

From the South Florida Business Journal:

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MONEY IN AMERICA

Medical, finance professionals among highest earners in South Florida

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Jun 2, 2017, 6:00am EDT

When it comes to the careers that bring in the most bacon, South Florida's 290 surgeons ranked No. 1 on the pay scale, according to a study from American City Business Journals.

But that's not saying much, as the average pay of tri-county surgeons didn't rival that of those in other parts of the nation in 2016.

South Florida ranked 42nd out of 107 metropolitan areas surveyed for surgeon pay, with those in the region making 6.4 percent less than the national average of \$252,910. The medical professions in the Top 5 all made up to 12.5 percent less than the national average.



Gustavo Peña

Managing Partner of Miami-based staffing firm, Ascendo Resources.

The data supports a common criticism of South Florida's job market: Skilled professionals – always in high demand – can make more money elsewhere. And salaries that haven't kept up with the region's ballooning cost of living don't help, experts say.

"The living cost has grown here so much, and it's not being paired to the salaries," said Gustavo Peña, managing partner of Miami-based staffing firm Ascendo Resources.

Peña's firm specializes in finance, accounting, IT and HR placements. Some of those jobs were among the highest-paid in South Florida in 2016, according to ACBJ data.

Chief executives rank second for annual pay in South Florida, with an average salary of \$227,420. Family and general practitioners rank third, at \$198,160. Internists made \$176,550 last year, ranking the profession fourth, and financial managers rounded out the Top 5 at \$149,160.

The survey compared salaries of 72 prominent occupations across the U.S. Of these occupations, only 20 in South Florida paid above the national average, the survey showed.

But, fortunately, money isn't the only factor key to securing top talent in South Florida.

When recruiting out-of-state job candidates, Peña tends to tout the region's relatively easygoing lifestyle and low taxes. He says even South Florida's onerous commutes appeal to job seekers hailing from areas where many people grapple with two-hour commutes both to and from work.

"[In comparison,] our rush hour is a walk in the park," Peña said. "A lot of the younger talent from the Northeast want to start having children and get out of that fast lane."

THE COST OF LIVING

South Florida's high cost of living and lower salaries can prove challenging when recruiting out-of-state candidates though, Peña said. The average household income in Florida was \$49,426 in 2015, which doesn't go very far in an area where average monthly rents run from \$1,530 to \$1,579 in Broward and Palm Beach counties, respectively, to \$1,660 in Miami-Dade County, according to Reinhold P. Wolff Economic Research in Oakland Park.

For example, the region's retail salespeople and customer service representatives, who made up the No. 1 and No. 2 largest job groups in the area, didn't earn much more than the lowest-paid professions. The area's 107,370 retail salespeople made an average of \$25,960 in 2016, and 68,410 customer service representatives earned \$31,730.

South Florida's 62,890 food preparers and servers, our lowest-paid workers, made \$20,210. That's about 91 percent less than what the region's surgeons made.

THE CHALLENGE

Wage disparity isn't a new problem for South Florida, but it's still going to take a long time to fix, said Mekael Teshome, assistant VP and economist with PNC Financial Services Group.

"So we've got this really good momentum, in terms of total number of jobs, but income growth is still sluggish," he said. "[Wages] are not rising as much as you would think, given how low the unemployment rate is."

Broward and Palm Beach counties' unemployment rates are well below the state's rate of 4.5 percent in April – at 3.8 percent and 3.9 percent, respectively, according to the latest data from the Florida Department of Economic Opportunity. Miami-Dade County's unemployment rate was not far behind, at 5 percent in April.

"We have a situation where the job market is getting tighter, but it's not tight enough to drive up wage growth," Teshome said.

It's not a problem that's unique to the tri-county area. But raising local wages will require diversifying South Florida's major industries beyond tourism and real estate.

Teshome cited Broward as an example of a county that's bringing in technology-related firms, which offer higher-wage jobs.

Economist Sean Snaith, the director of the University of Central Florida's Institute for Economic Competitiveness, said efforts to grow trade industry workers could help raise the state's wages.

"Whether it's specialty contractors or welders, they offer high wages certainly better than an average job might pay in hospitality," he said.

But housing affordability will still be an issue.

“You may be able to find a job with a good salary, but if that’s not enough to afford housing, with the home prices as high as they are in South Florida, that’s certainly going to be a barrier for people,” Snaith said. “Salary is one element; cost of living is another.”

Ultimately, education and training are the most important tools in boosting pay in South Florida, Snaith said. Having that qualified workforce will attract more businesses than favorable tax structures, he added.

“It’s a process, and I think we’ve made progress, certainly,” Snaith said. “But it’s not something that is just going to happen overnight.”

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South Florida Business Journal

