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AVERAGE ANNUAL WAGES IN THE SOUTHWEST STATES, 2002

The average annual wages of employees in the Southwest¹ states ranged from \$28,074 in Arkansas to \$36,248 in Texas in 2002, according to data from the U.S. Department of Labor's Bureau of Labor Statistics (BLS). Acting Regional Commissioner John Gordon noted that wages in all four states in the region trailed the national average of \$36,764. (See table 1.)

Texas ranked 16th highest in wages nationally and was the lone state in the Southwest to place among the top half of all states. Louisiana's wage level (\$30,115) ranked 37th, Oklahoma's (\$28,654) placed 44th and Arkansas' 47th. Arkansas' wage level was fifth lowest in the nation; only workers in Montana (\$26,001), South Dakota (\$26,360), North Dakota (\$26,550), and Mississippi (\$26,665) earned less. In addition, these five states have posted the lowest annual wages since 1988. Wages in the District of Columbia ranked first at \$57,914, followed by Connecticut (\$46,852) and New York (\$46,328). (See table 2.)

In Arkansas, Louisiana, and Oklahoma, the percentage increase in wages exceeded the national gain of 1.5 percent. Louisiana's wage growth of 3.4 percent ranked 6th highest nationally, slipping from 5th place in 2001. Arkansas' wage increase of 3.0 percent ranked 13th in the nation and Oklahoma's 2.3-percent gain was 30th. Texas was the sole state in the Southwest to exhibit wage growth below the national average, increasing 0.6 percent and ranking 46th nationwide.

Overall, wage gains throughout the nation declined sharply in 2002 compared with the previous year. Only thirteen states experienced higher annual wage growth in 2002 than in 2001, none of which were in the Southwest. Three states, Connecticut, Massachusetts, and New York reported lower wage levels compared to 2001.

Wage differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year wage changes may reflect shifts in these characteristics, as well as changes in the level of average wages. Annual wage data are compiled from reports submitted by employers subject to state and federal Unemployment Insurance (UI) laws that covered workers in 128.2 million full- and part-time jobs nationwide. Average annual wages are computed by dividing total annual wages of employees covered by UI programs by the average monthly number of these employees. (See Technical Note.)

¹ The Southwest referenced in this release is comprised of Arkansas, Louisiana, Oklahoma and Texas and corresponds to the West South Central Census division.

Average Annual Wages in the Southwest States, 2002 (continued)

Industry wages

Among the Southwest states, private industry wages grew fastest in Arkansas (2.9 percent) in 2002. Wage growth was almost as strong in Louisiana at 2.8 percent, followed by Oklahoma at 2.0 percent. All three states registered an increase in wages above that of the nation (1.1 percent). Private industry wages slipped by 0.1 percent in Texas; the State was one of only a handful nationwide (California, Colorado, Connecticut, Massachusetts, and New York) to register a decline.

Mining, which includes crude petroleum and natural gas exploration, led all other private sector industries in annual wages in both Texas and Louisiana, the two highest paying states in the Southwest. The wage level in mining in Texas, at \$79,894, led the region and was well above the national industry average of \$60,392. (See table 3.) In Arkansas, management of companies and enterprises was the highest-paid industry in the private sector at \$60,180; in Oklahoma, utilities paid the most (\$53,802). Nationally, management of companies and enterprises was the wage leader averaging \$69,277. The accommodation and food services industry, reflecting its relatively large share of part-time workers, had the lowest wage level nationally (\$13,946) and regionally, with all four states falling below the U.S. average. Wages for accommodation and food service workers in Arkansas, at \$10,208, were among the lowest in the nation, trailed only by Wisconsin (\$10,010), Iowa (\$9,993), South Dakota (\$9,948), and North Dakota (\$9,352).

Metropolitan area wages

Among the 44 metropolitan areas in the Southwest, Dallas, Texas led the region with an average annual wage level of \$43,000, followed closely by Houston, Texas at \$42,712 and Austin-San Marcos, Texas with \$39,540. These three areas were the only ones in the region to exceed the national metropolitan average of \$38,423, among 37 areas nationwide to do so. Of the 318 metropolitan areas in the United States, Dallas ranked 19th highest in wages, while Houston ranked 20th and Austin-San Marcos, 29th. Brownsville-Harlingen-San Benito, Texas, and McAllen-Edinburg-Mission, Texas, both along the Texas-Mexico border, had the lowest wage levels in the region at \$22,892 and \$23,179, respectively. The two areas had among the lowest average annual wage levels nationwide as well. (See table 4.)

Most areas in the Southwest experienced wage growth greater than the 1.4-percent increase for all metropolitan areas nationwide. Nationally, the same trend occurred, as approximately 80 percent of all metropolitan areas had increases above the U.S. average. In the southwestern states, Texarkana, Texas-Texarkana, Ark. registered the largest over-the-year increase in wages at 4.6 percent, followed by New Orleans, Louisiana, and Killeen-Temple, Texas, both at 4.2 percent. Over-the-year declines were recorded for Houston, Texas (-0.2 percent), Sherman-Denison, Texas (-1.0 percent), and Austin-San Marcos, Texas (-3.2 percent). Austin-San Marcos was the only area in the Southwest to register a decline (-0.4 percent) in 2001 as well.

Average Annual Wages in the Southwest States, 2002 (continued)

TECHNICAL NOTE

Background

These data are the product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW) in which State Employment Security Agencies (SESAs) prepare summaries of employment and total wages of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI.

Coverage

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual wage data are derived from summaries of employment and wages submitted by states to the Bureau of Labor Statistics. These reports are based on place of employment rather than place of residence.

UI and UCFE coverage is broad and basically comparable from state to state. In 2002, UI and UCFE programs covered workers in 128.2 million jobs. Covered workers received \$4.713 trillion in wages, representing 94.3 percent of the wage and salary component of personal income and 45.1 percent of the gross domestic product.

Major exclusions from UI coverage include self-employed workers, most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Concepts and methodology

Average annual wages was computed by dividing total annual wages of employees covered by UI programs by the average monthly number of these employees. In addition to salaries, average annual wages data include bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans, and stock options. Monthly employment is based on the number of workers who worked during or received wages for the pay period including the 12th of the month.

Average annual wages are affected by the ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations. When comparing average annual wage levels between industries and/or states, these factors should be taken into consideration. Annual wage data only approximate annual earnings because an individual may not be employed by the same employer all year or may work for more than one employer. Also, year-to-year changes in average annual wages can result from a change in the proportion of employment in high- and low-wage jobs, as well as from changes in the level of average annual wages.

In order to insure the highest possible quality of data, SESAs verify with employers and update, if necessary, the industry, location, and ownership classification of all establishments on a 3-year cycle. Changes in establishment classification codes resulting from the verification process are introduced with the data reported for the first quarter of the year. Changes resulting from improved employer reporting also are introduced in the first quarter. For these reasons, some data, especially at more detailed industry levels, may not be strictly comparable with earlier years.

A few covered employers provided insufficient information on the nature of their businesses to enable the SESA to assign a specific NAICS code. The establishments of these employers therefore could not be classified by industry sector. The wages for these nonclassifiable establishments, along with data for the agricultural division, are not shown separately, but are included in the averages for state and national totals.

The Office of Management and Budget (OMB) defines metropolitan areas for use in federal statistical activities and updates these definitions as needed each summer—data in this release use criteria established in definitions issued June 30, 1999 (OMB Bulletin No. 99-04). The 318 metropolitan areas in the United States are a compilation of a set of areas classified as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs) and Consolidated Metropolitan Statistical Areas (CMSAs). Generally speaking, an MSA consists of one or more counties and meets specified size criteria—either it contains a city of at least 50,000 inhabitants, or it contains an urbanized area of at least 50,000 inhabitants, and has a total population of at least 100,000 (75,000 in New England). A CMSA is a metropolitan area that has a population of at least 1 million and has been divided into two or more PMSAs. The CMSA comprises the same geographic area as its constituent PMSAs which are loosely defined as free-standing areas that have a population of at least 100,000.

Additional statistics and other information

Additional average annual wages data (or Quarterly Census of Employment and Wages data) are available on the BLS Internet site at <http://www.bls.gov/cew/home.htm>. Beginning in October 2002, quarterly data are available for selected QCEW series. Data can be accessed in several ways, including *Selective Access*, which allows quick access to particular items, and the special request FTP service, which allows access to an extensive collection of flat text files. The Dallas Information Office can provide assistance accessing these files by calling 214-767-6970.

This news release, along with other BLS statistics and information, is available via the Internet at the BLS Web site <http://www.bls.gov/ro6/home.htm>. Copies of this release can also be obtained from the Bureau's fax-on-demand service in Dallas by dialing 214-767-9613 and requesting document 9580.

An annual bulletin, *Employment and Wages*, features comprehensive information by detailed industry on establishments, employment, and wages for the nation and all states. *Employment and Wages, Annual Averages, 2002* is available for sale from the BLS Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690, telephone 312-353-1880. The bulletin is now available in a portable document format (PDF) on the BLS Web site at <http://www.bls.gov/cew/cewbultn02.htm>.

News releases on quarterly measures of gross job flows also are available upon request from the Division of Administrative Statistics and Labor Turnover (Business Employment Dynamics), telephone 202-691-6467; (<http://www.bls.gov/bdm/>); (e-mail: BDMInfo@bls.gov).

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 annual average wage data as well as other Bureau programs, contact the Dallas Information Office at 214-767-6970 from 8:00 a.m. to 11:00 a.m. and 1:00 p.m. to 4:00 p.m. central time.

Table 1. Average annual wages for 2001 and 2002 for all covered workers¹ by Southwest States

State	Average annual wages		Percent change 2001-02
	2001	2002	
United States ²	\$36,219	\$36,764	1.5
Arkansas.....	27,260	28,074	3.0
Louisiana.....	29,131	30,115	3.4
Oklahoma.....	28,016	28,654	2.3
Texas.....	36,045	36,248	0.6

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

² Totals for the United States do not include data for Puerto Rico and the Virgin Islands.

Table 2. Average annual wages for 2001 and 2002 for all covered¹ workers by State²

State	Average annual wages		Percent change, 2001-02
	2001	2002	
UNITED STATES ³	\$36,219	\$36,764	1.5
Alabama	30,102	31,163	3.5
Alaska	36,170	37,134	2.7
Arizona	33,411	34,036	1.9
Arkansas	27,260	28,074	3.0
California	41,327	41,419	0.2
Colorado	37,952	38,005	0.1
Connecticut	46,993	46,852	-0.3
Delaware	38,427	39,684	3.3
District of Columbia	55,909	57,914	3.6
Florida	31,553	32,426	2.8
Georgia	35,136	35,734	1.7
Hawaii	31,253	32,671	4.5
Idaho	27,768	28,163	1.4
Illinois	39,083	39,688	1.5
Indiana	31,779	32,603	2.6
Iowa	28,837	29,668	2.9
Kansas	30,153	30,825	2.2
Kentucky	30,021	30,904	2.9
Louisiana	29,131	30,115	3.4
Maine	28,815	29,736	3.2
Maryland	38,253	39,382	3.0
Massachusetts	44,975	44,954	0.0
Michigan	37,391	38,135	2.0
Minnesota	36,587	37,458	2.4
Mississippi	25,923	26,665	2.9
Missouri	32,421	33,118	2.1
Montana	25,195	26,001	3.2
Nebraska	28,377	29,448	3.8
Nevada	33,121	33,993	2.6
New Hampshire	35,481	36,176	2.0
New Jersey	44,320	45,182	1.9
New Mexico	28,702	29,431	2.5
New York	46,727	46,328	-0.9
North Carolina	32,024	32,689	2.1
North Dakota	25,707	26,550	3.3
Ohio	33,283	34,214	2.8
Oklahoma	28,016	28,654	2.3
Oregon	33,204	33,684	1.4
Pennsylvania	34,978	35,808	2.4
Puerto Rico	19,728	20,662	4.7
Rhode Island	33,603	34,810	3.6
South Carolina	29,255	30,003	2.6
South Dakota	25,601	26,360	3.0
Tennessee	31,520	32,531	3.2
Texas	36,045	36,248	0.6
Utah	30,077	30,585	1.7
Vermont	30,238	31,041	2.7
Virgin Islands	29,210	30,506	4.4
Virginia	36,733	37,222	1.3
Washington	37,459	38,242	2.1
West Virginia	27,981	28,612	2.3
Wisconsin	31,540	32,464	2.9
Wyoming	28,043	28,975	3.3

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

² Includes the District of Columbia, Puerto Rico, and the Virgin Islands.

³ Totals for the United States do not include Puerto Rico and the Virgin Islands.

Table 3. Average annual wages for 2001 and 2002 by NAICS industry for all covered workers¹
by Southwest States

State and industry	Average annual wages		Percent change 2001-02
	2001	2002	
United States ²			
Private			
Total ³	\$36,157	\$36,539	1.1
Agriculture, forestry, fishing, and hunting.....	20,188	20,890	3.5
Mining.....	59,686	60,392	1.2
Construction.....	38,412	39,027	1.6
Manufacturing.....	42,969	44,097	2.6
Wholesale trade.....	48,791	49,241	0.9
Retail trade.....	22,667	23,232	2.5
Transportation and warehousing.....	36,189	36,823	1.8
Utilities.....	65,561	67,374	2.8
Information.....	57,288	56,103	-2.1
Finance and insurance.....	63,687	62,762	-1.5
Real estate and rental and leasing.....	32,871	33,924	3.2
Professional and technical services.....	58,755	58,672	-0.1
Management of companies and enterprises.....	68,695	69,277	0.8
Administrative and waste services.....	24,443	25,276	3.4
Educational services.....	32,066	33,163	3.4
Health care and social assistance.....	32,813	34,043	3.7
Arts, entertainment, and recreation.....	25,344	26,159	3.2
Accomodation and food services.....	13,674	13,946	2.0
Other services, except public administration.....	23,220	23,784	2.4
Government.....	36,549	37,935	3.8
Arkansas			
Private			
Total ³	\$26,935	\$27,710	2.9
Agriculture, forestry, fishing, and hunting.....	23,411	23,925	2.2
Mining.....	38,094	38,327	0.6
Construction.....	29,007	30,200	4.1
Manufacturing.....	29,870	30,769	3.0
Wholesale trade.....	37,294	38,993	4.6
Retail trade.....	17,672	18,278	3.4
Transportation and warehousing.....	31,377	32,305	3.0
Utilities.....	53,152	54,387	2.3
Information.....	35,079	35,521	1.3
Finance and insurance.....	37,075	37,730	1.8
Real estate and rental and leasing.....	21,677	22,755	5.0
Professional and technical services.....	40,065	39,466	-1.5
Management of companies and enterprises.....	58,862	60,180	2.2
Administrative and waste services.....	16,393	17,198	4.9
Educational services.....	21,454	22,509	4.9
Health care and social assistance.....	28,645	29,409	2.7
Arts, entertainment, and recreation.....	13,128	13,297	1.3
Accomodation and food services.....	9,925	10,208	2.9
Other services, except public administration.....	20,392	21,131	3.6
Government.....	28,953	29,939	3.4

See footnotes at end of table.

Table 3. Average annual wages for 2001 and 2002 by NAICS industry for all covered workers¹
by Southwest States -- Continued

State and industry	Average annual wages		Percent change 2001-02
	2001	2002	
Louisiana			
Private			
Total ³	\$29,206	\$30,024	2.8
Agriculture, forestry, fishing, and hunting.....	21,446	22,227	3.6
Mining.....	55,676	55,712	0.1
Construction.....	32,240	33,068	2.6
Manufacturing.....	41,881	44,118	5.3
Wholesale trade.....	37,776	38,554	2.1
Retail trade.....	18,770	19,486	3.8
Transportation and warehousing.....	36,159	36,975	2.3
Utilities.....	53,470	55,158	3.2
Information.....	36,903	37,857	2.6
Finance and insurance.....	36,629	37,236	1.7
Real estate and rental and leasing.....	29,648	29,693	0.2
Professional and technical services.....	42,415	42,542	0.3
Management of companies and enterprises.....	45,984	47,165	2.6
Administrative and waste services.....	18,924	20,608	8.9
Educational services.....	27,824	30,031	7.9
Health care and social assistance.....	27,528	28,581	3.8
Arts, entertainment, and recreation.....	21,385	22,716	6.2
Accommodation and food services.....	11,764	12,149	3.3
Other services, except public administration.....	20,834	21,703	4.2
Government.....	28,810	30,495	5.8
Oklahoma			
Private			
Total ³	\$27,615	\$28,160	2.0
Agriculture, forestry, fishing, and hunting.....	20,891	21,054	0.8
Mining.....	53,343	53,070	-0.5
Construction.....	30,234	29,919	-1.0
Manufacturing.....	34,329	35,973	4.8
Wholesale trade.....	38,045	39,121	2.8
Retail trade.....	19,008	19,489	2.5
Transportation and warehousing.....	35,740	35,551	-0.5
Utilities.....	51,920	53,802	3.6
Information.....	37,054	37,834	2.1
Finance and insurance.....	34,447	35,075	1.8
Real estate and rental and leasing.....	26,319	26,651	1.3
Professional and technical services.....	39,757	39,742	0.0
Management of companies and enterprises.....	47,265	46,162	-2.3
Administrative and waste services.....	19,472	20,658	6.1
Educational services.....	23,173	23,551	1.6
Health care and social assistance.....	27,404	28,314	3.3
Arts, entertainment, and recreation.....	14,174	14,554	2.7
Accommodation and food services.....	10,423	10,676	2.4
Other services, except public administration.....	19,712	20,452	3.8
Government.....	29,619	30,571	3.2

See footnotes at end of table.

Table 3. Average annual wages for 2001 and 2002 by NAICS industry for all covered workers¹
by Southwest States -- Continued

State and industry	Average annual wages		Percent change 2001-02
	2001	2002	
Texas			
Private			
Total ³	\$36,794	\$36,766	-0.1
Agriculture, forestry, fishing, and hunting.....	19,716	20,233	2.6
Mining.....	78,159	79,894	2.2
Construction.....	36,145	36,516	1.0
Manufacturing.....	46,241	46,898	1.4
Wholesale trade.....	53,187	51,875	-2.5
Retail trade.....	23,521	23,937	1.8
Transportation and warehousing.....	43,400	41,406	-4.6
Utilities.....	76,319	72,674	-4.8
Information.....	54,472	53,250	-2.2
Finance and insurance.....	52,795	52,441	-0.7
Real estate and rental and leasing.....	34,004	35,173	3.4
Professional and technical services.....	60,480	60,197	-0.5
Management of companies and enterprises.....	63,239	60,290	-4.7
Administrative and waste services.....	25,362	26,379	4.0
Educational services.....	31,939	32,414	1.5
Health care and social assistance.....	31,339	32,575	3.9
Arts, entertainment, and recreation.....	22,582	23,953	6.1
Accommodation and food services.....	13,644	13,750	0.8
Other services, except public administration.....	22,783	23,200	1.8
Government.....	32,311	33,764	4.5

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

² Totals for the United States do not include data for Puerto Rico and the Virgin Islands.

³ Includes other industries, not shown separately.

Table 4. Average annual wages for 2001 and 2002 for all covered workers¹ by Southwest metropolitan area

Metropolitan area ²	Average annual wages ³			Ranking of areas:
	2001	2002	Percent change, 2001-02	By level of average annual pay for 2002
Metropolitan areas ⁴	\$37,908	\$38,423	1.4	-
Abilene, TX.....	25,141	25,517	1.5	305
Alexandria, LA.....	26,296	27,300	3.8	273
Amarillo, TX.....	27,422	28,274	3.1	254
Austin-San Marcos, TX.....	40,831	39,540	-3.2	29
Baton Rouge, LA.....	30,321	31,366	3.4	159
Beaumont-Port Arthur, TX.....	31,798	32,577	2.4	121
Brazoria, TX.....	35,655	36,253	1.7	56
Brownsville-Harlingen-San Benito, TX.....	22,142	22,892	3.4	317
Bryan-College Station, TX.....	25,755	26,051	1.1	300
Corpus Christi, TX.....	29,361	30,168	2.7	187
Dallas, TX.....	42,706	43,000	0.7	19
El Paso, TX.....	25,847	26,604	2.9	287
Enid, OK.....	24,836	25,507	2.7	306
Fayetteville-Springdale-Rogers, AR.....	29,940	31,090	3.8	165
Fort Smith, AR-OK.....	26,755	27,075	1.2	278
Fort Worth-Arlington, TX.....	36,379	37,195	2.2	45
Galveston-Texas City, TX.....	31,067	31,920	2.7	146
Houma, LA.....	30,343	30,758	1.4	173
Houston, TX.....	42,784	42,712	-0.2	20
Jonesboro, AR.....	25,337	26,165	3.3	296
Killeen-Temple, TX.....	26,193	27,299	4.2	274
Lafayette, LA.....	29,693	30,104	1.4	188
Lake Charles, LA.....	29,782	30,346	1.9	184
Laredo, TX.....	24,128	24,739	2.5	313
Lawton, OK.....	24,812	25,392	2.3	307
Little Rock-North Little Rock, AR.....	30,858	31,634	2.5	156
Longview-Marshall, TX.....	28,029	28,172	0.5	257
Lubbock, TX.....	26,577	27,625	3.9	267
McAllen-Edinburg-Mission, TX.....	22,313	23,179	3.9	316
Monroe, LA.....	26,578	27,614	3.9	268
New Orleans, LA.....	31,089	32,407	4.2	131
Odessa-Midland, TX.....	31,278	31,295	0.1	162
Oklahoma City, OK.....	28,915	29,850	3.2	200
Pine Bluff, AR.....	27,561	28,698	4.1	241
San Angelo, TX.....	26,147	26,321	0.7	294
San Antonio, TX.....	30,650	31,336	2.2	161
Sherman-Denison, TX.....	30,397	30,085	-1.0	190
Shreveport-Bossier City, LA.....	27,856	28,769	3.3	237
Texarkana, TX-Texarkana, AR.....	26,492	27,717	4.6	265
Tulsa, OK.....	31,904	32,241	1.1	134
Tyler, TX.....	30,551	31,050	1.6	166
Victoria, TX.....	29,068	29,168	0.3	216
Waco, TX.....	28,245	28,885	2.3	232
Wichita Falls, TX.....	25,557	26,387	3.2	293

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

² Includes data for Metropolitan Statistical Areas (MSA) and Primary Metropolitan Statistical Areas (PMSA) as defined by OMB Bulletin No. 99-04. See Technical Note.

³ Each year's total is based on the MSA definition for the specific year. Annual changes include differences resulting from changes in MSA definitions.

⁴ Totals do not include the six MSAs within Puerto Rico.