

News

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AVERAGE WEEKLY WAGES IN CALIFORNIA: FOURTH QUARTER 2006

The average weekly wage in Santa Cruz County increased 10.1 percent from the fourth quarter of 2005 to the fourth quarter of 2006, the largest advance among California's 26 counties with 75,000 or more jobs (as measured by the 2005 annual average employment) according to the U.S. Department of Labor's Bureau of Labor Statistics. Regional Commissioner Richard J. Holden noted that 14 of California's 26 largest counties reported average weekly wages above the 4.2 percent national average. (See table 1.) Santa Clara County recorded the highest average weekly wage in California, \$1,569; in addition, six other counties in the State had wages above \$1,000 and five more exceeded the U.S. average of \$861.

Wage Levels

Of the State's seven counties with wages surpassing \$1,000 in the fourth quarter of 2006, six were located in the San Francisco area—Santa Clara, San Francisco, San Mateo, Marin, Alameda, and Contra Costa, the exception being Los Angeles. Santa Clara County's average weekly wage of \$1,569 was 82 percent above that for the nation, ranking second highest among the 325 largest counties in the U.S. San Francisco (\$1,460) and San Mateo (\$1,402) Counties ranked fifth and eighth in the nation, respectively. The other four counties all placed in the top 50 nationally. At the other end of the wage spectrum, the counties of Tulare and Fresno, which have a high concentration of agricultural employment, recorded the lowest average weekly wage among the State's largest counties at \$593 and \$688, respectively.

Average weekly wages were higher than the national average of \$861 in 105 of the largest 325 counties in the United States. New York County, N.Y., held the top position with an average weekly wage of \$1,781, followed by Santa Clara, Fairfield, Conn. (\$1,515), Suffolk, Mass. (\$1,481), and San Francisco.

The lowest average weekly wage in the nation was reported in Cameron County, Texas (\$527), followed by the counties of Hidalgo, Texas (\$542), Yakima, Wash. (\$570), Webb, Texas (\$571), and Horry, S.C. (\$578).

Wage Changes

More than half (14) of California's large counties recorded wage growth above the 4.2-percent nationwide average in the fourth quarter of 2006. Santa Cruz County's wage gain of 10.1 percent led the State and ranked sixth highest in the nation. Placer and Ventura Counties had wage growth of 7.0 and 6.4 percent, respectively, placing 16th and 25th among the nation's large counties.

The counties of Monterey (6.1 percent) and San Francisco (6.0 percent) also had wage gains ranked among the top 35 in the nation. The other nine counties with above-average wage growth—Alameda, Contra Costa, Kern, Los Angeles, Riverside, Sacramento, Santa Clara, Solano, and Yolo—had rate increases in the range of 4.3 to 5.3 percent. Among the 12 large California counties with below-average wage growth, Marin (0.5 percent) and Santa Barbara (1.3 percent) had the slowest growth rates in the State, ranking them in the bottom quartile nationally, at 308th and 301st.

Nationwide, the county of Rockingham, N.H., led the nation in wage growth with an annual increase of 18.0 percent in the fourth quarter of 2006. Sedgwick, Kan., and Trumbull, Ohio, tied for second with wage gains of 14.0 percent each. Rounding out the top five large counties with the fastest-growing wages were Travis County, Tex. (10.9 percent), and Waukesha, Wis. (10.4 percent).

Across the nation, eight large counties experienced over-the-year declines in average weekly wages. New Castle, Del., had the largest decrease (-5.7 percent), 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).

State Average Weekly Wages

The statewide average weekly wage in California was \$987, \$126 above the national average, ranking 6th among the 50 states and the District of Columbia. (See table 2.) Across the country, the five highest average wage levels were in the District of Columbia (\$1,424), New York (\$1,104), Connecticut (\$1,101), Massachusetts (\$1,072), and New Jersey (\$1,055). Average weekly wages in this group were 22 percent or more above the national average. In contrast, four states had average weekly wage levels that were less than 75 percent of the national average: South Dakota (\$614), Montana (\$625), Mississippi (\$630) and North Dakota (\$643).

Average weekly wages in California increased 4.4 percent from the fourth quarter of 2005, ranking it 27th in terms of change among the 50 states and District of Columbia. The highest over-the-year percentage increase in wages was recorded by Wyoming (11.3 percent) followed by New Hampshire (8.1 percent). The only state to record an over-the-year decline in wages was Delaware (-4.1 percent). (See table 2.)

Additional statistics and other information

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 state and federal unemployment insurance (UI) laws. The 8.8 million employer reports cover 135.0 million full- and part-time workers. The average weekly values are calculated by dividing quarterly total wages by the average of the three monthly employment levels of those covered by UI programs. The result is then 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 (MSAs), 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.

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 representation 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 now 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>.

QCEW-based news releases issued by other regional offices have been placed at one convenient Web site location, <http://www.bls.gov/cew/cewregional.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 Western Information Office in San Francisco at (415) 625-2270 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. PDT.

Hurricanes Katrina and Rita

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>).

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.

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 in the United States and the 26 largest counties in California, fourth quarter 2006 (2) from Quarterly Census of Employment and Wages

Area	Employment	Average Weekly Wage (3)			
	December 2006 (thousands)	Average weekly wage	National ranking by level (4)	Percent change, fourth quarter 2005-06 (5)	National ranking by percent change (4)
United States (6)	135,933.2	\$861	--	4.2	--
California	15,672.1	987	6	4.4	27
Alameda, Calif.	686.3	1,106	24	5.3	54
Contra Costa, Calif.	350.0	1,057	34	4.8	83
Fresno, Calif.	352.8	688	283	3.6	183
Kern, Calif.	282.9	721	255	5.1	64
Los Angeles, Calif.	4,242.5	1,011	46	4.3	114
Marin, Calif.	111.7	1,148	14	0.5	308
Monterey, Calif.	149.5	764	205	6.1	32
Orange, Calif.	1,519.1	994	51	2.7	255
Placer, Calif.	136.4	866	102	7.0	16
Riverside, Calif.	637.0	711	262	4.4	108
Sacramento, Calif.	631.6	929	65	4.3	114
San Bernardino, Calif.	666.6	747	231	4.0	145
San Diego, Calif.	1,335.2	922	70	3.6	183
San Francisco, Calif.	547.8	1,460	5	6.0	33
San Joaquin, Calif.	221.5	744	232	3.3	212
San Luis Obispo, Calif.	104.1	727	246	3.9	160
San Mateo, Calif.	343.3	1,402	8	2.9	241
Santa Barbara, Calif.	182.3	810	153	1.3	301
Santa Clara, Calif.	898.3	1,569	2	5.1	64
Santa Cruz, Calif.	92.3	818	140	10.1	6
Solano, Calif.	129.3	809	154	5.3	54
Sonoma, Calif.	193.0	841	121	2.3	275
Stanislaus, Calif.	174.4	708	266	2.2	281
Tulare, Calif.	149.0	593	320	2.4	269
Ventura, Calif.	319.6	948	60	6.4	25
Yolo, Calif.	98.6	763	208	4.8	83

(1) Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

(2) Data are preliminary.

(3) Average weekly wages were calculated using unrounded data.

(4) Ranking does not include the county of San Juan, Puerto Rico.

(5) Percent changes were computed from quarterly employment and pay data adjusted for noneconomic county reclassifications.

(6) Totals for the United States do not include data for Puerto Rico or the Virgin Islands.

(7) Data do not meet BLS or State agency disclosure standards.

Table 2. Covered (1) employment and wages by state, fourth quarter 2006 (2) from Quarterly Census of Employment and Wages

State	Employment	Average weekly wage (3)			
	December 2006 (thousands)	Average weekly wage	National ranking by level	Percent change, fourth quarter 2005-06	National ranking by percent change
United States (4)	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
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	(5)	4.7	(5)
Virgin Islands	45.5	711	(5)	7.2	(5)

(1) Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

(2) Data are preliminary.

(3) Average weekly wages were calculated using unrounded data.

(4) Totals for the United States do not include data for Puerto Rico or the Virgin Islands.

(5) Data not included in the national ranking.