

**Bureau of Labor Statistics** 

**Information:** 

**New York Office** 

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# AVERAGE WEEKLY WAGES IN PUERTO RICO: FOURTH QUARTER 2006 San Juan's wage level well below the U.S. average

In the fourth quarter of 2006, weekly wages averaged \$577 in San Juan, Puerto Rico's largest municipality. Regional Commissioner Michael L. Dolfman noted that San Juan's wage level was 33 percent lower than the U.S. average of \$861. Over the year, the San Juan's 6.1-percent rise in wages exceeded wage advances in both Puerto Rico (4.7 percent) and the United States (4.2 percent). (See table A.)

Employment in San Juan stood at 310,400 in December of 2006, falling 5.7 percent over the year. Puerto Rico's employment level declined 3.0 percent during this same period. For the 50 states and the District of Columbia, total employment increased by 1.6 percent from December 2005 to December 2006.

Table A. Covered $^1$  employment and wages in the United States and San Juan, Puerto Rico, fourth quarter  $2006^2$ 

	Employment		Average weekly wage <sup>3</sup>		
Area	December 2006 (thousands)	Percent change, December 2005-06 <sup>4</sup>	Level 2006	Percent change, 2005-06 <sup>4</sup>	
United States <sup>5</sup>	135,933.2	1.6	\$861	4.2	
Puerto Rico	1,062.8	-3.0	494	4.7	
San Juan	310.4	-5.7	577	6.1	

 $<sup>^{1}</sup>$  Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

 $<sup>^{5}</sup>$  Totals for the United States do not include data for Puerto Rico or the Virgin Islands.



Round-the-clock recorded messages for the Consumer Price Index and a variety of other *Bureau of Labor Statistics* data are available by dialing the *New York Information Office's* main telephone number: (212) 337-2400. For recorded messages, press '2'.

<sup>&</sup>lt;sup>2</sup> Data are preliminary.

<sup>&</sup>lt;sup>3</sup> Average weekly wages were calculated using unrounded data.

<sup>&</sup>lt;sup>4</sup> Percent changes were computed from quarterly employment and pay data adjusted for noneconomic county reclassifications.

#### Wage levels

Because San Juan's employment level well exceeds the definition of a large county (one with employment of 75,000 or more), its average wage can be compared to the wages of the 325 largest counties nationwide. Over two-thirds of these counties had weekly wages lower than the national average, and if San Juan was counted among this group, it would place fifth lowest in the ranking. Only the counties of Webb, Texas (\$571), Yakima, Wash. (\$570), Hidalgo, Texas (\$542) and Cameron, Texas (\$527) had lower wage levels than San Juan.

At the other end of the wage scale, New York County, N.Y., recorded the highest average weekly wage at \$1,781. Santa Clara, Calif., was second with an average weekly wage of \$1,569, followed by Fairfield, Conn. (\$1,515), and Suffolk, Mass. (\$1,481). Three of the 10 counties with the highest wages in the nation were located in the greater New York metropolitan area (New York, N.Y.; Fairfield, Conn.; and Somerset, N.J.), 3 others were located in or around the San Francisco area (Santa Clara, San Francisco, and San Mateo, all in California), while 3 more were located in or around the Washington, D.C., metropolitan area (Washington, D.C., Arlington, Va., and Fairfax, Va.). Rounding out the top 10 was Suffolk County, Mass., part of the Boston metropolitan area.

Among the 50 states and the District of Columbia, 5 reported average wages more than 20 percent above the \$861 national average: District of Columbia (\$1,424), New York (\$1,104), Connecticut (\$1,101), Massachusetts (\$1,072), and New Jersey (\$1,055). At the lower end of the scale, four states had wage levels averaging less than 75 percent of the national earnings: South Dakota (\$614), Montana (\$625), North Dakota (\$643), and Mississippi (\$630). Puerto Rico's average weekly wage of \$494 in the fourth quarter of 2006 fell 43 percent below the national level and was 20 percent below the lowest ranked state. The Virgin Islands, another territory, also reported a lower-than-average wage, but at \$711, its wage was 44 percent higher than Puerto Rico's. (See table 1.)

# Over-the-year wage changes

San Juan's 6.1-percent over-the-year wage increase in the fourth quarter of 2006 surpassed the averages for both Puerto Rico and the United States (4.7 and 4.2 percent, respectively). Of the 325 large U.S. counties, 31 posted higher wage growth than San Juan. Nationwide, 122, or 37 percent, of these largest counties recorded over-the-year percent changes at or above the national average.

Leading the nation in average weekly wage growth was Rockingham County, New Hampshire, with an increase of 18.0 percent. Sedgwick, Kans., and Trumbull, Ohio, tied for second with wage growth of 14.0 percent, followed by Travis, Texas, 10.9 percent, Waukesha, Wis., 10.4 percent, and Santa Cruz, Cal. (10.1 percent). Eight counties experienced over-the-year declines in average weekly wages. New Castle, Del. (-5.7 percent) had the largest decrease, followed by the counties of Elkhart, Ind. (-5.3 percent), Orleans, La. (-4.4 percent), York, Pa. (-4.3 percent), and Harrison, Miss. (-2.4 percent)

Among the 50 states and the District of Columbia, Wyoming had the largest over-the-year wage growth, 11.3 percent, followed by New Hampshire (8.1 percent), New Mexico (7.1 percent), Idaho (7.0 percent), and Kansas (6.5 percent). Delaware was the only state with a decline in wages (-4.1 percent). Nationwide, 30 states and the District of Columbia had wage growth above the 4.2-percent increase for the nation. Wage gains in Puerto Rico (4.7 percent) and the Virgin Islands (7.2 percent) also exceeded the U.S. average from the fourth quarter of 2005.

# **Employment**

In December 2006, employment in San Juan stood at 310,400, accounting for 29 percent of Puerto Rico's workforce. Over the year, San Juan's employment declined by 5.7 percent. Of the 325 largest counties nationwide, 41 registered a decrease in employment. The five large counties with the greatest percentage decline in jobs were all located in the Midwest: Trumbull, Ohio (-4.7 percent), Elkhart, Ind. (-3.3 percent), Wayne, Mich. (-3.1 percent), Oakland, Mich. (-2.7 percent), and Genesee, Mich. (-2.4 percent). Solano, Ca. (-2.2 percent), was the other county with an employment decline exceeding 2 percent.

Nationally, Gulf Coast counties, partially recovering from the depressed employment levels following Hurricane Katrina, experienced the largest over-the-year percentage increases in employment—Harrison, Miss. (18.7 percent), Orleans, La. (12.2 percent), and Jefferson, La. (10.5). Williamson, Tex. (7.7 percent) was the only other county to have over-the-year growth above 7 percent. Overall, employment increased in 270 of the nation's large counties from December 2005 to December 2006.

Average weekly wage data by county are compiled under the Quarterly Census of Employment and Wages (QCEW) program, also known as the ES-202 program. The data are derived from reports submitted by employers subject to unemployment insurance (UI) laws. The 8.9 million employer reports cover 135.9 million full- and part-time workers. The average weekly wage is computed by dividing the quarterly total wages of employees covered by UI programs by the average monthly number of these employees. This number then is divided by 13, the number of weeks in a quarter. It is to be noted, therefore, that over-the-year wage changes for geographic areas may reflect shifts in the composition of employment by industry, occupation, and such other factors as hours of work. Thus, wages may vary among counties, metropolitan areas, or states for reasons other than changes in the average wage level. Data for all states, Metropolitan Statistical Areas, counties, and the nation are available on the BLS Web site at http://www.bls.gov/cew/; however, data in QCEW press releases have been revised (see Technical Note below) and may not match the data contained on the Bureau's Web site.

#### Additional statistics and other information

An annual bulletin, *Employment and Wages*, features comprehensive information by detailed industry on establishments, employment, and wages for the nation and all states. The 2005 edition of this bulletin contains selected data produced by Business Employment Dynamics (BED) on job gains and losses, as well as selected data from the fourth quarter 2005 version of this news release. This edition is the first to include the data on a CD for enhanced access and usability. As a result of this change, the printed booklet contains only selected graphic representations of QCEW data; the data tables themselves are published exclusively in electronic formats as PDF and fixed-width text files. *Employment and Wages Annual Averages, 2005* is available for sale from the United States Government Printing Office, Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250, telephone 866-512-1800, outside of Washington, D.C. Within Washington, D.C., the telephone number is 202-512-1800. The fax number is 202-512-2104. Also, the 2005 bulletin is available in a portable document format (PDF) on the BLS Web site at http://www.bls.gov/cew/cewbultn05.htm.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

For personal assistance or further information on the Quarterly Census of Employment and Wages program, as well as other Bureau programs, contact the New York-New Jersey Information Office at (212) 337-2400 from 9:00 a.m. to 12:30 p.m. and 1:30 p.m. to 4:30 p.m. ET.

# **Hurricane Katrina**

The employment and wages reported in this news release reflect the impact of Hurricane Katrina and ongoing labor market trends in certain counties. The effects of Hurricane Katrina, which hit the Gulf Coast on August 29, 2005, were first apparent in the September QCEW employment counts and in the wage totals for the third quarter of 2005. This catastrophic storm continued to affect monthly employment and quarterly wage totals in parts of Louisiana and Mississippi in the fourth quarter of 2006. For more information, see the QCEW section of the Katrina coverage on the BLS Web site at http://www.bls.gov/katrina/qcewquestions.htm.

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#### **TECHNICAL NOTE**

QCEW data are the sums of individual establishment records reflecting the number of establishments that exist in a county or industry at a point in time. For this reason, county and industry data are not designed to be used as a time series.

The preliminary QCEW data presented in this release may differ from data released by the individual states as well as from the data presented on the BLS Web site. The potential differences result from several causes. Differences between BLS and state published data may be due to the continuing receipt, review, and editing of UI data over time. On the other hand, differences between data in this release and the data found on the BLS Web site are the result of adjustments made to improve over-the-year comparisons. Specifically, these adjustments account for administrative (noneconomic) changes such as a correction to a previously reported location or industry classification. Adjusting for these administrative changes allows users to more accurately assess changes of an economic nature (such as a firm moving from one county to another or changing its primary economic activity) over a 12-month period. Currently, adjusted data are available only from BLS press releases.

### **Upcoming Changes to Quarterly Census of Employment and Wage Data**

Data for 2006 will be the last from the Quarterly Census of Employment and Wages (QCEW) program using the 2002 version of the North American Industry Classification System (NAICS). With the release of first quarter 2007 data, scheduled for October 18, the QCEW program will switch to the 2007 NAICS as the basis for the assignment and tabulation of economic data by industry.

Table 1. Covered  $^{\!1}$  employment and wages by state and territory, fourth quarter  $2006^2\,$ 

Area	Employment	Average weekly wage <sup>3</sup>				
	December 2006 (thousands)	Average weekly wage	National rank by level <sup>4</sup>	Percent change, 2005-06	National rank by percent change <sup>4</sup>	
United States <sup>5</sup>	135,933.2	\$861	-	4.2	-	
Alabama	1,948.9	737	33	4.4	27	
Alaska	296.2	837	17	5.3	11	
Arizona	2,693.3	805	22	4.7	18	
Arkansas	1,179.3	652	47	2.8	43	
California	15,672.1	987	6	4.4	27	
Colorado	2,283.3	877	12	5.0	15	
Connecticut	1,706.3	1,101	3	2.0	50	
Delaware	427.5	896	10	-4.1	51	
District of Columbia	675.0	1,424	1	5.0	15	
Florida	8,126.2	788	23	4.6	20	
Georgia	4,090.4	812	21	2.1	49	
Hawaii	632.3	762	27	3.5	38	
Idaho	649.8	672	45	7.0	4	
Illinois	5,899.5	928	8	4.6	20	
Indiana	2,924.3	723	36	2.6	45	
Iowa	1,486.3	697	40	3.7	35	
Kansas	1,358.9	725	34	6.5	5	
Kentucky	1,815.4	708	37	3.8	33	
Louisiana	1,855.1	748	30	5.1	14	
Maine	603.4	679	43	2.7	44	
Maryland	2,570.5	941	7	3.4	39	
Massachusetts	3,244.5	1,072	4	4.5	25	
Michigan	4,242.5	852	14	2.2	48	
Minnesota	2,683.1	840	16	4.0	32	
Mississippi	1,140.3	630	49	2.6	45	
Missouri	2,737.5	741	32	2.3	47	
Montana	431.6	625	50	5.8	6	
Nebraska	912.2	687	42	3.6	37	
Nevada	1,285.8	817	19	5.4	10	
New Hampshire	636.9	917	9	8.1	2	
New Jersey	4,023.6	1,055	5	4.4	27	
New Mexico	823.2	705	39	7.1	3	
New York	8,643.1	1,104	2	5.3	11	
North Carolina	4,054.0	751	29	4.6	20	
North Dakota	341.0	643	48	4.7	18	
Ohio	5,346.2	774	24	3.1	42	
Oklahoma	1,536.4	679	43	5.8	6	
Oregon	1,723.9	763	26	4.8	17	
Pennsylvania	5,680.8	837	17	4.4	27	
Rhode Island	488.4	817	19	3.8	33	
South Carolina	1,886.8	688	41	3.3	41	
South Dakota	387.1	614	51	4.2	31	
Tennessee	2,785.2	773	25	4.6	20	
Texas	10,164.2	871	13	5.8	6	
Utah	1,208.0	725	34	5.5	9	

See footnotes at end of table.

Table 1. Covered  $^1$  employment and wages by state and territory, fourth quarter  $2006^2$ -- continued

Area	Employment	Average weekly wage <sup>3</sup>				
	December 2006 (thousands)	Average weekly wage	National rank by level <sup>4</sup>	Percent change, 2005-06	National rank by percent change <sup>4</sup>	
Vermont	308.7	707	38	3.4	39	
Virginia	3,682.9	887	11	3.7	35	
Washington	2,863.7	846	15	5.2	13	
West Virginia	714.3	656	46	4.6	20	
Wisconsin	2,792.4	746	31	4.5	25	
Wyoming	270.9	759	28	11.3	1	
Puerto Rico	1,062.8	494	(6)	4.7	(6)	
Virgin Islands	45.5	711	(6)	7.2	(6)	

<sup>&</sup>lt;sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

<sup>&</sup>lt;sup>2</sup> Data are preliminary.

<sup>&</sup>lt;sup>3</sup> Average weekly wages were calculated using unrounded data.

<sup>&</sup>lt;sup>4</sup> Ranking does not include Puerto Rico or the Virgin Islands.

 $<sup>^{5}</sup>$  Totals for the United States do not include data for Puerto Rico or the Virgin Islands.

<sup>&</sup>lt;sup>6</sup> Data not included in the national ranking.