

News

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AVERAGE ANNUAL PAY IN WASHINGTON, 2000

Annual pay in Washington averaged \$37,059 in 2000, increasing 3.7 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 Washington's pay level exceeded the national average (\$35,296), but trailed that of the Pacific division¹ (\$39,583). (See table 1.)

Average pay in the Pacific division grew at a 8.4 percent pace in 2000 compared to 5.9 percent nationally. Among the five Pacific states, growth in pay ranged from 2.8 percent in Hawaii, second lowest in the nation, to 9.6 percent in California, second highest in the nation². In addition to Washington, only California, with a pay level of \$41,194, exceeded the nationwide average within the Pacific division. California's pay level ranked fifth highest among all states. Alaska's pay level at \$35,125 was close to the national average, while Oregon and Hawaii pay levels lagged further behind at \$32,765 and \$30,630, respectively. (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.

Pay in industries

Overall, 83.1 percent of Washington's workforce was employed by the private sector. Annual pay for private industry workers (excludes those in government) in Washington averaged \$37,212 in

¹ The Pacific division referenced in this release corresponds to the Census definition and is comprised of five states: Alaska, California, Hawaii, Oregon, and Washington.

² In 2000, Massachusetts (9.8 percent) had the highest pay growth in the nation.

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

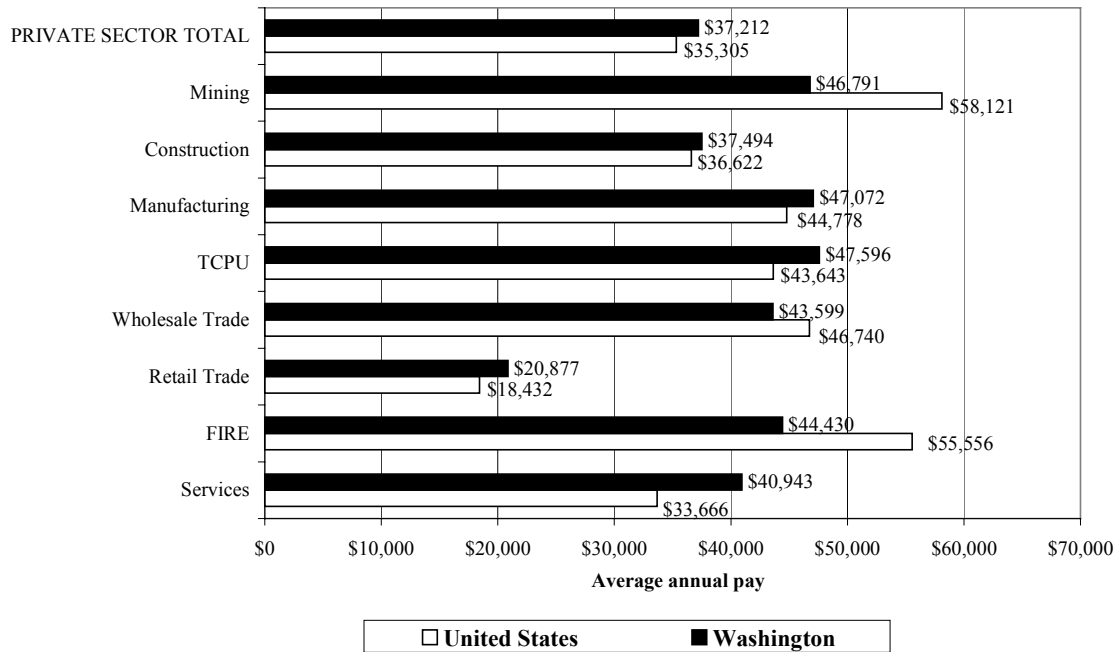
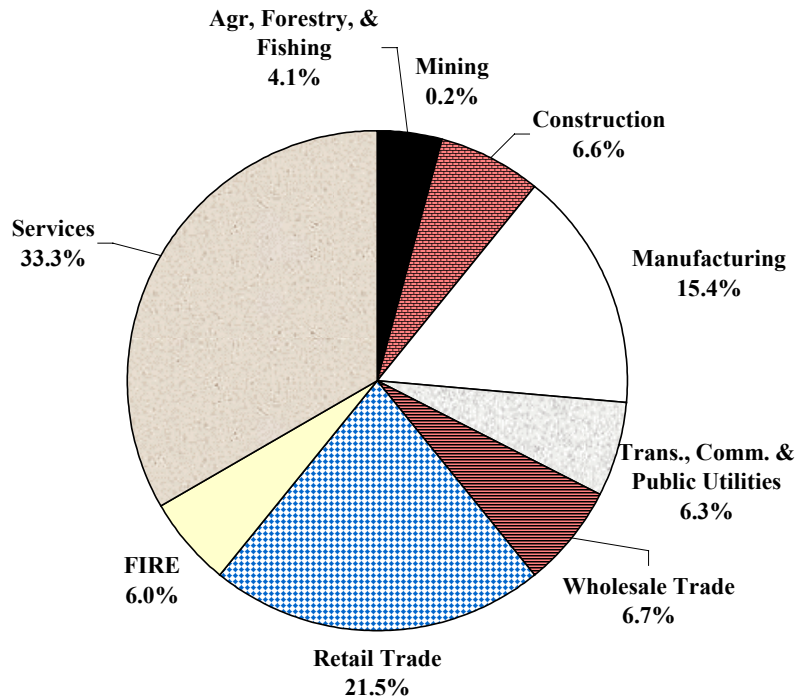


Chart 2. Private sector employment in Washington by industry division, 2000



2000, \$1,907 more than the national average of \$35,305. (See chart 1.) Over the year, Washington's pay advanced 3.5 percent, considerably slower than the 6.2 percent increase nationwide. Pay in four industries—mining; transportation, communications, and public utilities; wholesale trade; and retail

trade--all increased by more than 7.0 percent. Services was the only industry in the State to record a decline, down 1.7 percent. The largest over-the-year percentage pay increase was in transportation, communications, and public utilities at 10.5 percent. As a result, transportation, communications, and public utilities surpassed manufacturing to become the highest paid industry for the first time since these data were collected in 1976. Retail trade, reflecting its relatively large share of part-time workers, remained the lowest paid at \$20,877.

Services, Washington's largest industry division, accounted for one-third of all private sector jobs, and retail trade made up almost one-fourth. (See chart 2.) The distribution in Washington was similar to that for the nation as a whole deviating less than 1.5 percentage points in all industries but one—agriculture, forestry and fishing which accounted for 4.1 percent of private sector employment in the State but 1.7 percent nationwide.

Pay in metropolitan areas

Among Washington's nine metropolitan areas³, Seattle-Bellevue-Everett led the State in pay averaging \$45,171 in 2000, 11th highest among the 318 metropolitan areas nationwide. (See table 3.) The pay level in Portland-Vancouver, Ore.-Wash., at \$37,043, about equaled the metropolitan area average of \$37,010 and ranked 34th in the nation. Yakima had the lowest average annual pay in the State, at \$23,245 and ranked 312th nationally. The other six remaining metropolitan areas in Washington ranged from \$31,722 in Olympia to \$26,307 in Bellingham.

The rate of growth in pay from 1999 to 2000 varied among the State's metropolitan areas with three above the nationwide average for all metropolitan areas (6.0 percent). Spokane's pay increase, at 8.0 percent, was the largest in the State followed by Portland-Vancouver at 7.7 percent. Bellingham recorded the smallest growth averaging 2.7 percent.

Pay in large counties

Pay in Washington's seven large counties, those with an employment level of 75,000 or more ranged from \$47,245 in King County to \$23,245 in Yakima County. King County was the only large county with a pay level exceeding the national average of \$35,296. The rate of pay growth in three of the large counties, Clark, Spokane, and Thurston, was above the 5.9 percent pace for the nation. Spokane's pay growth of 8.0 percent was the highest in the State. (See table 4.)

NOTE

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

Also, average annual pay by industry data 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 Classification System (NAICS). Due to differences in NAICS and SIC structures, data for 2001 will not

³ 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.

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 12th 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. 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 also are 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 workers¹

	Average annual pay		Percent change 1999-2000
	1999	2000	
UNITED STATES	\$33,340	\$35,296	5.9
Pacific division²	36,518	39,583	8.4
Alabama	28,095	29,037	3.4
Alaska	34,033	35,125	3.2
Arizona	30,525	32,606	6.8
Arkansas	25,371	26,307	3.7
California	37,577	41,194	9.6
Colorado	34,191	37,167	8.7
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
Idaho	26,044	27,709	6.4
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
Montana	23,260	24,264	4.3
Nebraska	26,632	27,662	3.9
Nevada	31,213	32,276	3.4
New Hampshire	32,141	34,731	8.1
New Jersey	41,038	43,691	6.5
New Mexico	26,267	27,498	4.7
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
Utah	27,895	29,226	4.8
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
Wyoming	25,647	26,837	4.6

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

² The 5 states comprising the Pacific division are in bold-face type.

Table 2. State and industry average annual pay in the Pacific States for 1999 and 2000 and percent change in pay for all covered workers¹

State and industry ²	Average annual pay		Percent change, 1999-2000
	1999	2000	
United States			
Total Private ²	\$33,244	\$35,305	6.2
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
Alaska			
Total Private ²	32,319	33,478	3.6
Mining.....	79,655	86,380	8.4
Construction.....	46,610	47,081	1.0
Manufacturing.....	33,728	32,106	-4.8
Transportation, communications, and public utilities.....	42,251	44,020	4.2
Wholesale trade.....	35,924	36,913	2.8
Retail trade.....	19,648	19,729	0.4
Finance, insurance, and real estate.....	34,724	36,564	5.3
Services.....	27,023	28,031	3.7
California			
Total Private ²	37,310	41,182	10.4
Mining.....	66,061	65,096	-1.5
Construction.....	37,523	40,360	7.6
Manufacturing.....	49,672	57,695	16.2
Transportation, communications, and public utilities.....	46,480	47,278	1.7
Wholesale trade.....	45,785	48,935	6.9
Retail trade.....	20,403	21,915	7.4
Finance, insurance, and real estate.....	54,709	60,163	10.0
Services.....	36,885	41,372	12.2

See footnotes at end of table.

Table 2. State and industry average annual pay in the Pacific States for 1999 and 2000 and percent change in pay for all covered workers¹ (Continued)

State and industry ²	Average annual pay		Percent change, 1999-2000
	1999	2000	
Hawaii			
Total Private ²	28,163	29,181	3.6
Mining.....	52,383	56,977	8.8
Construction.....	43,623	45,423	4.1
Manufacturing.....	32,034	34,404	7.4
Transportation, communications, and public utilities.....	37,613	38,598	2.6
Wholesale trade.....	34,172	34,745	1.7
Retail trade.....	17,747	18,231	2.7
Finance, insurance, and real estate.....	37,124	39,044	5.2
Services.....	28,082	29,087	3.6
Oregon			
Total Private ²	30,457	32,480	6.6
Mining.....	36,288	37,733	4.0
Construction.....	36,041	38,295	6.3
Manufacturing.....	41,226	45,839	11.2
Transportation, communications, and public utilities.....	38,126	41,888	9.9
Wholesale trade.....	42,482	45,397	6.9
Retail trade.....	18,319	18,730	2.2
Finance, insurance, and real estate.....	37,801	39,126	3.5
Services.....	27,309	28,982	6.1
Washington			
Total Private ²	35,945	37,212	3.5
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

¹ Industry data are for private sector employment only and exclude government workers.

² Includes data for industries in addition to those shown separately.

Table 3. Average annual pay for 1999 and 2000 for all covered workers¹ by metropolitan area
Washington

Metropolitan area ²	Average annual pay			
	1999	2000	Percent change, 1999-2000	Ranking ³ of area by Pay level, 2000
All metropolitan areas.....	\$34,900	\$37,010	6.0	-
Metropolitan areas in Washington				
Bellingham, WA.....	25,612	26,307	2.7	252
Bremerton, WA.....	29,114	30,543	4.9	128
Olympia, WA.....	29,701	31,722	6.8	100
Portland-Vancouver, OR-WA PMSA.....	34,382	37,043	7.7	34
Richland-Kennewick-Pasco, WA.....	30,117	31,533	4.7	106
Seattle-Bellevue-Everett, WA.....	43,929	45,171	2.8	11
Spokane, WA.....	27,573	29,771	8.0	145
Tacoma, WA.....	28,644	30,161	5.3	138
Yakima, WA.....	22,402	23,245	3.8	312

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

² 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.

³ 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 workers¹ in the 316 largest counties

County ²	Employment		Average annual pay		
	2000 ³	Net change, 1999-2000 ⁴	2000 ³	Ranked by 2000 level	Ranked by percent change 1999-2000 ⁵
King, WA.....	1,168,342	36,632	47,245	17	272
Pierce, WA.....	237,055	5,073	30,161	220	101
Snohomish, WA.....	210,054	-2,147	35,055	110	229
Spokane, WA.....	188,025	4,448	29,771	228	32
Clark, WA.....	113,933	1,753	32,151	170	73
Yakima, WA.....	94,173	1,671	23,245	310	202
Thurston, WA.....	84,466	1,522	31,722	182	54

¹ 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.

² Includes areas not officially designated as counties. See Technical Note.

³ Data are preliminary.

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

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