

■ Nonmetropolitan Employment and Wages

In 1996, 25.3 million people 16 years old and older were in the nonmetropolitan work force, either at work or looking for work. On average, 5.6 percent or 1.4 million of these workers were unemployed during the year. Unemployment rates are particularly high among nonmetro minorities and teenagers. In 1996, 15.2 percent of teenagers, 12.9 percent of Blacks, and 8.4 percent of Hispanics in nonmetro areas were unemployed. The official unemployment rate excludes those jobless people not actively seeking work, but who indicate they want or are available for work (marginally attached workers), and part-time workers who want full-time jobs. The nonmetro adjusted unemployment rate, which includes marginally attached workers and involuntary part-time workers, was 9.1 percent.

Nonmetro unemployment fell from 7.2 percent in 1992 to 5.6 percent in 1996, as rural areas participated in the continuing national economic expansion. During the 1980's, unemployment rates were consistently higher in nonmetro areas than in metro. Although the nonmetro rate dipped below the metro rate for a few years after the 1990-91 recession, metro and nonmetro unemployment rates were similar in 1996 (5.4 and 5.6 percent, respectively). The nonmetro adjusted unemployment rate has remained higher than the metro rate throughout the 1990's. In 1996, the nonmetro unadjusted rate was 9.1 percent, slightly above the 8.8 percent metro rate.

Nonmetro earnings failed to keep pace with inflation during the 1980's. The inflation-adjusted, average nonmetro weekly earnings for wage and salary workers fell 12.5 percent between 1979 and 1990, from \$472 to \$413 (1996 dollars). Average metro weekly earnings fell a smaller 1.3 percent between 1979 and 1993. As a result, the metro/nonmetro average weekly earnings gap grew by 74.3 percent, increasing from \$70 to \$122 (1996 dollars). From 1990 to 1996, however, nonmetro weekly earnings increased 4.8 percent, to \$432 (1996 dollars), while metro earnings continued to fall. About half the widening of the metro/nonmetro earnings gap that occurred in the 1980's closed after 1990.

Table 4-4.

Average weekly earnings for metro and nonmetro wage and salary workers, 1979-96				
<i>Year</i>	<i>U.S.</i>	<i>Metro</i>	<i>Nonmetro</i>	<i>Rural Wage Gap</i>
<i>1996 dollars</i>				
1979	521	542	472	70
1990	510	535	413	122
1996	510	527	432	95
<i>Percent</i>				
1979-90 change	-2.1	-1.3	-12.5	74.3
1990-96 change	0.0	-1.4	4.8	-22.1

Source: Current Population Survey, Bureau of the Census

Table 4-5.

Unemployment rates among various metro and nonmetro groups, 1996			
	<i>Nonmetro</i>	<i>Metro</i>	<i>United States</i>
<i>Thousands</i>			
Civilian labor force	25,318	108,540	133,943
Total employment	23,904	102,656	126,708
Unemployed	1,414	5,883	7,236
<i>Percent</i>			
Unemployment rate:			
All civilian workers	5.6	5.4	5.4
Men	5.4	5.4	5.4
Women	5.8	5.4	5.5
Teenagers	15.2	17.3	16.8
White	4.7	4.1	4.2
Black	12.9	10.3	10.6
Hispanic	8.4	9.0	8.9
Adjusted unemployment rate ¹	9.1	8.8	8.9

¹Unemployment rate adjusted to include marginally attached workers and workers employed part-time for economic reasons.

Source: Current Population Survey, Bureau of the Census.

Table 4-6.

Median household income by race and Hispanic ethnicity
 Rural household income is well below that in urban areas, and rural minorities experience substantial economic disadvantage.

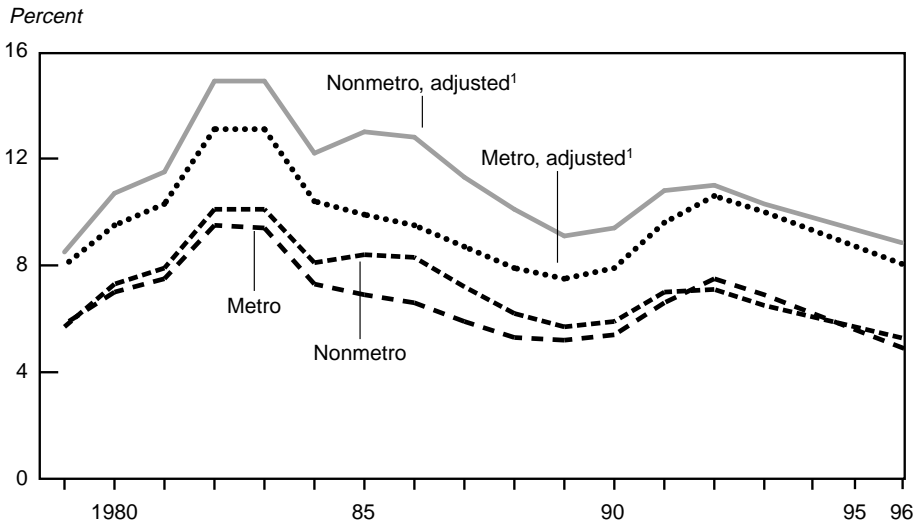
Race-ethnicity	Household income 1994		Nonmetro- metro gap*	Real change	
	Nonmetro	Metro		Nonmetro 1993-94	Nonmetro 1990-94
	Dollars		Percent		
Total	26,280	34,518	23.9	1.6	-2.1
White non-Hispanic	27,746	38,286	27.5	2.4	-2.9
Black	15,780	22,220	29.0	NA	NA
Hispanic	18,759	23,917	21.6	NA	NA

Note: Nonmetro-metro difference is statistically significant in each race ethnic category. Change in nonmetro income is statistically significant only for white non-Hispanics from 1990-94. Sample sizes are too small to reliably estimate change over time for Blacks and Hispanics.

*Percent by which nonmetro income is lower than metro.

Figure 4-2.

Unemployment rates by residence, 1979-96



¹Separate metro and nonmetro estimates are not available for 1994 and 1995.

Table 4-7.

 Median household income by household type

<i>Household type</i>	<i>1994 household income</i>		<i>Nonmetro-metro gap*</i>
	<i>Nonmetro</i>	<i>Metro</i>	
	<i>Dollars</i>		<i>Percent</i>
Married-couple household	35,535	49,490	28.2
Male householder with family	26,357	32,277	18.3
Female householder with family	15,962	21,156	21.7
Male living alone	11,192	16,556	32.4

Note: Nonmetro-metro difference is statistically significant in each category.

*Percent by which nonmetro income is lower than metro.

Source: prepared by ERS using U.S. Bureau of the Census Current Population Survey data.