

CTE's second biennial salary survey reveals who's making what.

Working



"Standing at the machine every day for all my life, I need to do it and I need it, it's the only thing I want. It's just a rush, push, cash."—from the song

"Bostich" by the band Yello.

Just how much cash is the focus of CUTTING TOOL ENGINEERING's second biennial salary survey. CTE mailed questionnaires to 1,000 randomly selected company owners and senior managers who receive the magazine, requesting information about salaries and benefits for themselves and the industry professionals they oversee.

The survey was anonymous, and 368 recipients returned completed questionnaires by the cutoff date, a 36.8 percent response rate.

As in the first survey, which was published in the August 2000 issue, this questionnaire asked the following questions:

- Where is your company located?
- How many people does the company employ?
- What is the type of company?
- What benefits does your company provide?

Instead of asking recipients to indicate the salary range for each position at a company, as in the case of the debut study, this edition's questionnaire requested a specific dollar amount for each position's average annual salary. With either methodology, a single response might reveal the pay and bene-

fits for hundreds of workers at a large company or as few as one at a one-person shop.

Although many metalworking professionals are paid an hourly wage, the survey results are meant to indicate the average total pay received annually—including overtime and bonuses, but excluding benefits.

Unlike the range-based, composite-number results of the previous survey, the salary information presented here was calculated according to the arithmetic mean. For example, if three recipients indicated that their companies' manual machinists earn average annual salaries of \$30,000, \$35,000 and \$42,000, the mean would equal \$35,667 $([30,000 + 35,000 + 42,000]/3 = 35,667)$.

Because the two surveys employed different methodologies, a direct comparison is not possible. However, a look at the two sets of data reveals some general trends. Predictably, manual machinists, on average, continue to earn the least amount of money compared to other metalworking professionals. Average salaries climb steadily as the responsibilities and demands of each position increases, with those involved in corporate management taking home the most, according to the national average.

It's important to note, though, that the functions each position is responsible for vary depending upon a company's size and structure.

Since CTE's first salary survey 2 years ago, it's no secret that there are fewer jobs in the metalworking indus-

try as automation, consolidation and overseas competition increased. While the questionnaire didn't request comments, one return from a small mold shop in the East North-Central region provided a glimpse into the industry's struggles: "When the shop was active, I paid good wages. I now run the shop part-time in an effort to pay the overhead bills. My work seems to have gone to the Far East."

However, those who remain are making more money and receiving additional benefits. Of the 11 positions surveyed, the seven top-earning ones show average annual salaries higher than the previous survey. This is most evident for mold shops, where manual machinists earn more than \$40,000 per year on average and engineering supervisors and plant managers make an average of \$135,901 and \$124,759, respectively.

Possibly to lure new workers and retain existing ones, companies are also providing more benefits. Eleven positions showed a higher percentage receiving profit sharing/401(k) plans, 10 had a higher percentage for dental insurance, eight had a higher percentage for health insurance and six showed a higher percentage receiving a company vehicle.

Surprisingly and somewhat troubling, when it comes to receiving paid training/continuing education, the percentage receiving the benefit dipped for all positions. This is possibly a result of workers putting in longer hours and not having the time to pursue additional education and training.

REGIONS New England (CT, MA, ME, NH, RI, VT)



REGIONS South Atlantic (DE, FL, GA, MD, NC, SC, VA, WV)



REGIONS East North-Central (IL, IN, MI, OH, WI)



REGIONS West North-Central (IA, KS, MN, MO, ND, NE, SD)



REGIONS Mountain (AZ, CO, ID, MT, NM, NV, UT, WY)



REGIONS Middle Atlantic (NJ, NY, PA)



REGIONS East South-Central (AL, KY, MS, TN)

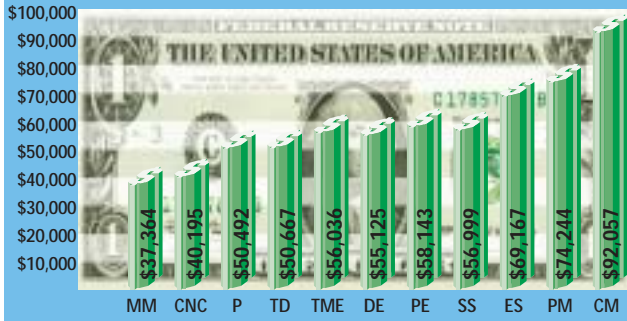


REGIONS West South-Central (AR, LA, OK, TX)



MM: Manual Machinist • CNC: CNC Machinist • P: Programmer • TD: Tool & Die Maker • TME: Tool/Manufacturing Engineer • DE: Design Engineer
PE: Project Engineer • SS: Shop Supervisor • ES: Engineering Supervisor • PM: Plant Management • CM: Corporate Management

REGIONS Pacific (AK, CA, HI, OR, WA)



The Pacific region has the most positions (four) with the highest average salaries (manual machinist, programmer, tool and die maker and shop supervisor).

In addition, the region's CNC machinists, tool/manufacturing engineers and design engineers rank second.

COMPANY SIZES 1-9 Employees



Size matters when comparing company size to amount of compensation, but bigger isn't necessarily better. Companies with 50 to 99 employees pay the most for nine positions, with the two remaining positions (shop supervisor and engineering supervisor) coming in second. On the other hand, companies with more than 250 employees pay their CNC machinists and tool and die makers the least.

COMPANY SIZES 10-19 Employees



COMPANY SIZES 20-49 Employees



COMPANY SIZES 50-99 Employees

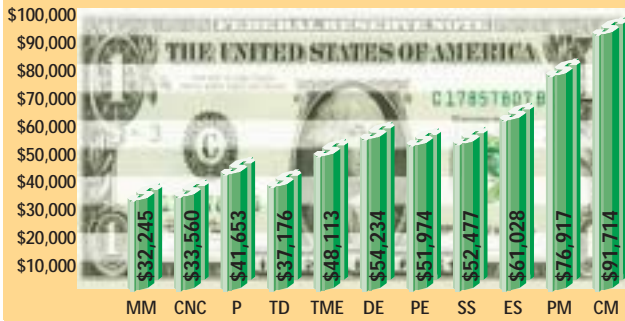


COMPANY SIZES 100-249 Employees



MM: Manual Machinist • CNC: CNC Machinist • P: Programmer • TD: Tool & Die Maker • TME: Tool/Manufacturing Engineer • DE: Design Engineer
PE: Project Engineer • SS: Shop Supervisor • ES: Engineering Supervisor • PM: Plant Management • CM: Corporate Management

COMPANY SIZES 250+ Employees



U.S. moldmakers are seeing plenty of work leaving the country, but engineering supervisors and plant managers employed by mold shops, on average, take home the biggest paychecks. Their annual salaries are \$135,901 and \$124,759, respectively. In addition, seven other positions at mold shops (manual machinist, CNC machinist, tool/manufacturing engineer, design engineer, project engineer, shop supervisor and corporate management) earn more than the same positions at other types of metalworking companies covered in this survey.

COMPANY TYPES Job Shop



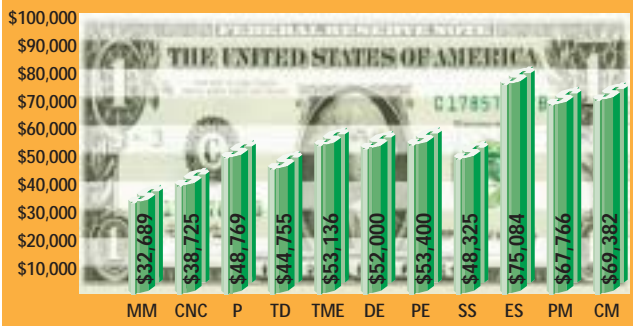
COMPANY TYPES General Manufacturer



COMPANY TYPES Mold Shop



COMPANY TYPES Tool & Die Shop



COMPANY TYPES Supplier of Metalworking Products



COMPANY TYPES Other



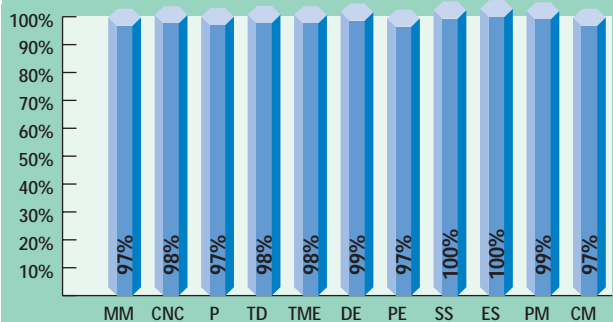
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NATIONAL AVERAGE

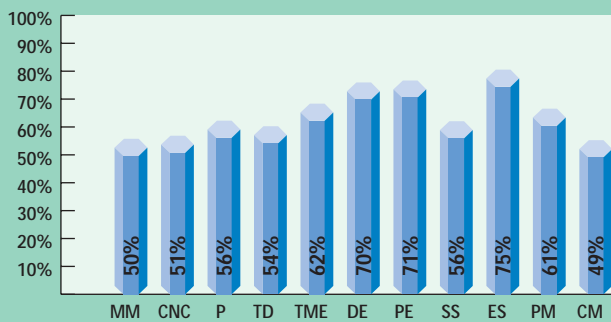


Based on the national average, corporate-management professionals earn the most compared to other positions, averaging \$83,970 a year. And corporate managers at companies in Kentucky, Tennessee, Alabama and Mississippi earn the most for that job classification, averaging \$99,767. However, their counterparts at companies in the West North-Central region earn about \$33,000 less, on average.

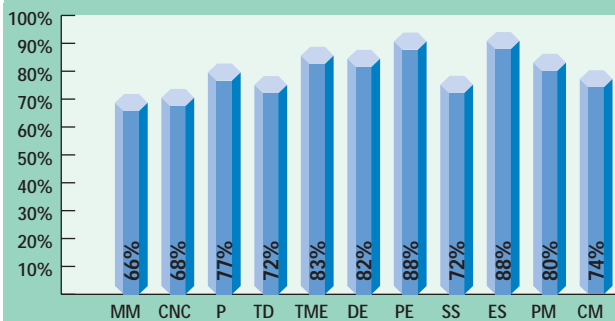
BENEFITS Health Insurance



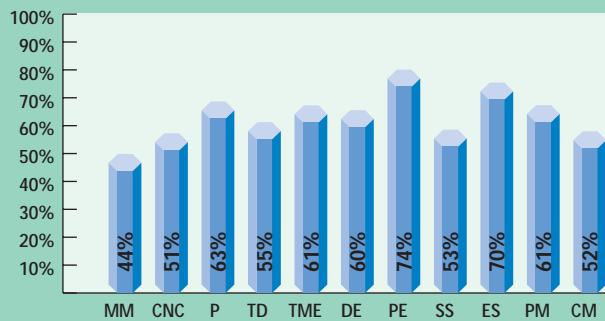
BENEFITS Dental Insurance



BENEFITS Profit Sharing/401(k) Plan

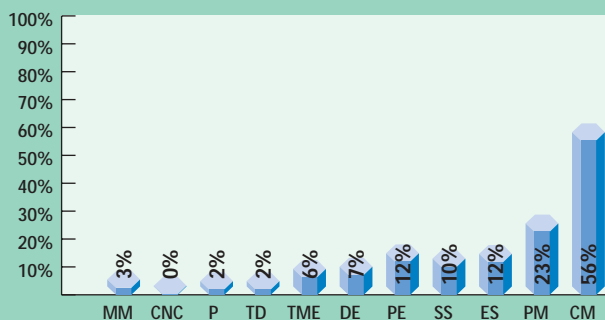


BENEFITS Paid Training/Continuing Education



Of the five benefits for which information was requested, a company vehicle is the least popular. The majority (55.5 percent) of only one position--corporate management, of course--receive one. But, compared to the previous survey, the percentage is on the rise for manual machinists, tool and die makers, tool/manufacturing engineers, design engineers, project engineers and shop supervisors.

BENEFITS Company Vehicle



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