTARY

Lots of help wanted: How the labor shortage is slowing the Texas economy

[VIEW COMMENTS](#)

[COMMENTARY](#) [BUSINESS](#) [JOBS](#) [ECONOMY](#) [OPINION](#) [DALLAS](#) [TEXAS](#)

MORE IN OPINION

OPINION

Carter's annual human rights event offers stark contrast to Trump

OPINION

Let politicians block the obnoxious few on social media, we'll check them at the ballot box

OPINION

Letters: Democratic Party debates, Central America, Iran, Nancy Pelosi, President Trump

OPINION

Once again, Texas Legislators take a 'Do as I say, not as I do' approach to their legislative records

NEWS

Violent robbery attempt north of Houston leaves 2-year-old child dead, father with 9-10 gunshot wounds

LIFE

Can you add your partner's last name and keep your maiden name in Texas? Curious Texas investigates

TRENDING ARTICLES

NEWS

BUSINESS

LIFE

SPORTS

ENTERTAINMENT

ARTS

OPINION

[About Us](#)
[Careers](#)
[Advertise](#)
[Contact Us](#)
[Al Día \(En Español\)](#)

[FAQ](#)
[Privacy Policy](#)
[Terms of Service](#)
[Site Map](#)

FFF