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**Job losses, falling wages
hit many states**

by Edith Rasell and Yvon Pho

After 10 years of growth, the U.S. economy has faltered. In 2000, the economy gained 2.84 million jobs; by contrast, between March and June 2001 it shed 217,000 jobs. The sizable job declines of 165,000 in April and 93,000 in June are the largest monthly drops since the recession of the early 1990s. The unemployment rate, which usually increases relatively late in a slowdown, has already risen to 4.5% from 3.9% in the last eight months.

The change in the economic climate is having disparate impacts in states and regions across the country, and thus some are experiencing more economic problems than the national numbers may indicate. A state-by-state comparison shows:

- Employment growth has slowed in 38 states, located mostly in the eastern half of the U.S.
- The Midwest (Indiana, Michigan, and North Dakota) and several Southern and border states (Arkansas, Delaware, Maryland, Mississippi, and Alabama), plus Maine and Idaho have been hardest hit in terms of job and wage declines.
- Manufacturing employment has been declining since its business-cycle peak in April 1998. Manufacturing job losses intensified in the second half of 2000 and early 2001 in the Midwest (Michigan,

Minnesota, Wisconsin, Indiana, Ohio, Missouri, and South Dakota) and the South (Georgia, Arkansas, Mississippi, Kentucky, Tennessee, Virginia, Maryland, West Virginia, and Delaware). New Jersey and Maine have been hard hit in the Northeast, and Alaska, Idaho, and Montana have suffered accelerating manufacturing job losses in the West.

- Low-wage workers (those at the 10th percentile) are seeing smaller paychecks in 22 states. But 10 states have experienced real wage declines among high-wage workers at both the 80th and 90th percentiles, a trend that typically is less common during an economic slowdown.

The Federal Reserve has attempted to stimulate the economy by reducing interest rates, and the federal income tax rebate will return some \$38 billion, primarily to middle- and upper-income taxpayers who, policy makers hope, will spend the money and spur economic activity. Whether these actions will be sufficient to head off a deepening downturn and possible recession is uncertain. But it is clear that the effects of the slowdown on employment opportunities are real, and they are already being felt in many states across the country. Unfortunately for laid-off workers, the important safety nets that can prevent a loss of employment from turning into hardship (i.e., unemployment insurance and welfare) may be inadequate to do the job.

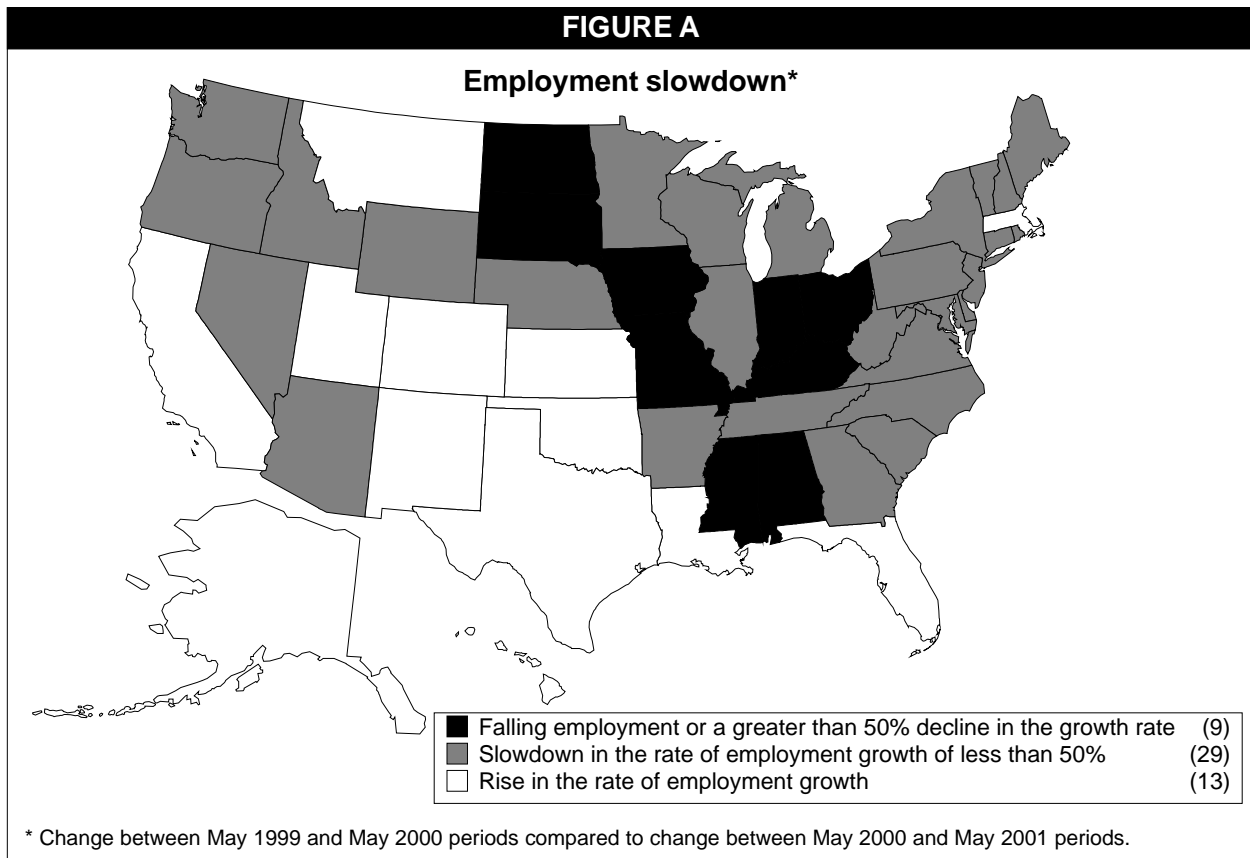
The following state-by-state analysis uses monthly data from the Bureau of Labor Statistics averaged over consecutive 12-month periods ending in May 1999, May 2000, and May 2001 (the May 2001 data were the most recent available at the time of the analysis). Combining a full 12 months of data enhances the reliability of the findings. During the first two periods, through May 1999 and May 2000, the U.S. economy was experiencing strong growth, and so we compare the changes between these two periods with the change in the period ending in May 2001 to fully measure the shift from a period of falling to a period of rising unemployment. (Details on methodology are available in the appendix.)

Employment growth

In the 12-month period ending in May 2000, non-farm payroll employment had risen 2.5%, or 3.2 million jobs, compared to the 12-month period a year earlier. In contrast, in the 12 months ending in May 2001 employment grew just 1.5%, or 2.0 million jobs, with the number actually declining at the end of this period. States in all regions of the country experienced slowdowns in employment growth. As shown in **Figure A** (and Appendix **Table A-1**), employment grew over 50% more slowly in the period ending in May 2001 than in the earlier period in nine states, all located in the Midwest and South. (In Mississippi, employment actually fell.) Employment growth declined, though not as quickly, in an additional 29 states (including the District of Columbia) located along the Eastern seaboard, in the upper Midwest, and throughout much of the West. In only 13 states (mainly in the South and West) was employment growth as strong or stronger in the period ending in May 2001 than it was in the earlier period.

Manufacturing employment

Over the course of this business cycle, manufacturing employment peaked in 1998 and has been declining since. Jobs in the 12-month period ending in May 2000 were 188,000 below the previous 12-month period; in the period ending May 2001 the year-to-year decline swelled to 211,000. In 21 states (see **Figure B** and



Appendix **Table A-2**) the pace of job loss accelerated. (In an additional 15 states the decline in manufacturing continued, though at the same pace or slower.) In only 14 states and the District of Columbia did manufacturing employment rise between the last two periods, but, even among these states, in only nine were there more manufacturing jobs in 2000-01 than two years earlier (1998-99).

Unemployment

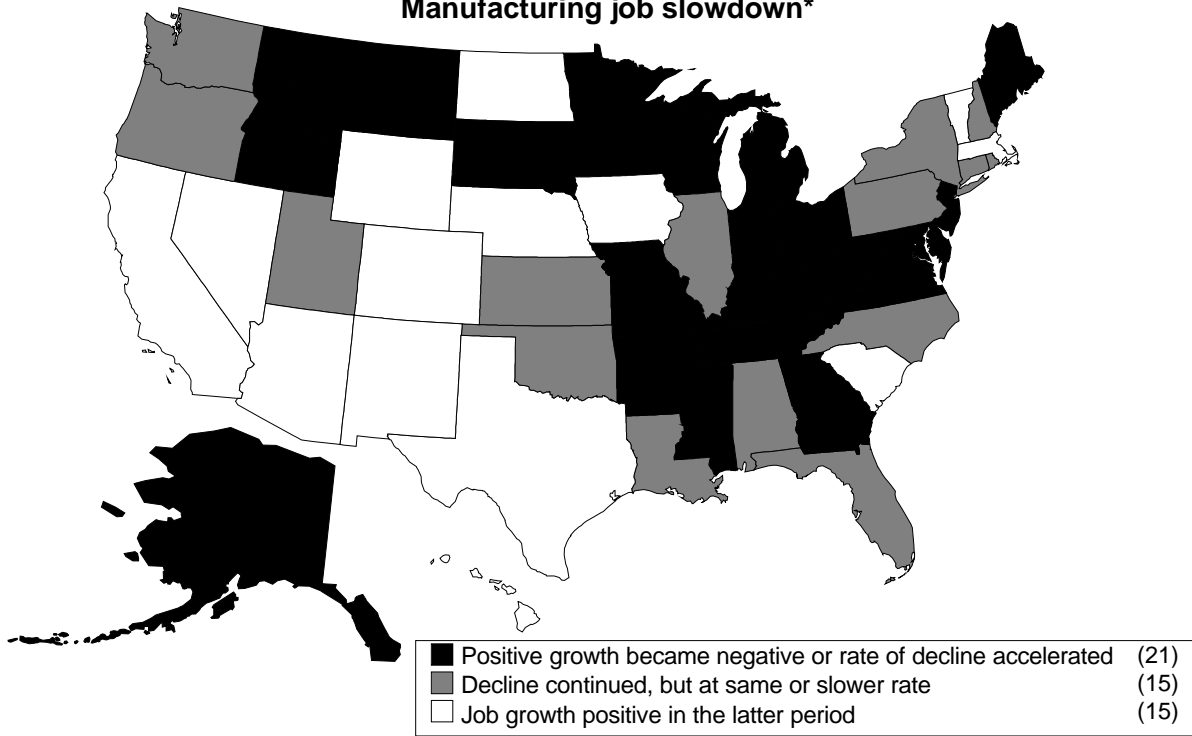
For the U.S. as a whole, the average annual unemployment rate declined between the first two periods, from 4.4% to 4.1%. It averaged 4.1% in the most recent 12-month period as well, but this combines the very low unemployment rate of the last half of 2000 with the rising rates of early 2001. Seventeen states, located mostly in the Midwest and South, experienced increases, as shown in **Figure C**. (Appendix **Table A-3** shows the unemployment rates for each region and state for the three periods.)

Wages

During the late 1990s, real wages (i.e., adjusted for inflation) rose for most workers. In the period ending in May 2001, wages in the nation as a whole continued to rise, but the effects of the economic slowdown began to be felt in many states, with workers across the wage spectrum experiencing downturns. At least part of this decline in real wages was due to the faster 3.5% inflation rate over the 12 months ending in May 2001 compared to the 2.7% rate in the prior 12-month period.

FIGURE B

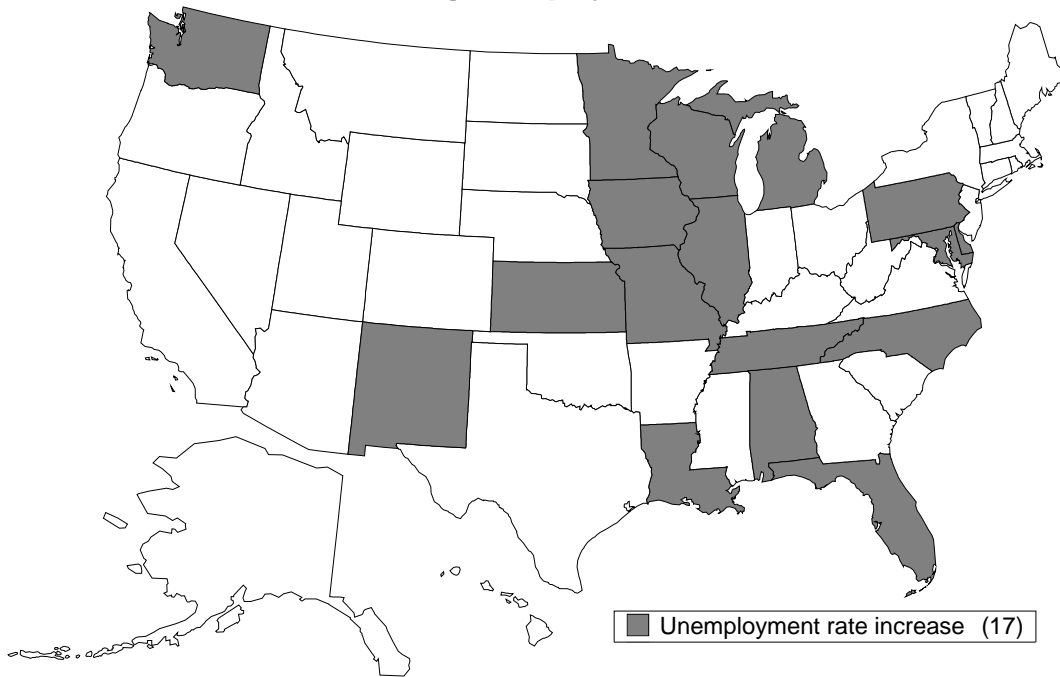
Manufacturing job slowdown*



* Change between May 1999 and May 2000 periods compared to change between May 2000 and May 2001 periods.

FIGURE C

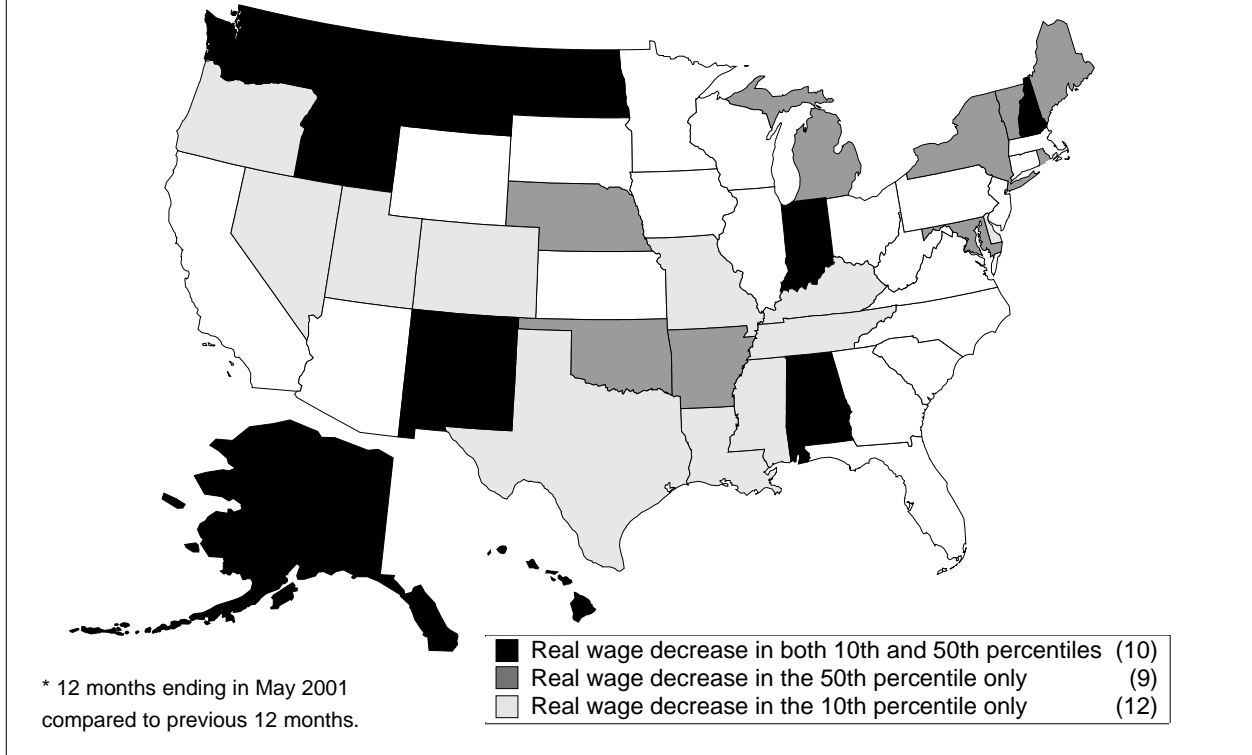
Rising unemployment rates*



* 12 months ending in May 2001 compared to previous 12 months.

FIGURE D

Real wage decline, 10th and 50th percentiles*



Despite improvements nationally, low-wage workers, who typically fare poorly during a downturn, have begun to experience real wage declines in many states. Real wages at the 10th percentile (the wage level that is higher than 10% of all wages in a state but lower than 90%) rose or were unchanged during the 12 months ending in May 2000 in 40 states and the District of Columbia; they fell in only 10 states. But by May 2001, real wages at the 10th percentile fell in 21 states plus the District of Columbia (see **Figure D** and Appendix **Table A-4**).

Median real wages (half of all wages are higher and half lower) rose or were unchanged during the 12-month period ending in May 2000 in all but 10 states. But by May 2001, median wages had fallen in 19 states in the Northeast, Midwest, Plains, and Rocky Mountain regions. States where both the median and 10th percentile real wages declined include New Hampshire, Indiana, Alabama, North Dakota, Montana, Idaho, Washington, New Mexico, Alaska, and Hawaii. Although median real wages declined in many states, for the nation as a whole they rose 0.5% over this period. Median nominal wages only fell in Hawaii.

Traditionally, wages of high-paid workers are less exposed to the ups and downs of the business cycle. And although real wages at the upper end of the wage distribution continued to show robust growth in the nation as a whole (with increases of nearly 2% or more), many states saw declines in high wages, including those in the Northeast, the South, the upper Midwest, and the intermountain states. Between the 12-month periods ending in May 1999 and May 2000, real wages at the 80th percentile rose in all but 14

states. But over the most recent 12 months, 80th percentile real wages fell in 20 states; in an additional nine states, wage growth was zero or slowed by 50% or more (**Figure E** and Appendix **Table A-5**). At the 90th percentile real wages rose or were unchanged in all but 10 states between the May 1999 and May 2000 periods. However, over the next 12 months real wages at the 90th percentile fell in 15 states, and growth slowed by 50% or more in an additional eight. Nominal wages (unadjusted for price changes) fell at the 90th percentile in Maine, Oklahoma, New Mexico, Alaska, and Hawaii.

The hardest hit and the least hit

Figure F and Appendix **Table A-6** show the states that are most and least affected by the downturn. Indiana and Alabama have sustained the greatest impacts, with total employment growth dropping by more than 50%, manufacturing employment declining steeply or unemployment rising, and real wages falling at the 10th, 50th, 80th, and 90th percentiles. Other states hardest hit in terms of both jobs and wages are Arkansas, Delaware, Idaho, Maine, Maryland, Michigan, Mississippi, and North Dakota. In addition, wages fell in at least three of the four points examined on the wage scale in Alaska, Hawaii, Montana, New York, New Mexico, Oklahoma, and Vermont. Severe job impacts—declines in manufacturing and overall employment and/or an increase in unemployment—have been felt in Iowa, Kentucky, Minnesota, Missouri, Ohio, South Dakota, Tennessee, and Wisconsin.

States that have largely avoided employment or wage impacts can be found in the West (Arizona, California, Wyoming, and Utah), the South (South Carolina and Texas), the Midwest (Kansas), and the Northeast (Connecticut, Massachusetts, and New Jersey).

The shredded safety net

As unemployment rises, job growth slows, and real wage growth slows or declines, workers rely more heavily on safety net programs like unemployment insurance, minimum wage legislation, and welfare (specifically Temporary Assistance for Needy Families, or TANF). But these programs are inadequate to meet the demands that may soon be placed upon them. Averaged across the country, unemployment insurance benefits replace less than one-third of a worker's lost wages.¹ In 28 states, the average weekly unemployment insurance benefit is too low to lift a one-parent, one-child family above the poverty level.

As for welfare, the federal legislation passed in 1996 imposed a lifetime limit on receipt of benefits of 60 months; as a result, many working women who had used the system in the past may be unable to rely on welfare for income support in the event they are laid off—and this group typically faces high rates of unemployment during a downturn. These workers are also among the most likely to fail to meet the earnings and hours-of-work criteria to qualify for unemployment insurance, and among the least able to find new jobs. The 2002 reauthorization of TANF will provide an opportunity to address these shortcomings.

Since 1997, the minimum wage has been set at \$5.15 an hour, or \$206 per week for full-time work. Legislation pending in Congress would raise this rate by \$1.50 over three years to \$6.65; without this increase, the real value of the minimum wage will drop to \$4.71 an hour by 2004 (given a 3% rate of inflation). An increase in the minimum wage would not only raise incomes for the nation's lowest-paid workers, it would also make it easier for them to satisfy the minimum earnings requirements and qualify for unemployment insurance if they are laid off.

FIGURE E

Real wage decline, 80th and 90th percentiles*

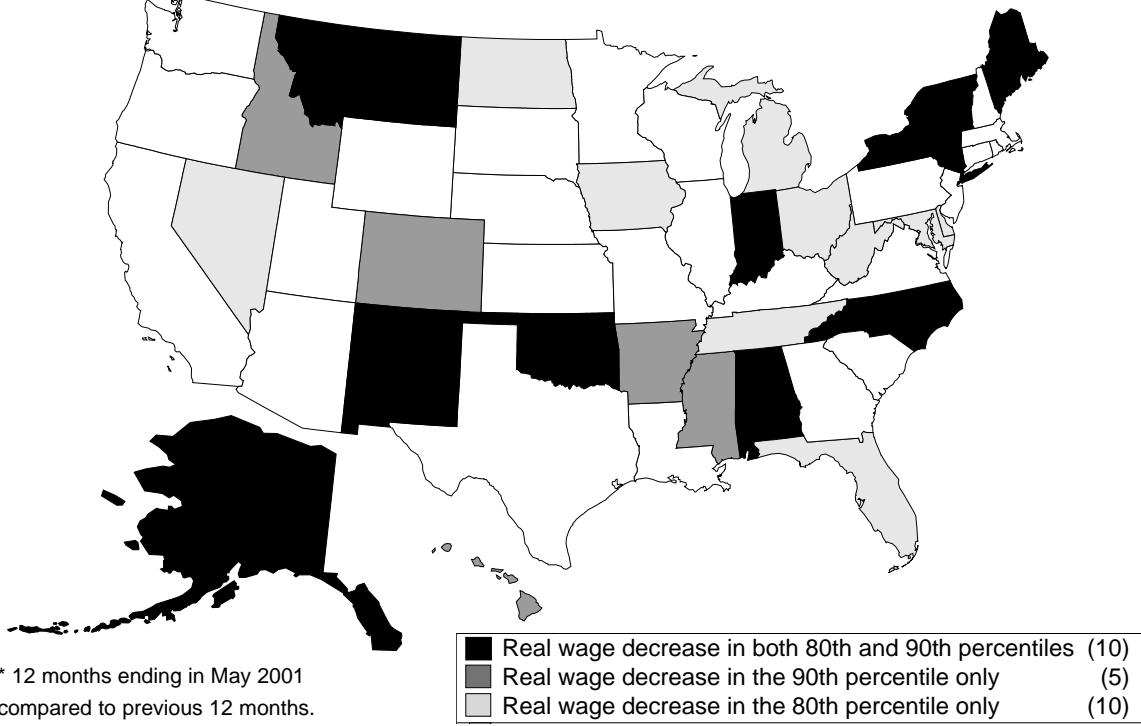
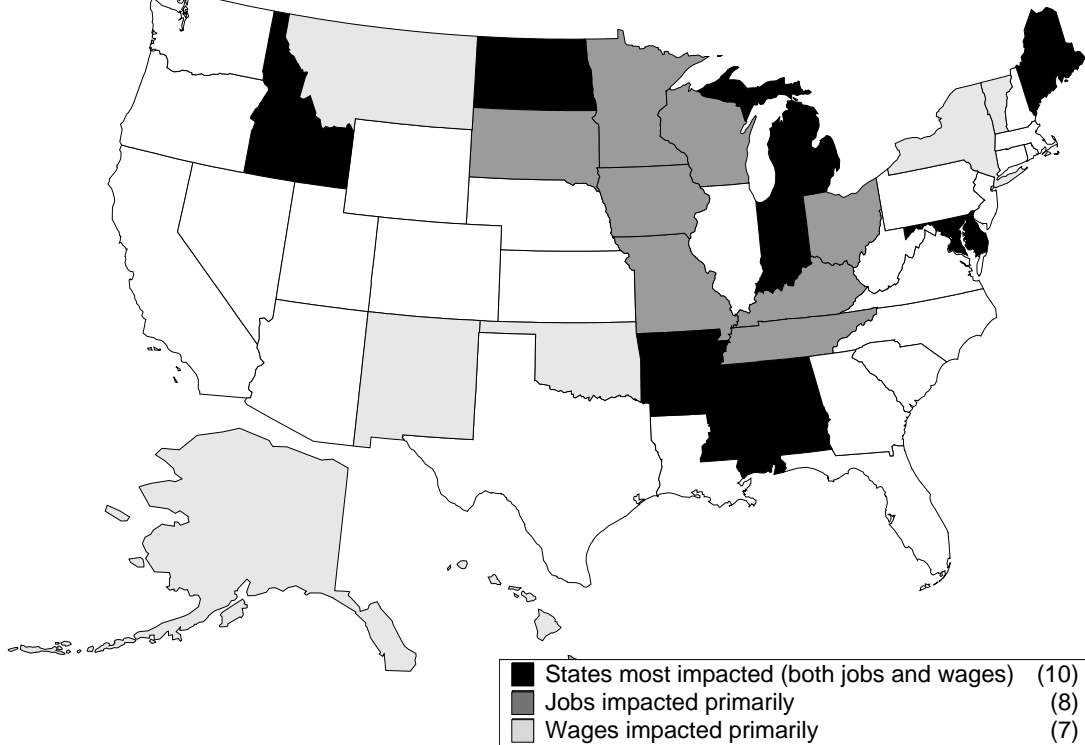


FIGURE F

States most affected by the downturn



The authors thank Brendan Hill for research assistance.

Endnotes

¹ Jeffrey Wenger, *Divided We Fall: Deserving Workers Slip Through America's Patchwork Unemployment Insurance System*, Washington, D.C.: Economic Policy Institute, 2001.

—September 2001

Appendix: Methodology

The examinations of employment and unemployment in this report use published data from the Bureau of Labor Statistics (BLS). We derived total employment and manufacturing employment counts from the Current Employment Statistics survey, available at the BLS website. We calculated percentile wage values from the Outgoing Rotation Group sample of the Current Population Survey. For further details see Appendix B, in Lawrence Mishel et al., *The State of Working America 2000/2001* (Ithaca, N.Y., Cornell University Press).

BLS generally provides data on employment and unemployment rates at the state level. This report calculates employment levels for U.S. regions and divisions by summing across states, and it calculates unemployment rates by region and division by taking the labor-force-weighted average of the values across the appropriate states.

In generating state-level data, BLS applies state-based models to eliminate some “noise” from the data. It does not make any model adjustments in its statistics for the nation, however, and consequently the state numbers both in the BLS publications and this report may not necessarily sum to the national totals.

Significance levels for changes in state wages vary according to the size of the state. For instance, wage changes of less than 4% for states with a relatively small population are usually insignificant. For more populated states, such as California, changes of less than 2% are insignificant.

Small changes in the unemployment rate are often statistically insignificant. Ninety percent confidence intervals were calculated by adjusting the error range of the state-level unemployment rates in 2000 (as reported in the BLS news release, “State and Regional Unemployment, 2000 Annual Averages”). These intervals indicate that changes of less than 0.1 percentage points for relatively larger states and less than 0.9 percentage points for the smallest states are statistically insignificant.

Note also that even statistically significant changes are not necessarily indicative of a longer-term trend. Wage growth, for example, may be significantly above trend in a given month and then revert back to trend in the following months.

TABLE A-1
Average annual employment counts
by region, division, and state

	For the period June through May (000)			Percent change from	
	1998-99	1999-2000	2000-01	1998-99 to 1999-2000	1999-2000 to 2000-01
NORTHEAST	24,474	25,030	25,489	2.3%	1.8%
<i>New England</i>	6,776	6,922	7,057	2.2	1.9
Maine	576	595	609	3.2	2.4
New Hampshire	596	613	625	2.8	2.0
Vermont	287	295	300	2.6	1.7
Massachusetts	3,201	3,270	3,348	2.2	2.4
Rhode Island	461	471	478	2.2	1.5
Connecticut	1,655	1,679	1,698	1.5	1.1
<i>Middle Atlantic</i>	17,699	18,108	18,432	2.3	1.8
New York	8,329	8,531	8,686	2.4	1.8
New Jersey	3,841	3,944	4,019	2.7	1.9
Pennsylvania	5,529	5,633	5,727	1.9	1.7
MIDWEST	31,274	31,829	32,140	1.8%	1.0%
<i>East North Central</i>	21,650	22,033	22,239	1.8	0.9
Ohio	5,510	5,605	5,652	1.7	0.8
Indiana	2,938	2,993	3,007	1.9	0.4
Illinois	5,929	5,997	6,046	1.2	0.8
Michigan	4,529	4,628	4,690	2.2	1.4
Wisconsin	2,745	2,809	2,844	2.4	1.2
<i>West North Central</i>	9,624	9,797	9,901	1.8	1.1
Minnesota	2,575	2,641	2,680	2.5	1.5
Iowa	1,456	1,474	1,483	1.3	0.6
Missouri	2,701	2,743	2,762	1.5	0.7
North Dakota	321	326	328	1.7	0.6
South Dakota	367	377	380	2.5	0.9
Nebraska	884	901	913	2.0	1.4
Kansas	1,321	1,335	1,354	1.1	1.4
SOUTH	44,597	45,666	46,706	2.4%	2.3%
<i>South Atlantic</i>	23,603	24,260	24,885	2.8	2.6
Delaware	405	417	424	2.8	1.7
Maryland	2,351	2,414	2,468	2.7	2.2
D.C.	615	637	650	3.6	1.9
Virginia	3,362	3,452	3,540	2.7	2.5
West Virginia	723	731	737	1.2	0.8
North Carolina	3,821	3,900	3,974	2.1	1.9
South Carolina	1,806	1,849	1,889	2.4	2.2
Georgia	3,802	3,934	4,026	3.5	2.3
Florida	6,718	6,926	7,177	3.1	3.6
<i>East South Central</i>	7,477	7,606	7,670	1.7	0.8
Kentucky	1,770	1,812	1,832	2.3	1.1
Tennessee	2,657	2,709	2,750	2.0	1.5
Alabama	1,907	1,927	1,935	1.1	0.4
Mississippi	1,142	1,158	1,153	1.3	-0.4
<i>West South Central</i>	13,517	13,801	14,151	2.1	2.5
Arkansas	1,130	1,151	1,165	1.9	1.2
Louisiana	1,894	1,910	1,944	0.8	1.8
Oklahoma	1,451	1,470	1,493	1.3	1.6
Texas	9,043	9,270	9,548	2.5	3.0

(cont.)

TABLE A-1 (cont.)
Average annual employment counts
by region, division, and state

	For the period June through May (000)			Percent change from	
	1998-99	1999-2000	2000-01	1998-99 to 1999-2000	1999-2000 to 2000-01
WEST	26,783	27,615	28,488	3.1%	3.2%
Mountain	8,040	8,329	8,599	3.3	3.0
Montana	376	384	392	2.0	2.1
Idaho	528	548	565	3.8	3.1
Wyoming	230	236	242	2.8	2.3
Colorado	2,089	2,163	2,246	3.5	3.9
New Mexico	723	736	749	1.8	1.8
Arizona	2,109	2,201	2,270	4.4	3.1
Utah	1,034	1,060	1,087	2.5	2.5
Nevada	950	1,002	1,049	5.4	4.7
Pacific	18,744	19,285	19,888	3.0	3.3
Washington	2,618	2,677	2,736	2.3	2.2
Oregon	1,559	1,588	1,608	1.9	1.2
California	13,760	14,199	14,701	3.2	3.5
Alaska	276	280	286	1.4	2.2
Hawaii	531	541	557	2.0	2.9
TOTAL U.S.	127,120	130,276	132,271	2.5%	1.5%

Source: Authors' analysis of U.S. Bureau of Labor Statistics data.

TABLE A-2
Average annual manufacturing employment counts
by region, division, and state

	For the period June through May (000)			Percent change from	
	1998-99	1999-2000	2000-01	1998-99 to 1999-2000	1999-2000 to 2000-01
NORTHEAST	3,343	3,289	3,248	-1.6%	-1.3%
<i>New England</i>	1,033	1,013	1,006	-1.9	-0.7
Maine	87	86	84	-0.6	-2.8
New Hampshire	107	106	105	-1.1	-1.1
Vermont	48	48	49	0.6	2.2
Massachusetts	441	434	435	-1.6	0.2
Rhode Island	76	74	72	-3.6	-2.0
Connecticut	274	265	261	-3.2	-1.5
<i>Middle Atlantic</i>	2,310	2,277	2,242	-1.4	-1.5
New York	902	883	864	-2.1	-2.1
New Jersey	472	465	458	-1.3	-1.6
Pennsylvania	937	928	920	-0.9	-0.9
MIDWEST	5,860	5,843	5,775	-0.3%	-1.2%
<i>East North Central</i>	4,335	4,331	4,273	-0.1	-1.3
Ohio	1,092	1,089	1,077	-0.3	-1.1
Indiana	686	692	679	0.8	-1.9
Illinois	966	950	938	-1.6	-1.3
Michigan	972	982	968	1.1	-1.4
Wisconsin	619	618	612	-0.2	-0.9
<i>West North Central</i>	1,525	1,512	1,502	-0.8	-0.7
Minnesota	439	440	438	0.1	-0.4
Iowa	262	260	261	-0.7	0.2
Missouri	416	408	399	-1.9	-2.2
North Dakota	24	24	25	1.2	3.5
South Dakota	50	50	49	0.3	-2.5
Nebraska	119	119	120	0.1	0.9
Kansas	215	211	210	-1.8	-0.3
SOUTH	6,169	6,084	5,999	-1.4%	-1.4%
<i>South Atlantic</i>	2,991	2,943	2,896	-1.6	-1.6
Delaware	60	59	58	-1.4	-2.9
Maryland	177	179	179	1.0	-0.4
D.C.	12	11	11	-5.6	0.5
Virginia	399	394	385	-1.1	-2.3
West Virginia	82	82	80	-0.4	-2.4
North Carolina	816	792	772	-2.9	-2.6
South Carolina	355	345	346	-3.0	0.4
Georgia	597	594	581	-0.5	-2.1
Florida	492	486	486	-1.2	-0.2
<i>East South Central</i>	1,450	1,438	1,405	-0.8	-2.3
Kentucky	320	322	318	0.6	-1.2
Tennessee	510	511	503	0.2	-1.7
Alabama	374	364	356	-2.5	-2.2
Mississippi	246	241	228	-2.1	-5.3
<i>West South Central</i>	1,728	1,703	1,698	-1.5	-0.3
Arkansas	253	252	248	-0.1	-1.7
Louisiana	190	185	182	-2.2	-1.6
Oklahoma	185	183	181	-1.0	-0.9
Texas	1,101	1,082	1,086	-1.7	0.4

(cont.)

TABLE A-2 (cont.)
Average annual manufacturing employment counts
by region, division, and state

	For the period June through May (000)			Percent change from	
	1998-99	1999-2000	2000-01	1998-99 to 1999-2000	1999-2000 to 2000-01
WEST	3,333	3,307	3,320	-0.8%	0.4%
Mountain	748	748	754	0.0	0.8
Montana	24	25	25	1.5	-0.4
Idaho	76	77	76	1.0	-0.3
Wyoming	11	11	11	2.2	0.5
Colorado	206	205	206	-0.5	0.5
New Mexico	43	43	43	-1.8	1.1
Arizona	214	213	216	-0.3	1.4
Utah	132	132	131	-0.2	-0.1
Nevada	42	43	45	2.7	4.7
Pacific	2,586	2,560	2,567	-1.0	0.3
Washington	375	357	347	-4.7	-3.0
Oregon	244	243	242	-0.5	-0.3
Alaska	14	14	13	-1.3	-5.7
California	1,937	1,929	1,948	-0.4	1.0
Hawaii	16	17	17	2.6	3.0
TOTAL U.S.	18,695	18,507	18,296	-1.0%	-1.1%

Source: Authors' analysis of U.S. Bureau of Labor Statistics data.

TABLE A-3
Average annual unemployment rates by region, division, and state

	For the period June through May			Percentage-point change from*	
	1998-99	1999-2000	2000-01	1998-99 to 1999-2000	1999-2000 to 2000-01
NORTHEAST	4.5%	4.2%	3.8%	-0.3	-0.3
<i>New England</i>	3.4	3.1	2.7	-0.2	-0.4
Maine	4.2	4.1	3.0	-0.1	-1.0
New Hampshire	2.8	2.9	2.6	0.1	-0.3
Vermont	3.2	3.0	2.9	-0.2	-0.1
Massachusetts	3.2	3.0	2.8	-0.2	-0.2
Rhode Island	4.4	4.2	4.0	-0.2	-0.2
Connecticut	3.2	2.8	2.1	-0.4	-0.8
<i>Middle Atlantic</i>	4.9	4.5	4.3	-0.4	-0.3
New York	5.4	4.9	4.4	-0.5	-0.5
New Jersey	4.6	4.2	3.8	-0.4	-0.3
Pennsylvania	4.5	4.2	4.4	-0.3	0.1
MIDWEST	3.7%	3.6%	3.8%	0.0	0.2
<i>East North Central</i>	3.8	3.8	4.0	0.0	0.2
Ohio	4.3	4.2	4.0	0.0	-0.2
Indiana	3.0	3.3	3.0	0.3	-0.3
Illinois	4.3	4.3	4.7	0.0	0.4
Michigan	3.9	3.5	4.1	-0.4	0.6
Wisconsin	3.3	3.2	3.8	-0.1	0.6
<i>West North Central</i>	3.3	3.1	3.3	-0.2	0.2
Minnesota	2.5	3.1	3.4	0.6	0.3
Iowa	2.6	2.6	2.6	0.0	0.1
Missouri	3.7	3.4	3.7	-0.3	0.3
North Dakota	3.5	3.2	2.7	-0.2	-0.6
South Dakota	3.0	2.6	2.3	-0.4	-0.3
Nebraska	2.8	2.9	2.9	0.1	0.0
Kansas	3.4	3.2	3.8	-0.2	0.5
SOUTH	4.3%	4.1%	4.0%	-0.2	-0.1
<i>South Atlantic</i>	3.9	3.7	3.7	-0.2	0.0
Delaware	3.6	3.8	3.8	0.2	0.1
Maryland	4.0	3.6	3.8	-0.4	0.2
D.C.	7.9	5.8	5.7	-2.1	-0.1
Virginia	2.8	2.6	2.3	-0.3	-0.2
West Virginia	6.7	6.1	5.4	-0.6	-0.7
North Carolina	3.2	3.3	4.1	0.1	0.8
South Carolina	4.1	4.4	3.8	0.2	-0.6
Georgia	4.1	3.9	3.7	-0.1	-0.3
Florida	4.1	3.7	3.7	-0.4	-0.0
<i>East South Central</i>	4.4	4.5	4.5	0.0	0.0
Kentucky	4.6	4.3	4.1	-0.3	-0.1
Tennessee	4.1	3.9	4.1	-0.2	0.3
Alabama	4.4	4.8	4.8	0.4	-0.0
Mississippi	5.1	5.6	5.3	0.4	-0.3
<i>West South Central</i>	4.8	4.5	4.2	-0.4	-0.2
Arkansas	5.1	4.5	4.4	-0.6	-0.1
Louisiana	5.5	5.1	5.6	-0.4	0.5
Oklahoma	4.2	3.2	2.9	-1.1	-0.2
Texas	4.7	4.5	4.1	-0.2	-0.4

(cont.)

TABLE A-3 (cont.)
Average annual unemployment rates by region, division, and state

	For the period June through May			Percentage-point change from*	
	1998-99	1999-2000	2000-01	1998-99 to 1999-2000	1999-2000 to 2000-01
WEST	5.2%	4.8%	4.6%	-0.5	-0.1
Mountain	4.5	4.2	4.2	-0.2	0.0
Montana	5.5	5.1	4.7	-0.4	-0.4
Idaho	5.1	5.0	4.8	0.0	-0.3
Wyoming	5.0	4.3	3.7	-0.7	-0.6
Colorado	3.5	2.8	2.7	-0.7	-0.1
New Mexico	6.1	5.1	5.2	-1.0	0.2
Arizona	4.3	4.2	4.0	-0.1	-0.2
Utah	3.9	3.5	3.4	-0.4	-0.1
Nevada	4.2	4.3	4.3	0.1	0.0
Pacific	5.7	5.1	4.9	-0.6	-0.2
Washington	4.8	4.9	5.4	0.2	0.4
Oregon	5.7	5.4	4.8	-0.3	-0.6
California	5.7	5.0	4.9	-0.7	-0.2
Alaska	5.9	6.7	6.1	0.8	-0.6
Hawaii	6.2	5.0	4.2	-1.1	-0.8
TOTAL U.S.	4.4%	4.1%	4.1%	-0.3	0.0

* Due to rounding, percentage-point changes may not precisely equal differences in the unemployment rates shown here.

Source: Authors' analysis of U.S. Bureau of Labor Statistics data.

TABLE A-4
Low and median wages by region, division, and state, June-May period
(2000-01 dollars)

	Low wages (10th percentile)					Median wage (50th percentile)				
	1998-1999	1999-2000	2000-2001	Percent change		1998-1999	1999-2000	2000-2001	Percent change	
				1998-99 to 1999-00	1999-00 to 2000-01				1998-99 to 1999-00	1999-00 to 2000-01
NORTHEAST	\$6.47	\$6.52	\$6.72	0.8%	3.0%	\$13.30	\$13.53	\$13.63	1.7%	0.7%
<i>New England</i>	6.93	7.07	7.14	2.0	0.9	13.55	13.99	14.04	3.2	0.4
Maine	6.44	6.60	6.79	2.5	2.8	11.36	11.36	11.25	0.0	-0.9
New Hampshire	6.90	7.49	7.31	8.6	-2.5	12.99	13.55	13.36	4.3	-1.4
Vermont	6.49	6.79	6.99	4.7	2.9	11.34	12.21	12.07	7.6	-1.1
Massachusetts	7.20	7.09	7.11	-1.5	0.4	13.93	14.29	14.49	2.6	1.4
Rhode Island	6.25	6.73	6.99	7.7	3.9	12.70	13.16	13.07	3.6	-0.7
Connecticut	7.32	7.30	7.59	-0.3	4.0	15.48	15.58	15.86	0.7	1.8
<i>Middle Atlantic</i>	6.37	6.39	6.53	0.2	2.3	13.23	13.39	13.43	1.1	0.3
New York	6.29	6.29	6.32	0.0	0.4	13.31	13.49	13.35	1.3	-1.0
New Jersey	6.72	6.97	6.99	3.8	0.3	14.70	14.63	14.83	-0.4	1.3
Pennsylvania	6.32	6.34	6.51	0.4	2.7	12.41	12.50	12.75	0.8	1.9
MIDWEST	\$6.49	\$6.65	\$6.82	2.5%	2.6%	\$12.56	\$12.64	\$12.78	0.6%	1.2%
<i>East North Central</i>	6.49	6.66	6.81	2.5	2.3	12.75	12.81	12.86	0.4	0.4
Ohio	6.25	6.46	6.64	3.5	2.7	12.68	12.58	12.72	-0.8	1.1
Indiana	6.76	7.03	6.87	4.0	-2.2	12.04	12.41	12.19	3.0	-1.8
Illinois	6.48	6.40	6.75	-1.2	5.4	13.06	13.11	13.23	0.4	0.9
Michigan	6.56	6.72	6.89	2.5	2.5	13.24	13.46	13.17	1.7	-2.2
Wisconsin	6.74	7.09	7.14	5.3	0.7	12.00	12.49	12.60	4.1	0.9
<i>West North Central</i>	6.49	6.67	6.86	2.8	2.8	11.90	12.37	12.59	4.0	1.8
Minnesota	7.13	7.24	7.62	1.6	5.3	13.92	14.17	14.69	1.8	3.6
Iowa	6.42	6.54	6.83	1.8	4.5	11.41	11.71	11.98	2.6	2.3
Missouri	6.61	6.99	6.95	5.8	-0.7	11.99	12.60	12.82	5.1	1.7
North Dakota	5.96	6.13	6.03	2.9	-1.7	9.96	10.30	10.10	3.3	-1.9
South Dakota	6.16	6.31	6.70	2.5	6.2	10.08	10.60	11.03	5.2	4.1
Nebraska	6.34	6.47	6.48	2.1	0.0	10.84	10.96	10.90	1.1	-0.5
Kansas	6.23	6.20	6.34	-0.4	2.2	11.08	11.47	11.96	3.5	4.3
SOUTH	\$6.14	\$6.17	\$6.16	0.4%	-0.1%	\$11.40	\$11.56	\$11.81	1.4%	2.2%
<i>South Atlantic</i>	6.30	6.33	6.49	0.6	2.4	11.79	12.10	12.18	2.6	0.6
Delaware	6.51	6.99	6.95	7.3	-0.5	12.86	13.17	13.33	2.4	1.2
Maryland	7.07	7.11	7.16	0.6	0.8	14.57	14.51	14.16	-0.4	-2.4
D.C.	6.90	7.33	7.24	6.3	-1.3	14.09	14.73	15.03	4.5	2.0
Virginia	6.42	6.50	6.85	1.3	5.4	12.92	13.16	13.69	1.9	4.0
West Virginia	5.61	5.55	5.73	-1.0	3.2	10.37	10.48	10.99	1.0	4.9
North Carolina	6.40	6.42	6.54	0.4	1.7	11.38	11.71	11.81	2.9	0.8
South Carolina	6.35	6.38	6.79	0.6	6.3	11.66	11.93	12.10	2.3	1.4
Georgia	6.33	6.32	6.53	-0.1	3.2	11.52	11.88	12.09	3.1	1.8
Florida	6.15	6.16	6.18	0.0	0.4	10.89	11.17	11.29	2.6	1.1
<i>East South Central</i>	6.06	6.13	6.08	1.2	-0.9	10.84	11.14	11.32	2.8	1.6
Kentucky	6.19	6.23	6.19	0.6	-0.7	11.32	11.26	11.62	-0.5	3.2
Tennessee	6.22	6.31	6.30	1.5	-0.3	10.65	11.29	11.58	6.1	2.5
Alabama	5.95	6.06	5.94	2.0	-2.0	11.13	11.16	11.11	0.3	-0.4
Mississippi	5.62	5.91	5.85	5.1	-1.0	10.65	10.49	10.71	-1.6	2.1
<i>West South Central</i>	5.88	5.98	5.91	1.6	-1.2	10.84	11.04	11.14	1.9	0.9
Arkansas	5.80	5.88	5.91	1.3	0.6	9.82	10.27	10.16	4.6	-1.1
Louisiana	5.86	5.78	5.70	-1.5	-1.3	10.63	10.56	10.87	-0.7	2.9
Oklahoma	5.93	5.99	6.14	1.0	2.5	10.90	10.76	10.70	-1.2	-0.5
Texas	5.90	6.03	5.92	2.1	-1.8	11.07	11.32	11.45	2.2	1.1

(cont.)

TABLE A-4 (cont.)
Low and median wages by region, division, and state, June-May period
(2000-01 dollars)

	Low wages (10th percentile)					Median wage (50th percentile)				
	1998-1999	1999-2000	2000-2001	Percent change		1998-1999	1999-2000	2000-2001	Percent change	
				1998-99 to 1999-00	1999-00 to 2000-01				1998-99 to 1999-00	1999-00 to 2000-01
WEST	\$6.31	\$6.33	\$6.44	0.3%	1.7%	\$12.66	\$12.75	\$12.92	0.7%	1.3%
Mountain	6.32	6.41	6.42	1.5	0.1	11.90	12.05	12.16	1.3	0.9
Montana	5.70	5.85	5.77	2.7	-1.3	10.26	10.25	10.16	-0.1	-0.9
Idaho	6.01	6.12	6.09	1.8	-0.4	10.81	11.10	11.09	2.7	-0.1
Wyoming	5.82	5.90	6.00	1.3	1.8	11.05	11.08	11.37	0.3	2.6
Colorado	7.11	7.28	7.25	2.4	-0.4	13.60	13.73	13.90	1.0	1.3
New Mexico	5.78	5.80	5.77	0.3	-0.5	10.96	11.08	10.94	1.0	-1.3
Arizona	6.17	6.35	6.35	3.0	0.0	11.61	11.54	12.09	-0.6	4.8
Utah	6.59	6.73	6.70	2.2	-0.4	11.62	11.83	12.11	1.8	2.4
Nevada	6.56	6.71	6.53	2.3	-2.7	11.42	11.72	11.96	2.6	2.1
Pacific	6.31	6.31	6.45	0.0	2.3	12.94	13.19	13.30	1.9	0.9
Washington	6.65	7.00	6.97	5.2	-0.4	13.90	13.68	13.65	-1.6	-0.2
Oregon	7.10	6.87	6.78	-3.2	-1.3	12.47	12.51	12.65	0.4	1.1
California	6.21	6.18	6.26	-0.5	1.4	12.87	13.18	13.41	2.4	1.7
Alaska	7.42	7.48	7.43	0.7	-0.6	14.77	14.97	14.73	1.4	-1.6
Hawaii	6.31	6.25	6.11	-1.0	-2.3	12.25	12.51	11.96	2.1	-4.4
TOTAL U.S.	\$6.30	\$6.35	\$6.46	0.7%	1.7%	\$12.29	\$12.46	\$12.52	1.4%	0.5%

Note: Low wages represent wages that are higher than 10% and lower than 90% of all wages. Median wages represent wages that are at the exact midpoint of the wage scale.

Source: Authors' analysis of U.S. Bureau of Labor Statistics data.

TABLE A-5
High wages (80th and 90th percentile) by region, division, and state
for June-May period
(2000-01 dollars)

	80th percentile wage					90th percentile wage				
	1998-1999	1999-2000	2000-2001	Percent change		1998-1999	1999-2000	2000-2001	Percent change	
				1998-99 to 1999-00	1999-00 to 2000-01				1998-99 to 1999-00	1999-00 to 2000-01
NORTHEAST	\$22.39	\$22.88	\$23.19	2.2%	1.3%	\$29.80	\$30.16	\$30.87	1.2%	2.3%
<i>New England</i>	22.60	22.67	23.46	0.3	3.5	29.64	30.04	31.10	1.4	3.5
Maine	17.83	18.27	18.08	2.5	-1.0	22.61	23.58	22.19	4.3	-5.9
New Hampshire	20.65	21.53	21.96	4.3	2.0	26.98	28.67	28.97	6.3	1.0
Vermont	17.70	18.74	18.70	5.8	-0.2	22.38	23.79	23.50	6.3	-1.2
Massachusetts	23.06	23.53	24.81	2.0	5.4	29.80	30.87	33.44	3.6	8.3
Rhode Island	21.44	21.66	21.98	1.0	1.5	26.84	27.45	27.75	2.3	1.1
Connecticut	25.54	24.76	25.06	-3.0	1.2	34.52	32.17	33.50	-6.8	4.1
<i>Middle Atlantic</i>	22.36	22.96	23.17	2.7	0.9	29.94	30.21	30.86	0.9	2.2
New York	22.70	23.39	23.21	3.0	-0.8	30.77	31.08	31.05	1.0	-0.1
New Jersey	24.66	25.30	25.42	2.6	0.5	31.82	32.52	34.57	2.2	6.3
Pennsylvania	20.26	20.71	21.11	2.2	2.0	26.62	26.93	27.95	1.2	3.8
MIDWEST	\$20.44	\$20.80	\$21.02	1.8%	1.1%	\$26.35	\$26.58	\$27.10	0.9%	2.0%
<i>East North Central</i>	21.07	21.27	21.26	1.0	0.0	26.61	27.13	27.69	2.0	2.1
Ohio	20.41	20.59	20.46	0.9	-0.6	25.80	25.72	25.87	-0.3	0.6
Indiana	19.94	20.12	19.91	0.9	-1.0	24.62	25.69	24.99	4.3	-2.7
Illinois	22.13	22.14	22.64	0.1	2.3	28.54	29.04	30.23	1.8	4.1
Michigan	22.18	22.60	22.23	1.9	-1.6	27.71	28.78	29.04	3.9	0.9
Wisconsin	19.28	19.79	20.14	2.6	1.8	24.51	25.32	25.75	3.3	1.7
<i>West North Central</i>	19.66	19.86	20.24	1.0	1.9	25.27	25.72	26.07	1.7	1.4
Minnesota	22.43	23.07	23.18	2.9	0.5	28.96	29.03	29.22	0.3	0.7
Iowa	17.79	18.56	18.42	4.4	-0.7	22.63	23.49	23.99	3.8	2.1
Missouri	19.99	19.82	20.95	-0.8	5.7	24.64	24.82	26.28	0.7	5.9
North Dakota	15.92	16.71	16.61	5.0	-0.5	20.23	20.95	21.01	3.6	0.3
South Dakota	15.98	17.21	17.73	7.7	3.0	20.37	21.36	22.12	4.9	3.5
Nebraska	17.82	17.73	17.73	-0.5	0.0	22.79	22.86	23.58	0.3	3.1
Kansas	18.64	19.20	19.79	3.0	3.1	24.23	24.59	25.53	1.5	3.8
SOUTH	\$19.18	\$19.51	\$19.72	1.7%	1.0%	\$25.30	\$25.68	\$25.87	1.5%	0.7%
<i>South Atlantic</i>	19.86	20.27	20.22	2.0	-0.2	26.07	26.38	27.18	1.2	3.1
Delaware	21.09	21.80	21.76	3.4	-0.2	26.81	27.34	27.57	2.0	0.8
Maryland	23.70	24.60	24.05	3.8	-2.3	31.81	33.22	34.27	4.4	3.2
D.C.	23.90	24.89	25.14	4.1	1.0	32.05	33.24	35.09	3.7	5.6
Virginia	22.43	23.26	23.75	3.7	2.1	30.82	31.11	31.44	1.0	1.1
West Virginia	17.80	18.40	18.18	3.3	-1.2	22.25	22.79	23.08	2.4	1.3
North Carolina	18.75	19.15	19.06	2.1	-0.4	24.40	25.60	25.04	4.9	-2.2
South Carolina	18.04	18.62	19.15	3.2	2.8	23.22	23.54	24.88	1.4	5.7
Georgia	19.10	19.53	19.58	2.3	0.2	24.26	24.86	26.20	2.5	5.4
Florida	18.82	19.21	19.20	2.1	-0.1	25.05	24.99	25.87	-0.2	3.5
<i>East South Central</i>	18.16	18.24	18.28	0.4	0.3	23.07	23.52	23.77	2.0	1.0
Kentucky	18.91	18.33	18.83	-3.1	2.7	24.12	22.99	23.99	-4.7	4.4
Tennessee	18.16	18.60	18.47	2.5	-0.7	23.90	24.32	24.49	1.8	0.7
Alabama	18.01	18.59	18.46	3.2	-0.7	22.33	23.79	23.47	6.5	-1.3
Mississippi	17.76	16.47	17.04	-7.3	3.5	22.19	22.18	21.51	-0.1	-3.0
<i>West South Central</i>	18.81	18.95	19.08	0.7	0.7	24.51	25.02	25.14	2.1	0.5
Arkansas	15.67	16.44	16.43	4.9	0.0	20.41	21.94	21.93	7.5	-0.1
Louisiana	18.40	17.94	18.37	-2.5	2.4	23.13	23.57	23.84	1.9	1.2
Oklahoma	18.43	18.11	17.70	-1.8	-2.3	22.66	23.58	22.70	4.1	-3.7
Texas	19.29	19.53	19.96	1.2	2.2	25.57	26.04	26.61	1.8	2.2

(cont.)

TABLE A-5 (cont.)
High wages (80th and 90th percentile) by region, division, and state
for June-May period
(2000-01 dollars)

	80th percentile wage					90th percentile wage				
	1998-1999	1999-2000	2000-2001	Percent change		1998-1999	1999-2000	2000-2001	Percent change	
				1998-99 to 1999-00	1999-00 to 2000-01				1998-99 to 1999-00	1999-00 to 2000-01
WEST	\$21.50	\$22.21	\$22.61	3.3%	1.8%	\$28.46	\$29.55	\$30.00	3.8%	1.6%
Mountain	19.95	19.83	19.96	-0.6	0.6	25.87	25.99	26.01	0.5	0.1
Montana	16.81	17.14	16.72	2.0	-2.5	21.18	20.93	20.65	-1.2	-1.3
Idaho	18.32	18.62	18.61	1.6	0.0	23.37	23.61	23.28	1.0	-1.4
Wyoming	19.10	18.26	18.79	-4.4	2.9	23.60	23.24	23.48	-1.5	1.0
Colorado	22.73	22.54	22.76	-0.9	1.0	29.86	29.81	29.23	-0.2	-1.9
New Mexico	19.50	18.78	18.14	-3.6	-3.4	25.70	25.10	23.23	-2.3	-7.5
Arizona	19.15	19.42	19.85	1.4	2.2	25.82	25.82	27.37	0.0	6.0
Utah	19.53	19.81	20.00	1.4	1.0	24.56	25.71	25.94	4.7	0.9
Nevada	19.69	19.27	19.15	-2.1	-0.6	24.52	24.83	25.00	1.3	0.7
Pacific	22.48	23.18	23.77	3.1	2.6	29.54	30.19	31.23	2.2	3.5
Washington	21.90	22.67	22.68	3.5	0.0	27.59	28.60	28.77	3.7	0.6
Oregon	20.71	20.53	21.03	-0.9	2.4	26.50	26.01	26.62	-1.9	2.4
California	22.98	23.72	24.25	3.2	2.2	30.70	31.17	32.67	1.5	4.8
Alaska	24.29	23.95	23.87	-1.4	-0.4	29.95	31.54	30.32	5.3	-3.9
Hawaii	20.34	19.90	19.95	-2.1	0.2	25.65	26.04	25.01	1.5	-4.0
TOTAL U.S.	\$20.54	\$20.86	\$21.24	1.5%	1.8%	\$26.79	\$27.57	\$28.30	2.9%	2.7%

Note: The 80th percentile is the wage that is higher than 80% and lower than 20% of all wages. The 90th percentile is higher than 90% and lower than 10% of all wages.

Source: Authors' analysis of U.S. Bureau of Labor Statistics data.

TABLE A-6
Most and least affected states

Jobs and wages impacted		Least affected states	
Alabama	Maine	Arizona	New Jersey
Arkansas	Maryland	California	South Carolina
Delaware	Michigan	Connecticut	Texas
Idaho	Mississippi	Kansas	Utah
Indiana	North Dakota	Massachusetts	Wyoming
Wages impacted primarily		Jobs impacted primarily	
Alaska	New York	Iowa	Ohio
Hawaii	Oklahoma	Kentucky	South Dakota
Montana	Vermont	Minnesota	Tennessee
New Mexico		Missouri	Wisconsin