

# News

U.S. Department of Labor  
Bureau of Labor Statistics  
PO Box 193766  
San Francisco, CA 94119-3766



---

**CONTACT:**

**Stanley P. Stephenson (415) 975-4373**  
**Todd H. Johnson (415) 975-4405**  
**Public Information Line (415) 975-4350**  
**Internet address: <http://www.bls.gov/ro9/ro9news.htm>**  
**Fax on demand (415) 975-4567, Document 9615**

**BLS 02-27**  
**FOR RELEASE:**  
**Wednesday, March 20, 2002**

## **AVERAGE ANNUAL PAY IN ARIZONA, 2000**

Annual pay in Arizona averaged \$32,606 in 2000, increasing 6.8 percent over the year, according to the Bureau of Labor Statistics of the U.S. Department of Labor. Regional Commissioner Stanley P. Stephenson noted that Arizona's pay level trailed the national average (\$35,296) but exceeded that of the Mountain division <sup>1</sup> (\$32,031). (See table 1.)

Average pay in the Mountain division grew at a 6.4 percent pace in 2000 compared to 5.9 percent nationally. Within the division, growth in pay ranged from 8.7 percent in Colorado, third highest in the nation, to 3.4 percent in Nevada. Arizona and Idaho joined Colorado in the top 10 ranking with growth rates of 6.8 percent and 6.4 percent, respectively. Colorado at \$37,167 was the sole state among the eight in the division, and one of only twelve states in the country, to record a pay level that exceeded the nationwide average. Arizona's pay level was second highest in the Mountain division. In the remaining states, annual pay ranged from \$32,276 in Nevada to \$24,264 in Montana, which had the lowest level in the nation as well as the division. (See table 1.)

Annual pay data are compiled from reports submitted by employers subject to State and federal Unemployment Insurance (UI) laws covering 129.9 million full- and part-time workers nationwide. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of these employees. (See Technical Note.) Pay 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 pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay.

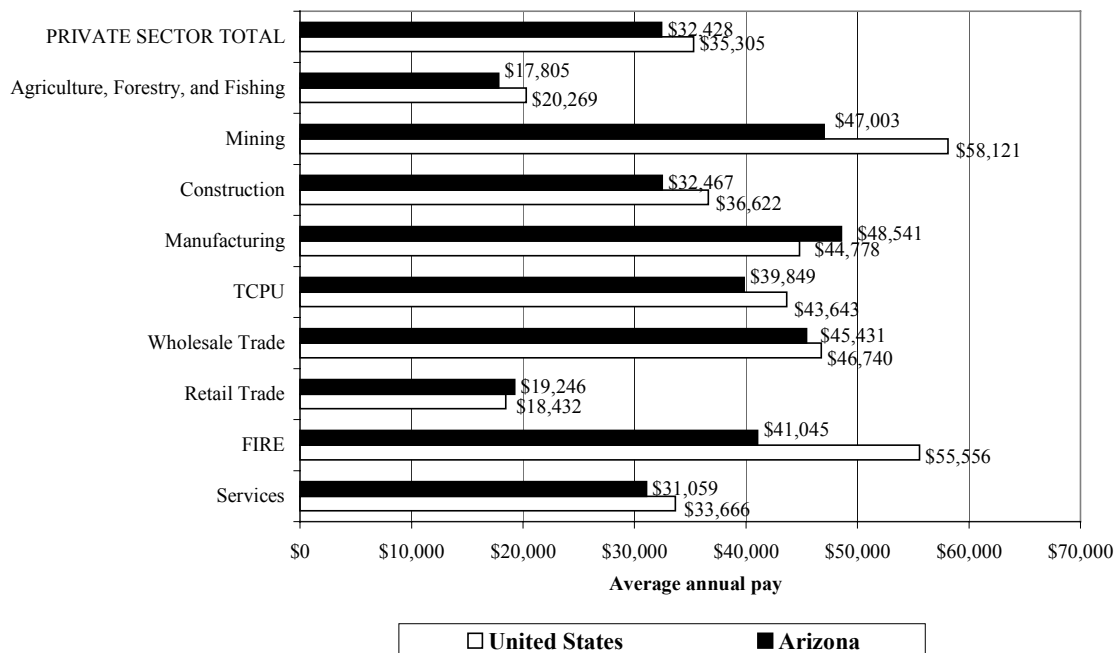
---

<sup>1</sup> The Mountain division referenced in this release corresponds to the Census definition and is comprised of eight states: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

## Pay in industries

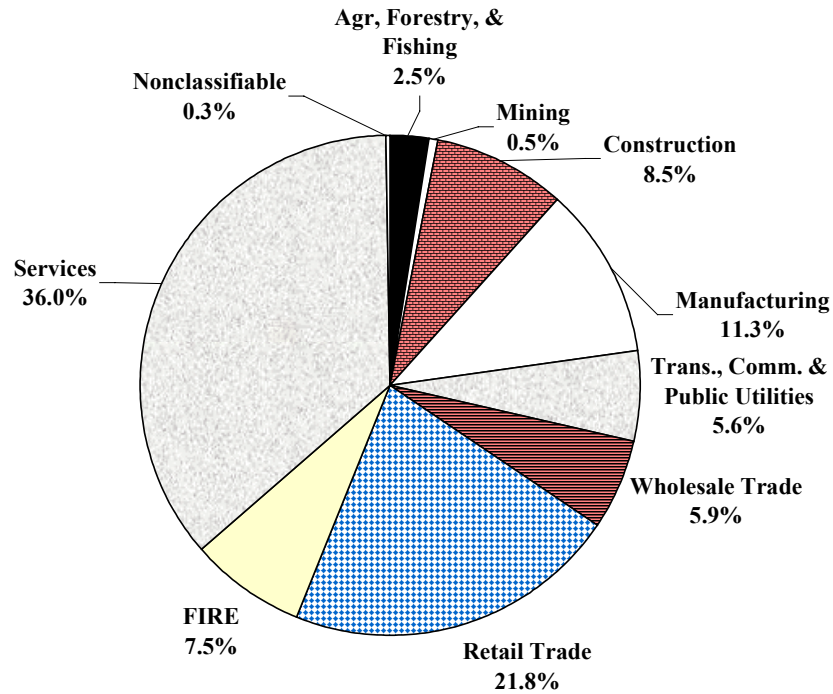
Overall, 85.7 percent of the State's workforce was employed by the private sector (excludes those in government). Annual pay for private industry workers in Arizona was \$32,428 in 2000, \$2,877 less than the national average. (See chart 1.) Over the year, Arizona's pay advanced 7.6 percent, faster than the 6.2 percent increase nationwide. (See table 2.) Among the private industry divisions, the largest over-the-year percentage pay increase was in services at 10.4 percent followed by manufacturing at 9.8 percent. Mining was the only industry in the State to record a decline in pay, down 8.5 percent. As a result, manufacturing (\$48,541) surpassed mining (\$47,003) as the highest paid industry in Arizona for the first time since 1975 when collection of these data began. Agriculture, forestry, and fishing was the lowest paid industry division at \$17,805. Statewide pay levels in the private sector were below the nationwide averages in seven of the nine industry divisions, with manufacturing and retail trade being the two exceptions.

**Chart 1. Average annual pay in the United States and the State of Arizona by private industry division, 2000**



Services, Arizona's largest division, accounted for 36.0 percent of all private sector jobs, and retail trade made up 21.8 percent. (See chart 2.) At the national level, services accounted for 34.3 percent of employment and retail trade, 21.2 percent. Larger differentials were evident in manufacturing, which employed 11.3 percent of the private workforce in Arizona but 16.8 percent nationally, and in construction with 8.5 percent of the State's employment but 6.0 percent of the nation's.

**Chart 2. Private sector employment in Arizona by industry division, 2000**



### Pay in metropolitan areas

Among Arizona's four metropolitan areas<sup>2</sup>, Phoenix-Mesa led the State in pay averaging \$34,915 in 2000, 52<sup>nd</sup> highest among the 318 metropolitan areas nationwide. (See table 3.) Still, Phoenix-Mesa's pay level was \$2,095 below the national metropolitan average of \$37,010. Yuma recorded the lowest average annual pay in the State, and third lowest nationally, at \$21,487.

Within the United States, only 44 metropolitan areas experienced pay growth above the 6.0 percent national average in 2000. Phoenix-Mesa was among this group with a pay increase of 7.7 percent, ranking 19<sup>th</sup> highest nationally. Within the three remaining metropolitan areas in Arizona, annual pay grew at a 5.5 percent pace in Yuma, just below the nationwide average, while Flagstaff, Ariz.-Utah and Tucson had pay gains of 3.6 and 3.5 percent, respectively.

### Pay in large counties

Arizona had two counties, Maricopa and Pima, with employment levels of 75,000 or more. In Maricopa County, annual pay averaged \$35,099 in 2000, growing 7.8 percent over the year. Among the 315 largest counties in the United States, Maricopa's pay level was close to the national average (\$35,296), but its rate of pay growth exceeded the nationwide pace (5.9 percent), ranking 35<sup>th</sup> highest

<sup>2</sup> Nationwide there are 318 metropolitan areas. The general concept of a metropolitan area is that of a core area containing a large population nucleus, together with adjacent communities that have a high degree of economic and social integration within that core. See Technical Note for criteria used in determining a metropolitan area.

nationally. In Pima County, both the level of pay (\$29,204) and the over-the-year increase (3.5 percent) were below the U.S. average. (See table 4.)

#### NOTE

Annual average pay data for 2000 are preliminary and subject to revision.

Also, average annual pay by industry in this release are based on the 1987 version of the Standard Industrial Classification (SIC) system. The data for 2001 will be based on the North American Industry Classification System (NAICS). Due to differences in NAICS and SIC structures, data for 2001 will not be comparable to the SIC-based data for earlier years. NAICS focuses on how products and services are created, as opposed to the SIC focus on what is produced. This approach yields significantly different industry groupings than those produced by the SIC approach.

Users interested in more information about NAICS can access the Bureau of the Census Web site at <http://www.census.gov/epcd/www/naics.html>. In addition, the BLS has published two articles on NAICS in the December 2001 Monthly Labor Review (“Implementing the NAICS at BLS” and “A first look at employment and wages using NAICS”) which can be accessed on line at <http://www.bls.gov/opub/mlr/mlrhome.htm>.

#### TECHNICAL NOTE

##### Background

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay 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 pay 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 2000, UI and UCFE programs covered workers in 129.9 million jobs. The estimated 124.9 million workers in these jobs (after adjustment for multiple jobholders) represent 99 percent of wage and salary civilian employment. Covered workers received \$4.586 trillion in pay, representing 96.2 percent of the wage and salary component of personal income and 46.0 percent of the gross domestic product.

Major exclusions from UI coverage during 2000 included 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 pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are 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 pay for the pay period including the 12<sup>th</sup> of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay for 2000 were computed using final 1999 data as a base.

The ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations affects average annual pay. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay 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. Year-to-year changes in average annual pay 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 pay.

Data in table 2 are presented for the private sector only and exclude government workers. Average annual pay for employment in the private sector is presented by industry division as defined in the 1987 Standard Industrial Classification Manual.

Each year, a relatively small number of employers provide insufficient information on the nature of their businesses to assign a specific SIC classification and therefore can not be classified by industry division. 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. 94-04). 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, a 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). An MSA may contain more than one city of 50,000 population and may cross state lines. 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.

County definitions are assigned according to Federal Information Processing Standards Publications (FIPS PUBS) as issued by the National Institute of Standards and Technology, after approval by the Secretary of Commerce pursuant to Section 5131 of the Information Technology

Management Reform Act of 1996 and the Computer Security Act of 1987, Public Law 104-106. Areas shown as counties include areas designated as independent cities in some jurisdictions, and, in Alaska, those designated as census areas where counties have not been created. County data are also presented for New England states for comparative purposes even though townships are the more common designation used in New England (and New Jersey).

#### Additional statistics and other information

Additional average annual pay data (or Covered Employment and Wages data) is available on the BLS Internet site at <http://www.bls.gov/cew/home.htm>. Data can be accessed in two ways, through Selective Access, which allows quick access to particular items or via the special request FTP service, which allows access to extensive collection of flat text files. The San Francisco Information Office can provide assistance accessing these files by calling 415-975-4350.

This news release, along with other BLS statistics and information, is available via the Internet at the BLS World Wide Web site <http://www.bls.gov/ro9/ro9news.htm>.

BLS issues an annual report that provides data from state UI and UCFE programs. The comprehensive bulletin, *Employment and Wages, Annual Averages, 2000*, features information by detailed industry on establishments, employment, and wages for the nation and individually for each state. The report is available for sale from the Bureau of Labor Statistics Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690. Telephone orders using a credit card (MasterCard, VISA, Discover/NOVUS) or Government Printing Office Deposit Account are accepted at 312-353-1880 from 8 a.m. to 3 p.m. central time.

For personal assistance or further information on Annual Average Pay data as well as other Bureau programs, contact the San Francisco Information Office at 415-975-4350 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. pacific time.

**Table 1. State average annual pay for 1999 and 2000 and percent change in pay for all covered workers<sup>1</sup>**

	Average annual pay		Percent change 1999-2000
	1999	2000 <sup>2</sup>	
UNITED STATES .....	\$33,340	\$35,296	5.9
<b>Mountain division<sup>3</sup></b> .....	<b>30,093</b>	<b>32,031</b>	<b>6.4</b>
Alabama .....	28,095	29,037	3.4
Alaska .....	34,033	35,125	3.2
<b>Arizona</b> .....	<b>30,525</b>	<b>32,606</b>	<b>6.8</b>
Arkansas .....	25,371	26,307	3.7
California .....	37,577	41,194	9.6
<b>Colorado</b> .....	<b>34,191</b>	<b>37,167</b>	<b>8.7</b>
Connecticut .....	42,682	45,445	6.5
Delaware .....	35,157	36,677	4.3
District of Columbia .....	50,885	53,018	4.2
Florida .....	28,935	30,549	5.6
Georgia .....	32,332	34,182	5.7
Hawaii .....	29,794	30,630	2.8
<b>Idaho</b> .....	<b>26,044</b>	<b>27,709</b>	<b>6.4</b>
Illinois .....	36,296	38,044	4.8
Indiana .....	30,027	31,015	3.3
Iowa .....	26,953	27,928	3.6
Kansas .....	28,031	29,357	4.7
Kentucky .....	27,783	28,829	3.8
Louisiana .....	27,216	27,877	2.4
Maine .....	26,887	27,664	2.9
Maryland .....	34,489	36,373	5.5
Massachusetts .....	40,352	44,326	9.8
Michigan .....	35,750	37,016	3.5
Minnesota .....	33,487	35,418	5.8
Mississippi .....	24,391	25,197	3.3
Missouri .....	29,967	31,386	4.7
<b>Montana</b> .....	<b>23,260</b>	<b>24,264</b>	<b>4.3</b>
Nebraska .....	26,632	27,662	3.9
<b>Nevada</b> .....	<b>31,213</b>	<b>32,276</b>	<b>3.4</b>
New Hampshire .....	32,141	34,731	8.1
New Jersey .....	41,038	43,691	6.5
<b>New Mexico</b> .....	<b>26,267</b>	<b>27,498</b>	<b>4.7</b>
New York .....	42,179	44,942	6.6
North Carolina .....	29,462	31,077	5.5
North Dakota .....	23,751	24,678	3.9
Ohio .....	31,395	32,510	3.6
Oklahoma .....	25,813	26,980	4.5
Oregon .....	30,872	32,765	6.1
Pennsylvania .....	32,696	33,999	4.0
Rhode Island .....	31,169	32,618	4.6
South Carolina .....	27,132	28,173	3.8
South Dakota .....	23,767	24,803	4.4
Tennessee .....	29,478	30,558	3.7
Texas .....	32,898	34,948	6.2
<b>Utah</b> .....	<b>27,895</b>	<b>29,226</b>	<b>4.8</b>
Vermont .....	27,597	28,920	4.8
Virginia .....	33,025	35,151	6.4
Washington .....	35,736	37,059	3.7
West Virginia .....	26,018	26,887	3.3
Wisconsin .....	29,607	30,697	3.7
<b>Wyoming</b> .....	<b>25,647</b>	<b>26,837</b>	<b>4.6</b>

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

<sup>2</sup> Data are preliminary.

<sup>3</sup> The 8 states comprising the Mountain division are in bold-face type.

Table 2. State and industry average annual pay in the Mountain States for 1999 and 2000 and percent change in pay for all covered workers<sup>1</sup>

State and industry <sup>2</sup>	Average annual pay		Percent change, 1999-2000
	1999	2000 <sup>3</sup>	
<b>United States</b>			
Total Private <sup>2</sup> .....	\$33,244	\$35,305	6.2
Agriculture, Forestry, and Fishing.....	19,411	20,269	4.4
Mining.....	54,636	58,121	6.4
Construction.....	34,812	36,622	5.2
Manufacturing.....	41,941	44,778	6.8
Transportation, communications, and public utilities.....	41,786	43,643	4.4
Wholesale trade.....	44,185	46,740	5.8
Retail trade.....	17,602	18,432	4.7
Finance, insurance, and real estate.....	50,910	55,556	9.1
Services.....	31,509	33,666	6.8
<b>Arizona</b>			
Total Private <sup>2</sup> .....	30,135	32,428	7.6
Agriculture, Forestry, and Fishing.....	16,475	17,805	8.1
Mining.....	51,347	47,003	-8.5
Construction.....	30,855	32,467	5.2
Manufacturing.....	44,208	48,541	9.8
Transportation, communications, and public utilities.....	37,828	39,849	5.3
Wholesale trade.....	42,662	45,431	6.5
Retail trade.....	18,416	19,246	4.5
Finance, insurance, and real estate.....	38,595	41,045	6.3
Services.....	28,140	31,059	10.4
<b>Colorado</b>			
Total Private <sup>2</sup> .....	34,318	37,552	9.4
Agriculture, Forestry, and Fishing.....	21,367	22,654	6.0
Mining.....	67,454	64,721	-4.1
Construction.....	34,568	36,965	6.9
Manufacturing.....	43,630	47,450	8.8
Transportation, communications, and public utilities.....	50,957	54,709	7.4
Wholesale trade.....	46,137	51,984	12.7
Retail trade.....	18,142	19,074	5.1
Finance, insurance, and real estate.....	46,450	52,315	12.6
Services.....	33,270	37,279	12.0

See footnotes at end of table.



Table 2. State and industry average annual pay in the Mountain States for 1999 and 2000 and percent change in pay for all covered workers<sup>1</sup> (Continued)

State and industry <sup>2</sup>	Average annual pay		Percent change, 1999-2000
	1999	2000 <sup>3</sup>	
<b>Idaho</b>			
Total Private <sup>2</sup> .....	25,820	27,630	7.0
Agriculture, Forestry, and Fishing .....	18,146	19,003	4.7
Mining.....	39,708	41,672	4.9
Construction.....	27,901	28,939	3.7
Manufacturing.....	37,558	43,754	16.5
Transportation, communications, and public utilities.....	30,557	31,741	3.9
Wholesale trade.....	30,027	31,616	5.3
Retail trade.....	15,813	16,329	3.3
Finance, insurance, and real estate.....	31,581	33,406	5.8
Services.....	24,392	25,577	4.9
<b>Montana</b>			
Total Private <sup>2</sup> .....	22,323	23,197	3.9
Agriculture, Forestry, and Fishing .....	17,264	18,567	7.5
Mining.....	45,527	49,034	7.7
Construction.....	28,767	29,023	0.9
Manufacturing.....	30,061	31,396	4.4
Transportation, communications, and public utilities.....	31,728	32,690	3.0
Wholesale trade.....	29,073	30,532	5.0
Retail trade.....	13,980	14,346	2.6
Finance, insurance, and real estate.....	29,889	31,418	5.1
Services.....	20,879	21,911	4.9
<b>Nevada</b>			
Total Private <sup>2</sup> .....	30,381	31,387	3.3
Agriculture, Forestry, and Fishing .....	21,758	22,557	3.7
Mining.....	55,740	56,713	1.7
Construction.....	38,591	38,913	0.8
Manufacturing.....	36,122	37,937	5.0
Transportation, communications, and public utilities.....	35,549	36,447	2.5
Wholesale trade.....	40,948	42,705	4.3
Retail trade.....	19,995	20,951	4.8
Finance, insurance, and real estate.....	38,919	41,104	5.6
Services.....	29,103	30,266	4.0

See footnotes at end of table.

Table 2. State and industry average annual pay in the Mountain States for 1999 and 2000 and percent change in pay for all covered workers<sup>1</sup> (Continued)

State and industry <sup>2</sup>	Average annual pay		Percent change, 1999-2000
	1999	2000 <sup>3</sup>	
<b>New Mexico</b>			
Total Private <sup>2</sup> .....	25,286	26,519	4.9
Agriculture, Forestry, and Fishing .....	15,136	15,886	4.9
Mining.....	43,523	43,878	0.8
Construction.....	25,740	28,116	9.2
Manufacturing.....	35,166	38,463	9.4
Transportation, communications, and public utilities.....	33,427	34,687	3.8
Wholesale trade.....	32,292	34,021	5.4
Retail trade.....	15,615	16,069	2.9
Finance, insurance, and real estate.....	31,097	31,968	2.8
Services.....	26,336	27,424	4.1
<b>Utah</b>			
Total Private <sup>2</sup> .....	27,588	28,922	4.8
Agriculture, Forestry, and Fishing .....	17,693	18,936	7.0
Mining.....	46,137	48,533	5.2
Construction.....	28,339	29,720	4.9
Manufacturing.....	33,637	35,464	5.4
Transportation, communications, and public utilities.....	36,191	38,145	5.4
Wholesale trade.....	37,496	39,727	5.9
Retail trade.....	16,677	16,632	-0.3
Finance, insurance, and real estate.....	34,623	36,839	6.4
Services.....	26,955	28,590	6.1
<b>Wyoming</b>			
Total Private <sup>2</sup> .....	35,945	37,212	3.5
Agriculture, Forestry, and Fishing .....	17,982	19,443	8.1
Mining.....	43,619	46,791	7.3
Construction.....	35,623	37,494	5.3
Manufacturing.....	44,486	47,072	5.8
Transportation, communications, and public utilities.....	43,078	47,596	10.5
Wholesale trade.....	40,665	43,599	7.2
Retail trade.....	19,354	20,877	7.9
Finance, insurance, and real estate.....	41,744	44,430	6.4
Services.....	41,649	40,943	-1.7

<sup>1</sup> Industry data are for private sector employment only and exclude government workers.

<sup>2</sup> Includes data for industries in addition to those shown separately.

<sup>3</sup> Data are preliminary.

Table 3. Average annual pay for 1999 and 2000 for all covered workers<sup>1</sup> by metropolitan area  
Arizona

Metropolitan area <sup>2</sup>	Average annual pay			
	1999	2000 <sup>3</sup>	Percent change, 1999-2000	Ranking <sup>4</sup> of area by Pay level, 2000
All metropolitan areas.....	\$34,900	\$37,010	6.0	-
Metropolitan areas in Arizona				
Flagstaff, AZ-UT MSA .....	23,821	24,673	3.6	294
Phoenix-Mesa, AZ MSA .....	32,431	34,915	7.7	52
Tucson, AZ MSA .....	28,203	29,204	3.5	167
Yuma, AZ MSA .....	20,362	21,487	5.5	316

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

<sup>2</sup> Includes data for Metropolitan Statistical Areas and Primary Metropolitan Statistical Areas as defined by OMB Bulletin No. 99-04. See Technical Note for definitions of metropolitan areas.

<sup>3</sup> Data are preliminary.

<sup>4</sup> Ranking are based on a comparison of data for 318 metropolitan areas nationwide.

Table 4. County rankings of employment and average annual pay for 2000 and 1999-2000 percent changes for all covered workers<sup>1</sup> in the 315 largest counties

County <sup>2</sup>	Employment		Average annual pay		
	2000 <sup>3</sup>	Net change, 1999-2000 <sup>4</sup>	2000 <sup>3</sup>	Ranked by 2000 level	Ranked by percent change 1999-2000 <sup>5</sup>
Maricopa, AZ.....	1,545,451	54,388	\$35,099	109	35
Pima, AZ.....	328,582	10,160	29,204	245	215

<sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs. The 315 U.S. counties comprise 70.8% of the total covered workers in the U.S.

<sup>2</sup> Includes areas not officially designated as counties. See Technical Note.

<sup>3</sup> Data are preliminary.

<sup>4</sup> Net changes were computed from annual employment data adjusted for noneconomic county reclassifications. See Technical Note.

<sup>5</sup> Rankings for percent change in annual pay are based on the 314 counties that are comparable over the year.