

The December Review

The Washington metropolitan area has traditionally had a stable, if not exciting, labor market, anchored by the stolid presence of the Federal Government in the District of Columbia. From 1990 to 2005, report Gerald Perrins and Diane Nilsen, strong growth in the private professional and business services sector has led to a second center of the area's employment, both in terms of industry and in terms of geographic location. Their detailed, county-based data indicate that Fairfax County, Virginia, is a new center of employment, driven by the growth in professional and business services.

On a national scale, Randy Ilg has examined job growth stratified by occupation, industry, and earnings quartile. Using this battery of measures allows finer distinctions among the quality of jobs and the characteristics of employment growth.

This month, there is a three-article section focusing on price analysis. Jonathan C. Weinhausen analyzes the way price increases are passed along from crude petroleum to plastic products. Abby L. Duly, Jeffrey A. Harris, Ara M. Khatchadourian, Rozi T. Ulics, and Melissa C. Wolter explain the various measures of petroleum-product prices and consumer spending on such products. Craig Brown and Anya Stockburger describe the role and impact of commodity analysts in developing price indexes for apparel.

This issue is rounded out by a report from Jim Campbell on workers' pay ranges by State.

Consumer expenditure, 2005

Average annual expenditures per consumer unit (household, roughly speaking) rose 6.9 percent in 2005, following an increase of 6.3 percent in 2004 and 0.3

percent in 2003. The increase in expenditures from 2004 to 2005 was more than the 3.4-percent rise in the annual average Consumer Price Index (CPI) over this period.

Statistically significant increases in spending on housing (9.0 percent) and transportation (7.0 percent), the largest components of spending, contributed to the overall increase in 2005. Increases for food (2.6 percent) and personal insurance and pensions (7.9 percent) also were statistically significant. Spending on apparel and services (3.9 percent), health care (3.5 percent), and entertainment (7.7 percent) also rose in 2005, but these increases were not statistically significant. Find out more in "Consumer Expenditures in 2005," news release USDL 06-1944.

Injuries at work

Sprains and strains was the leading nature of injury and illness in every major industry sector in 2005. They accounted for 41 percent of all workplace injuries and illnesses requiring days away from work. The second most common nature of injury and illness in 2005 was the category bruises and contusions, followed by cuts and lacerations.

There was a decrease of 4 percent in sprains and strains from 2004, led by the manufacturing sector, which experienced an 8-percent decline. Sprains and strains declined by 7 percent in goods-producing industries and by 3 percent in service-providing industries. To learn more about workplace injuries and illnesses, see "Nonfatal Occupational Injuries and Illnesses Requiring Days Away From Work, 2005," news release USDL 06-1982.

Automotive quality

The estimated retail equivalent value of quality changes for the 2007 model year of domestically produced passenger cars

averaged \$150.91. BLS estimated the retail value of quality changes for passenger cars from data supplied by domestic producers. It compared similarly equipped 2006 and 2007 domestically produced models. The value of changes for the 2007 models includes \$56.57 for safety improvements, such as airbags and tire pressure monitor systems, and \$94.34 for other quality changes, such as audio systems, warranty changes, and changes in levels of standard or optional equipment.

Foreign compensation costs

Among 32 foreign economies, average hourly compensation costs (in U.S. dollars) for production workers in manufacturing were 80 percent of the U.S. level in 2005, virtually unchanged from 79 percent in 2004. Compensation costs relative to the United States rose or remained unchanged in 21 of the economies covered in 2005.

When measured in national currency terms, trade-weighted average costs increased 2.9 percent in the combined 32 foreign economies in 2005. This was less than the increase in the United States, but the value of foreign currencies rose 3.1 percent against the U.S. dollar, resulting in a rise in hourly compensation costs in the foreign economies of 6.1 percent on a U.S. dollar basis. For more information, see "International Comparisons of Hourly Compensation Costs for Production Workers in Manufacturing, 2005," news release USDL 06-2020. □

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