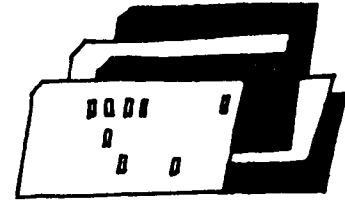


Research Summaries



BLS white-collar pay survey now covers small firms

JOHN D. MORTON

Clerical workers and recent hires in professional and administrative positions typically are paid 10 to 20 percent more in large firms employing 2,500 workers or more than in small firms employing 50 to 999 workers. In contrast, the pay advantage for fully experienced professionals in these large firms is usually under 5 percent. (See table 1.)

The national survey of professional administrative, technical, and clerical pay (PATC survey) in 1986 increased its coverage of firms with as few as 50 workers. As a result of the expansion, 156,000 establishments employing 33.5 million workers were covered in 1986 (previously, the survey covered 47,000 establishments employing 23.3 million workers). Establishments in Alaska and Hawaii are excluded. The survey is conducted by the Bureau of Labor Statistics, but survey occupations and coverage, such as establishment size and the private industries to be included, are determined by the President's Pay Agent (the Secretary of Labor and the Directors of the Office of Management and Budget and the Office of Personnel Management).¹

In addition to the size of a firm's work force, skill and experience also influence white-collar pay, as can be readily seen from the survey results. (See table 2.) Engineers, the survey's most numerous occupational group, illustrate the effect of rising skill levels on pay: recent engineering graduates (level I) averaged \$27,866 annually in March 1986, while engineers responsible for highly complex engineering programs (level VIII) averaged \$79,021.²

In contrast, skill levels can act as a source of pay uniformity for the same level of work among different occupations. The following tabulation shows a relatively narrow (9 percent) spread separated the highest paid and lowest paid of six equivalent work levels in the survey:

Work levels	Annual salary level
Attorney IV	\$63,933
Director of personnel III	63,855
Chief accountant III	62,880
Accountant VI	61,546
Chemist VI	60,796
Engineer VI	58,883

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Table 1. Relative pay levels by size of establishment, selected white-collar occupations in the national survey of professional, administrative, technical, and clerical pay, March 1986

Job classification	Mean salaries for establishment size groups as a percent of surveywide averages			
	All establishments	50 to 999 workers	1,000 to 2,499 workers	2,500 workers or more
Accountants I	100	96	104	107
Accountants III	100	98	101	107
Accountants IV	100	99	101	102
Engineers I	100	93	102	104
Engineers III	100	97	104	101
Engineers IV	100	98	103	100
Computer programmers I	100	94	102	110
Computer programmers III	100	97	98	104
Computer programmers IV	100	98	98	102

NOTE: Level I staff are trainees; level III are experienced nonsupervisory staff working on conventional assignments; and level IV are experienced staff working on more complex assignments in a supervisory or nonsupervisory capacity.

Unequal market demands, however, can nullify this cluster effect. For example, average pay for beginning engineers in the survey was well above that of their accountant and chemist counterparts.

Although the PATC survey focuses on salary levels at a given time, its history permits a look at salary trends. White-collar salaries increased moderately between March 1985 and March 1986 in medium and large firms. Average salaries for most occupations surveyed rose between 3.0 and 5.5 percent—in line with gains reported a year earlier. In contrast, occupational salary increases averaged about 7 percent a year during the 1970's and more than 9 percent in 1981 and 1982. However, the rate of increase has been declining since 1982.³

A detailed analysis of white-collar salaries and complete results of this year's survey are included in the *National Survey of Professional, Administrative, Technical, and Clerical Pay, March 1986*, Bulletin 2271 (Bureau of Labor Statistics, 1986). The bulletin contains, for example, separate salary data by size of community and size of establishment. □

FOOTNOTES

¹ The Pay Agent has designated the industrial coverage as follows: mining; construction; manufacturing; transportation, communications, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and selected services. The pay-setting role of the PATC survey is described in George L. Stelluto's "Federal pay comparability: facts to temper the debate," *Monthly Labor Review*, June 1979, pp. 18-28.

Table 2. Average salaries for selected occupations, national survey of professional, administrative, technical, and clerical pay, March 1986

Occupation and class	Number of employees ¹	Average annual salaries ²	Occupation and class	Number of employees ¹	Average annual salaries ²
Accountants and auditors			Chemists and engineers—continued		
Accountants I	13,846	\$21,024	Engineers III	145,165	\$35,715
Accountants II	29,311	25,554	Engineers IV	157,033	42,677
Accountants III	46,228	31,143	Engineers V	111,913	50,769
Accountants IV	23,733	39,293	Engineers VI	52,105	58,883
Accountants V	8,227	49,231	Engineers VII	13,395	68,602
Accountants VI	1,397	61,546	Engineers VIII	3,097	79,021
Auditors I	1,756	21,545	Technical support		
Auditors II	2,928	26,108	Engineering technicians I	5,797	16,882
Auditors III	4,709	32,121	Engineering technicians II	17,342	20,312
Auditors IV	2,022	39,705	Engineering technicians III	32,193	23,896
Public accountants I	11,606	20,468	Engineering technicians IV	35,397	28,412
Public accountants II	11,595	22,714	Engineering technicians V	19,399	32,718
Public accountants III	8,897	26,633	Drafters I	2,982	13,054
Public accountants IV	4,275	32,116	Drafters II	12,102	15,854
Chief accountants II	1,454	47,963	Drafters III	25,970	20,201
Chief accountants III	475	62,880	Drafters IV	24,371	24,852
Chief accountants IV	230	80,409	Drafters V	14,362	31,004
Attorneys			Computer operators I	10,704	13,727
Attorneys I	1,377	31,014	Computer operators II	37,530	17,219
Attorneys II	3,199	39,635	Computer operators III	25,698	21,524
Attorneys III	4,347	50,119	Computer operators IV	8,059	24,550
Attorneys IV	3,500	63,933	Computer operators V	1,260	28,986
Attorneys V	1,847	78,396	Photographers I	401	16,636
Attorneys VI	587	101,169	Photographers II	873	22,896
Buyers			Photographers III	791	27,009
Buyers I	6,914	21,242	Photographers IV	331	31,584
Buyers II	22,990	26,369	Photographers V	104	35,094
Buyers III	18,323	33,580	Clerical		
Buyers IV	4,798	41,304	Accounting clerks I	36,023	12,517
Programmers and systems analysts			Accounting clerks II	133,183	14,687
Computer programmers I	15,974	20,832	Accounting clerks III	79,215	17,954
Computer programmers II	38,540	24,558	Accounting clerks IV	22,354	21,872
Computer programmers III	46,996	29,324	File clerks I	20,916	10,335
Computer programmers IV	21,524	34,919	File clerks II	10,110	12,156
Computer programmers V	9,492	42,934	File clerks III	2,100	15,625
Systems analysts I	21,402	29,141	Key entry operators I	68,827	13,146
Systems analysts II	47,518	34,881	Key entry operators II	30,770	16,901
Systems analysts III	38,943	41,997	Messengers	9,842	12,276
Systems analysts IV	15,506	49,515	Personnel clerks/assistants I	2,521	14,193
Systems analysts V	2,666	58,404	Personnel clerks/assistants II	4,414	16,903
Systems analysts VI	233	71,770	Personnel clerks/assistants III	3,255	19,696
Personnel management			Personnel clerks/assistants IV	1,298	23,702
Job analysts I	103	22,240	Purchasing clerks/assistants I	4,014	13,994
Job analysts II	350	25,288	Purchasing clerks/assistants II	5,585	17,282
Job analysts III	624	30,605	Purchasing clerks/assistants III	4,197	22,381
Job analysts IV	520	38,206	Purchasing clerks/assistants IV	1,037	29,384
Directors of personnel I	1,849	39,817	Secretaries I	59,859	16,326
Directors of personnel II	2,082	46,328	Secretaries II	69,450	18,306
Directors of personnel III	1,179	63,855	Secretaries III	110,604	21,152
Directors of personnel IV	395	75,170	Secretaries IV	49,403	23,839
Chemists and engineers			Secretaries V	16,038	28,051
Chemists I	3,580	22,539	Stenographers I	6,811	18,374
Chemists II	6,673	27,205	Stenographers II	5,648	21,739
Chemists III	10,244	34,141	Typists I	25,125	12,584
Chemists IV	9,257	41,548	Typists II	12,842	16,854
Chemists V	7,266	50,678	General clerks I	11,811	10,478
Chemists VI	3,632	60,796	General clerks II	59,359	12,730
Chemists VII	848	74,607	General clerks III	65,101	15,500
Engineers I	40,469	27,866	General clerks IV	33,472	19,322
Engineers II	71,336	31,194			

¹ Occupational employment estimates relate to the total in all establishments within scope of the survey and not to the number actually surveyed.

² Excludes premium pay for overtime and for work on weekends, holidays, and late shifts. Also excluded are performance bonuses and lump-sum payments of the type negotiated in the auto and aerospace industries, as well as profit-sharing payments, attendance bonuses, Christmas or year-

end bonuses, and other nonproduction bonuses. Pay increases—but not bonuses—under cost-of-living clauses and incentive payments, however, are included.

NOTE: The following occupational levels were surveyed but insufficient data were obtained to warrant publication: chief accountant I and V; director of personnel V; chemist VII; computer programmer VI; and personnel clerk/assistant V. Published in 1986 but not in 1985 are photographer V, a new first level of purchasing clerk/assistant, and a newly added series of general clerks.

² In the survey coding structure, the level designations among various occupations are not synonymous: for example, the first level of attorneys equates to the third levels of engineers, accountants, and most other professional and administrative occupations. Classification of employees in the occupations and work levels surveyed is based on factors detailed in definitions which are available upon request.

³ For a broader-based picture of wage and compensation trends in the United States, see the *Employment Cost Index*, a BLS quarterly news release.

What happened to the high school class of 1985?

SHARON R. COHANY

Almost 3.3 million youths either graduated from high school or dropped out between October 1984 and 1985.¹ The proportion of graduates who enrolled in college set a record.² Graduates who did not attend college were typically in the labor force, and their unemployment rate was 11 percentage points lower than the 36-percent rate recorded for those who dropped out of high school and entered the labor force. The differing labor market experiences for these three groups highlight the fact that youth with educational deficiencies typically encounter work-related problems which may last for the rest of their lives.

Going on to college

Reflecting the declining school-age population of the "baby-bust" generation, the high school graduating class of 1985 was smaller than those in recent years. A total of 2.7 million young people graduated from high school, down half a million from the peak reached in the mid-1970's. (See table 1.) Despite the smaller number, the proportion of seniors going on to college has been rising gradually over the past few years. It reached a record 58 percent in 1985, after hovering between 50 and 55 percent for most of the 1970's and early 1980's. (See table 2.)

Sex. In recent years, college enrollment rates for men and women just out of high school have drawn closer together, eliminating the wide differences that existed in the early 1970's. By 1985, enrollment rates for men and women were 59 and 57 percent, respectively. The rate for men had returned to the high levels recorded during the early 1970's—the tail end of the Vietnam-era's military draft—while that for women was at its highest level ever.

Once enrolled in college, men and women have roughly the same labor force participation rates—around 44 percent. Despite substantial increases in tuition and other college expenses, this overall participation rate has changed little

since the late 1970's. Grants, loans, family contributions, and summer earnings have continued to enable a majority of full-time students to stay out of the labor force during the school year.³ (See table 3.)

Race. A large gap still exists in the proportion of black and white high school graduates who go on to college. In October 1985, the proportion of enrolled black seniors was 42 percent, compared with 59 percent for whites. Despite some improvement over the last few years, the black proportion was still well below their 46- to 48-percent range during the 1970's.

Large differences by race also persist with regard to labor force participation. Only 31 percent of the black college enrollees were in the labor force, compared with almost 47 percent of the whites. One reason for this difference was that a higher proportion of black students were enrolled in 2-year institutions, which are, on average, less expensive than 4-year colleges and universities.⁴

Not going on to college

About 1.1 million members of the class of 1985 did not enroll in college. Their overall rate of labor force participation was 82 percent, somewhat lower than that prevailing during the past decade. Participation rates for men in this category were higher than those for women, and rates for whites were higher than those for blacks and Hispanics.

The incidence of unemployment for these high school graduates in the labor force has drifted upward during the 1980's. In 1985, about 1 of 4 were looking for work, compared with around 1 of 6 during the 1970's. Thus, despite a shrinking youth population and less competition for entry-level positions, young people who end their formal education with a high school diploma still have a hard time finding jobs. In part, this may result from the increasing demands of employers for better educated workers, given the higher educational level of the work force and a surplus of college graduates in some fields.⁵

High school dropouts

A total of 612,000 youths dropped out of high school between October 1984 and 1985. This was about the same number as in the previous 2 years, but lower than in the 1970's, reflecting mainly the declining teenage population.

Male dropouts were much more likely to be labor force participants than the women, a fourth of whom had family responsibilities. One study showed that many of the young women who dropped out of high school as sophomores in 1980 gave such family-related reasons as marriage or plans to marry (31 percent), pregnancy (23 percent), and the need to support a family (8 percent).⁶

Leaving school before graduation particularly affects the labor force participation of black youth. While 72 percent of the white dropouts were in the labor force, only 52 percent

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