

News

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OCCUPATIONAL EMPLOYMENT AND WAGES LAS VEGAS-PARADISE, NEVADA, MAY 2006

Workers in the Las Vegas-Paradise Metropolitan Statistical Area¹ had an average (mean) hourly wage of \$17.07 during May 2006, compared with the nationwide average of \$18.84, according to the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor. Regional Commissioner Richard J. Holden noted that, after testing for statistical significance, wages in the local area were measurably higher than their national averages in 8 of the 22 major occupational groups and lower in 7 others. In addition, when compared to the nationwide distribution, local employment was more highly concentrated in 6 of the 22 occupational groups, while 13 groups had employment shares significantly below their national representation. (See table A and box note at end of release.)

These statistics are from the Occupational Employment Statistics (OES) survey, a federal-state cooperative program between BLS and State Workforce Agencies, in this case the Nevada Department of Employment, Training and Rehabilitation. The OES survey provides estimates of employment and hourly and annual wages for wage and salary workers in 22 major occupational groups and up to 801 non-military detailed occupations for the nation, states, and 409 metropolitan areas, including Las Vegas-Paradise, Nevada.

Occupational wages in the Las Vegas-Paradise area

Management and legal occupations were the two highest-paid occupational groups in the Las Vegas-Paradise area in May 2006, with those in management averaging \$42.74 an hour and those in legal occupations, \$40.14. (See table A and chart 1.) Nationwide, these were also the two highest-paying groups, with earnings of \$44.20 in management and \$41.04 in legal occupations.

Within the management group in the Las Vegas area, three occupations had hourly rates between \$50.00 and \$75.00 (chief executives; engineering managers; and general and operations managers) and six had rates under \$30.00 (training and development managers; property, real estate, and community association managers; funeral directors; social and community service managers; food service managers; and education administrators, preschool and child care center). With an hourly wage of \$60.77, judges, magistrate judges, and magistrates were among the highest paid legal

¹ The Las Vegas-Paradise Metropolitan Statistical Area (MSA) consists of Clark County, Nevada. Las Vegas, the Las Vegas metropolitan area, and other such abbreviations are used interchangeably to refer to the officially designated MSA.

occupations in Nevada, while title examiners, abstractors, and searchers were at the lower end of the wage scale, averaging \$20.30 an hour.²

Four other occupational groups averaged close to \$30.00 an hour: healthcare practitioner and technical, architecture and engineering, computer and mathematical, and business and financial operations. With the exception of healthcare practitioner and technical occupations, all had average wages significantly below their respective national averages.

Table A. Occupational employment and wages by major occupational group, United States and Las Vegas-Paradise Metropolitan Statistical Area, and measures of statistical significance, May 2006

Major occupational group	Employment share (percent of total)			Average (mean) hourly wage		
	United States	Las Vegas-Paradise	Significant Difference ¹	United States	Las Vegas-Paradise	Significant Difference ¹
Management	4.4%	3.8%	Yes	44.20	42.74	Yes
Business and financial operations	4.4	3.0	Yes	28.85	27.68	Yes
Computer and mathematical	2.3	1.0	Yes	33.29	28.33	Yes
Architecture and engineering	1.8	1.1	Yes	31.82	30.62	Yes
Life, physical, and social science	0.9	0.5	Yes	28.68	26.36	No
Community and social services	1.3	0.5	Yes	18.75	21.89	Yes
Legal	0.7	0.7	Yes	41.04	40.14	No
Education, training, and library	6.2	3.5	Yes	21.79	18.27	Yes
Arts, design, entertainment, sports, and media	1.3	1.4	No	22.17	23.92	Yes
Healthcare practitioner and technical	5.1	3.0	Yes	29.82	31.41	Yes
Healthcare support	2.6	1.5	Yes	11.83	13.68	Yes
Protective service	2.3	3.0	Yes	17.81	16.61	No
Food preparation and serving related	8.3	14.0	Yes	8.86	10.05	Yes
Building and grounds cleaning and maintenance	3.3	6.3	Yes	10.86	11.66	Yes
Personal care and service	2.5	6.2	Yes	11.02	10.99	No
Sales and related	10.6	10.9	No	16.52	14.92	Yes
Office and administrative support	17.4	15.3	Yes	14.60	14.51	No
Farming, fishing, and forestry	0.3	**	-	10.49	9.44	No
Construction and extraction	5.0	9.7	Yes	18.89	20.08	Yes
Installation, maintenance, and repair	4.0	3.7	Yes	18.78	19.96	Yes
Production	7.7	2.9	Yes	14.65	14.50	No
Transportation and material moving	7.3	8.0	Yes	14.16	13.34	Yes

¹ Statistical significance testing at the 90-percent confidence interval.

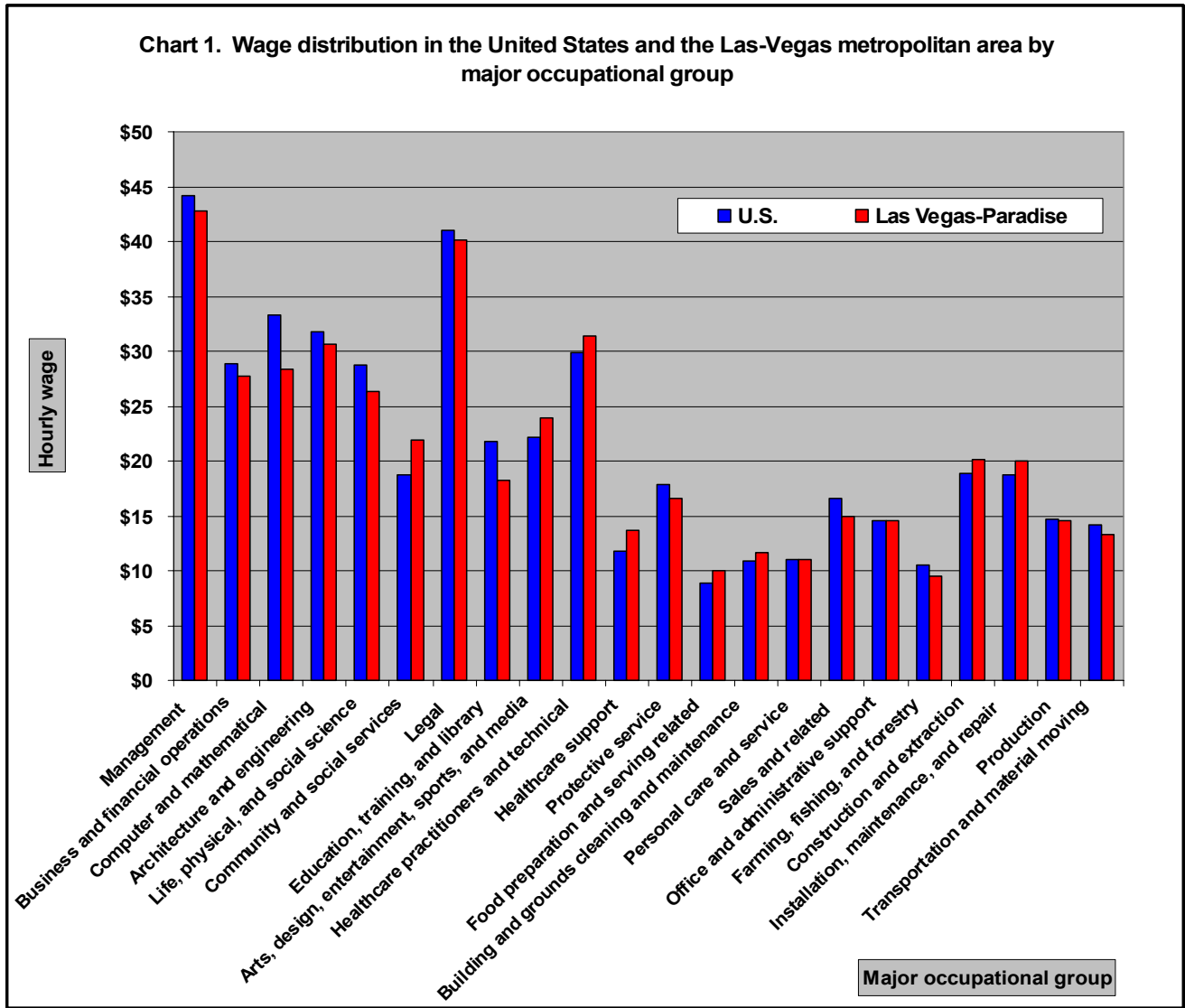
** Estimates not released

Five occupational groups in the Las Vegas area had average pay rates clustered between \$13.00 and \$15.00 per hour. The sales and related group earned \$14.92 and the transportation and material moving group received \$13.34, significantly less than the national averages of \$16.52 and \$14.16 per hour, respectively. Healthcare support workers averaged \$13.68 locally, significantly more than the \$11.83 earned nationally. Office and administrative support workers earned \$14.51 and production workers \$14.50 in Las Vegas; earnings for both groups showed no measurable difference from national wage levels.

The hourly wage for arts, design, entertainment, sports and media workers in Las Vegas was significantly higher than the national wage, \$23.92 locally versus \$22.17 nationally. Within this group, Las Vegas workers reported hourly earnings of \$30.00 or more in five jobs (commercial and industrial designers; music directors and composers; musicians and singers; broadcast news analysts;

² Detailed occupational data for the Las Vegas-Paradise Metropolitan Statistical Area are presented online at http://www.bls.gov/oes/current/oes_29820.htm

and technical writers). Jobs with earnings below \$15.00 an hour included photographers (\$14.70) and merchandise displayers and window trimmers (\$10.77).



Food preparation and serving related workers were one of the lowest-paid occupational groups locally at \$10.05; nevertheless, this wage was significantly higher than the national rate of \$8.86. Within this group, chefs and head cooks were among the highest paid in Las Vegas, earning \$21.65 an hour, while cooks, fast food, were among the lowest paid earning \$7.32 an hour.

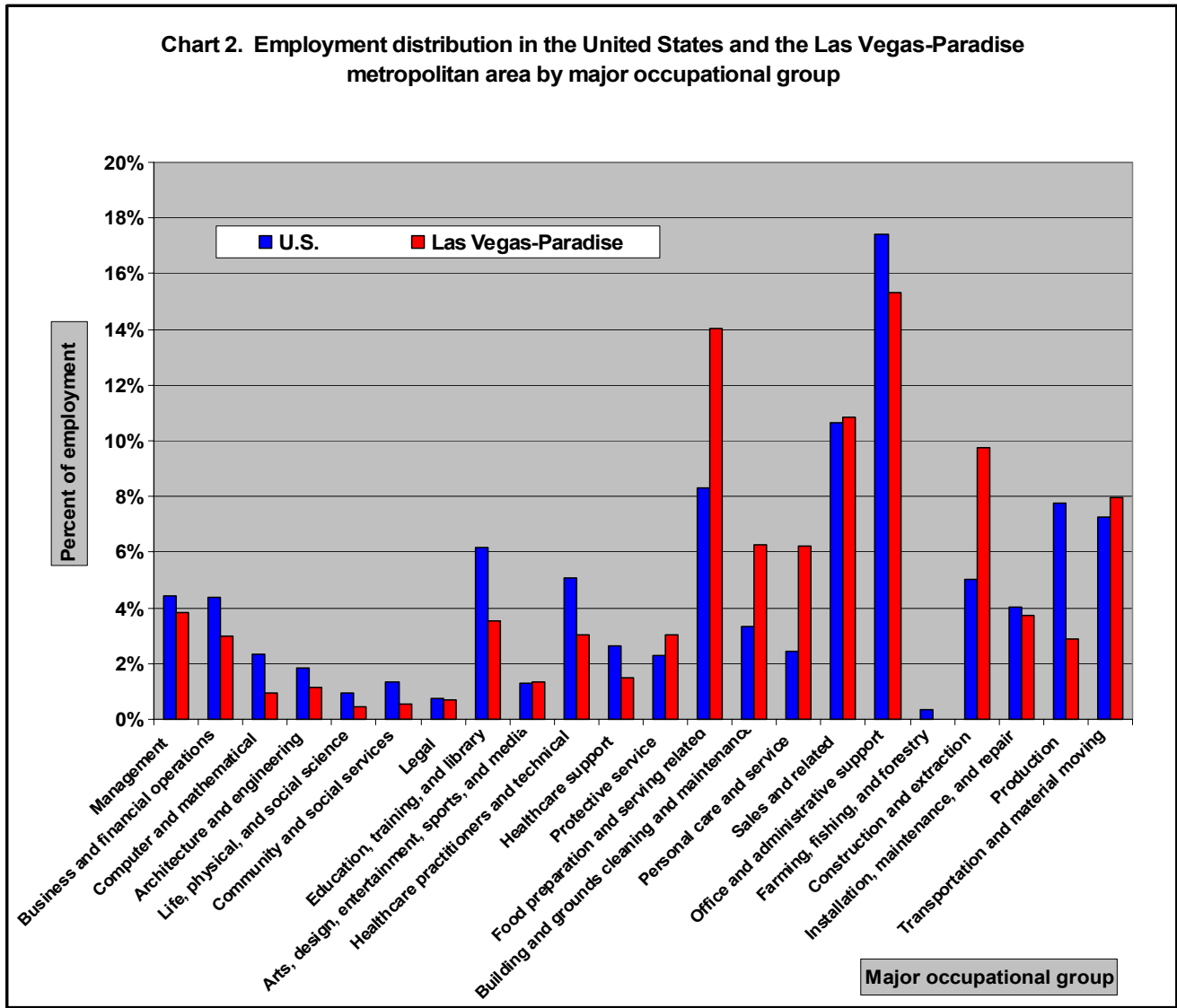
Occupational employment in the Las Vegas-Paradise area

The largest major occupational group in the Las Vegas-Paradise area was office and administrative support with a total of 139,010 workers representing 15.3 percent of area employment. (See table A and chart 2.) The percentage of workers in this occupation locally was significantly lower than the U.S. average share of 17.4 percent. In the Las Vegas metropolitan area, general office clerks (15,410); bookkeeping, accounting, and auditing clerks (11,250); first line supervisors/managers of office and administrative support workers (10,410); and customer service representatives (9,910) were the largest office and administrative support occupations.

In the Las Vegas metropolitan area, food preparation and serving related jobs were the second largest major occupational group with a 14.0 percent share of the local workforce. Significantly higher

than the national share of 8.3 percent. The most prevalent detailed occupations in this group in the Las Vegas area included waiters and waitresses (30,630); combined food preparation and serving workers (13,760); and dining room and cafeteria attendants and bartender helpers (12,150).

Five other occupational groups had employment shares that also significantly exceeded their representation at the national level--the construction and extraction, personal care and service, building and grounds cleaning and maintenance, protective service, and transportation and material moving.



In Las Vegas, thirteen major occupational groups had significantly lower employment shares than their national counterparts. These groups included workers in production (2.9 percent locally versus 7.7 percent nationally) and education, training, and library (3.5 percent locally versus 6.2 percent nationally).

The OES wage and employment data for the 22 major occupational groups in the Las Vegas-Paradise metropolitan area were compared to their respective national averages based on statistical significance testing. Only those occupations with wages or employment shares above or below the national wage or share after testing for significance at the 90-percent confidence level meet the criteria. NOTE: A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

Technical Note

The Occupational Employment Statistics (OES) survey is a semiannual mail survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States. Guam, Puerto Rico, and the Virgin Islands also are surveyed, but their data are not included in this release. OES estimates are constructed from a sample of about 1.2 million establishments. Forms are mailed to approximately 200,000 establishments in May and November of each year for a 3-year period. The nationwide response rate for the May 2006 survey was 78.1 percent based on establishments and 73.4 percent based on employment. The survey included establishments sampled in the May 2006, November 2005, May 2005, November 2004, May 2004, and November 2003 semiannual panels. The sample in the Las Vegas-Paradise metropolitan area included 4,986 establishments with a response rate of 72 percent.

The occupational coding system

The OES survey uses the Office of Management and Budget's (OMB) occupational classification system, the Standard Occupational Classification (SOC) system. The SOC system is the first OMB-required occupational classification system for federal agencies. The OES survey categorizes each worker in 1 of 801 detailed occupations. Together, these detailed occupations comprise 23 major occupational groups, 22 of which are covered in this release. The one exception is military specific occupations which are not included in the OES survey.

For more information about the SOC system, please see the Bureau of Labor Statistics (BLS) Web site at <http://www.bls.gov/soc/>.

The industry coding system

The OES survey uses the North American Industry Classification System (NAICS). For more information about NAICS, see the BLS Web site at <http://www.bls.gov/bls/naics.htm>.

Survey sample

BLS funds the survey and provides the procedures and technical support, while the State Workforce Agencies (SWAs) collect most of the data. BLS produces cross-industry and industry-specific estimates for the nation, states, and metropolitan statistical areas (MSAs). Industry-specific estimates are produced at the NAICS sector, 3-digit, 4-digit, and selected 5-digit industry levels. BLS releases all cross-industry and national estimates; the SWAs release industry-specific estimates at the state and MSA levels.

State Unemployment Insurance (UI) files provide the universe from which the OES survey draws its sample. Employment benchmarks are obtained from reports submitted by employers to the UI program. The OES survey sample is stratified by metropolitan and nonmetropolitan areas and industry. Samples selected in panels prior to May 2005 were stratified using MSA definitions based on the 1990 Metropolitan Statistical Area standards. Beginning with the May 2005 panel, the sample was stratified using new MSA definitions based on the 2000 Metropolitan Statistical Area standards.

Concepts

Occupational employment is the estimate of total wage and salary employment in an occupation across the industries surveyed. The OES survey defines employment as the number of workers who can be classified as full- or part-time employees, including workers on paid vacations or other types of paid leave; workers on unpaid short-term absences; salaried officers, executives, and staff members of incorporated firms; employees temporarily assigned to other units; and employees for whom the reporting unit is their permanent duty station regardless of whether that unit prepares their paycheck.

Wages for the OES survey are straight-time, gross pay, exclusive of premium pay. Base rate, cost-of-living allowances, guaranteed pay, hazardous-duty pay, incentive pay including commissions and production bonuses, tips, and on-call pay are included. Excluded are: back pay, jury duty pay, overtime pay, severance pay, shift differentials, non-production bonuses, employer cost for supplementary benefits, and tuition reimbursements.

Mean hourly wage. The mean hourly wage rate for an occupation is the total wages that all workers in the occupation earn in an hour divided by the total employment of the occupation. To calculate the mean hourly wage of each occupation, total weighted hourly wages are summed across all intervals and divided by the occupation's weighted survey employment. The mean wage for each interval is based on occupational wage data collected by the BLS Office of Compensation and Working Conditions for the National Compensation Survey (NCS).

Annual Wage. Many employees are paid at an hourly rate by their employers and may work more than or less than 40 hours per week. Annual wage estimates for most occupations in this release are calculated by multiplying the mean hourly wage by a "year-round, full-time" figure of 2,080 hours (52 weeks by 40 hours). Thus, annual wage estimates may not represent the actual annual pay received by the employee if they work more or less than 2,080 hours per year. Some workers typically work less than full time, year round. For these occupations, the OES survey collects and reports either the annual salary or the hourly wage rate, depending on how the occupation is typically paid, but not both. For example, teachers, flight attendants, and pilots may be paid an annual salary, but do not work the usual 2,080 hours per year. In this case, an annual salary is reported. Other workers, such as entertainment workers, are paid hourly rates, but generally do not work full time, year round. For these workers, only an hourly wage is reported.

Hourly versus Annual Wage Reporting. For each occupation, respondents are asked to report the number of employees paid within specific wage intervals. The intervals are defined both as hourly rates and the corresponding annual rates, where the annual rate for an occupation is calculated by multiplying the hourly wage rate by a typical work year of 2,080 hours. The responding establishment can reference either the hourly or the annual rate for full-time workers, but they are instructed to report the hourly rate for part-time workers.

Estimation methodology

Each OES panel includes approximately 200,000 establishments. The OES survey is designed to produce estimates using six panels (3 years) of data. The full six-panel sample of 1.2 million establishments allows the production of estimates at detailed levels of geography, industry, and occupation.

Wage Updating. Significant reductions in sampling errors are obtained by combining six panels of data, particularly for small geographic areas and occupations. Wages for the current panel need no adjustment. However, wages in the five previous panels need to be updated to the current panel's reference period.

The OES program uses the BLS Employment Cost Index (ECI) to adjust survey data from prior panels before combining them with the current panel's data. The wage updating procedure adjusts each detailed occupation's wage rate, as measured in the earlier panel, according to the average movement of its broader occupational division. The procedure assumes that there are no major differences by geography, industry, or detailed occupation within the occupational division.

May 2006 OES survey estimates. The May 2006 OES survey estimates are based on all data

collected from establishments in the May 2006, November 2005, May 2005, November 2004, May 2004, November 2003 semiannual samples.

Reliability of the estimates. Estimates calculated from a sample survey are subject to two types of error: sampling and nonsampling. Sampling error occurs when estimates are calculated from a subset (that is, a sample) of the population instead of the full population. When a sample of the population is surveyed, there is a chance that the sample estimate of the characteristic of interest may differ from the population value of that characteristic. Differences between the sample estimate and the population value will vary depending on the sample selected. This variability can be estimated by calculating the standard error (SE) of the sample estimate. If we were to repeat the sampling and estimation process countless times using the same survey design, approximately 90 percent of the intervals created by adding and subtracting 1.645 SEs from the sample estimate would include the population value. These intervals are called 90-percent confidence intervals. The OES survey, however, usually uses the relative standard error (RSE) of a sample estimate instead of its SE to measure sampling error. RSE is defined as the SE of a sample estimate divided by the sample estimate itself. This statistic provides the user with a measure of the relative precision of the sample estimate. RSEs are calculated for both occupational employment and mean wage rate estimates. Occupational employment RSEs are calculated using a subsample, random group replication technique called the jackknife. Mean wage rate RSEs are calculated using a variance components model that accounts for both the observed and unobserved components of the wage data. The variances of the unobserved components are estimated using wage data from the BLS National Compensation Survey. In general, estimates based on many establishments have lower RSEs than estimates based on few establishments. If the distributional assumptions of the models are violated, the resulting confidence intervals may not reflect the prescribed level of confidence.

Nonsampling error occurs for a variety of reasons, none of which are directly connected to sampling. Examples of nonsampling error include: nonresponse, data incorrectly reported by the respondent, mistakes made in entering collected data into the database, and mistakes made in editing and processing the collected data.

Additional information

The May 2006 OES national data by occupation are available on the BLS Web site at <http://www.bls.gov/oes>. Users also may access each occupation's definition and percentile wages. The May 2006 cross-industry data for states and metropolitan areas are also available on the BLS Web site, as are the industry staffing patterns at the sector, 3-, 4-, and selected 5-digit NAICS levels. These data include industry-specific occupational employment and wage data. A more detailed technical note for OES is available at <http://www.bls.gov/news.release/ocwage.tn.htm>.

OES data are available on our regional web page at <http://www.bls.gov/ro9/home.htm>. If you have additional questions, contact the BLS Western Economic Analysis and Information Unit at 415-625-2270. 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.