

Are We Still Stuck in the Middle?: An Updated Analysis of Wages in Metro Atlanta

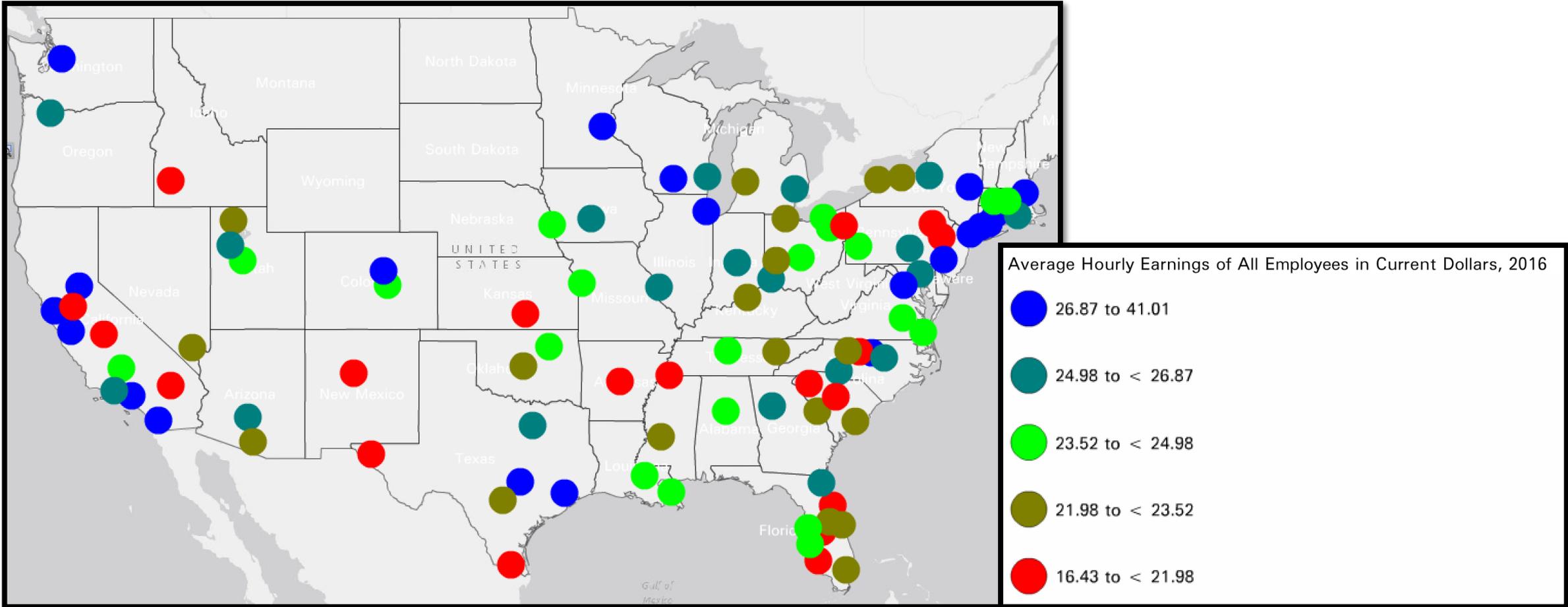
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In Sum...

- Nationally, **metro Atlanta has fairly high wages**, especially when considering its low cost-of-living.
- But overall **wage growth has stagnated** since 2010...
- ... especially in **middle-wage jobs**.
- In fact, when compared to a set of peer metro areas, **growth in middle-wage occupations in metro Atlanta is lagging significantly**.
- But, over the past year, **metro Atlanta has experienced growth in both wages and jobs in these middle-wage occupations**.

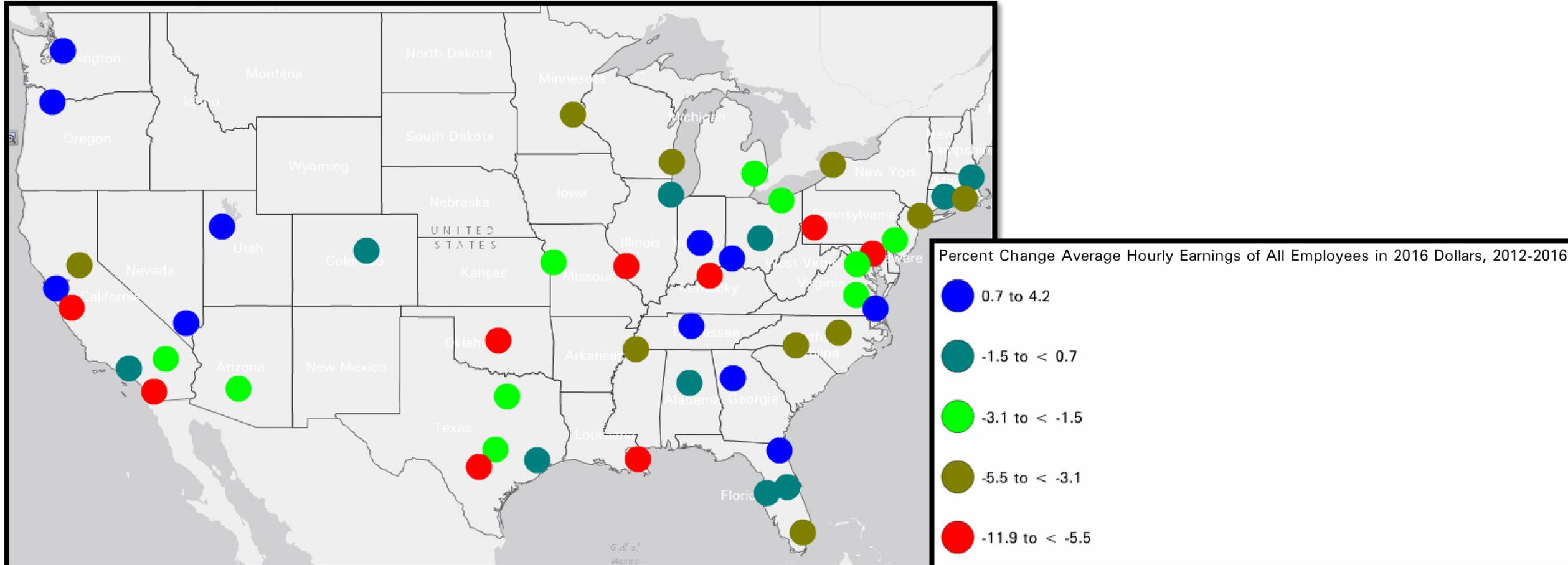
Average Hourly Earnings for All Employees, 2016



In terms of average hourly earnings, metro Atlanta is in the top 25 when compared to the top 100 U.S. metros. The Atlanta MSA has-as of 2016- average hourly earnings of \$26.83.

How have metro Atlanta earnings changed since 2012 ?

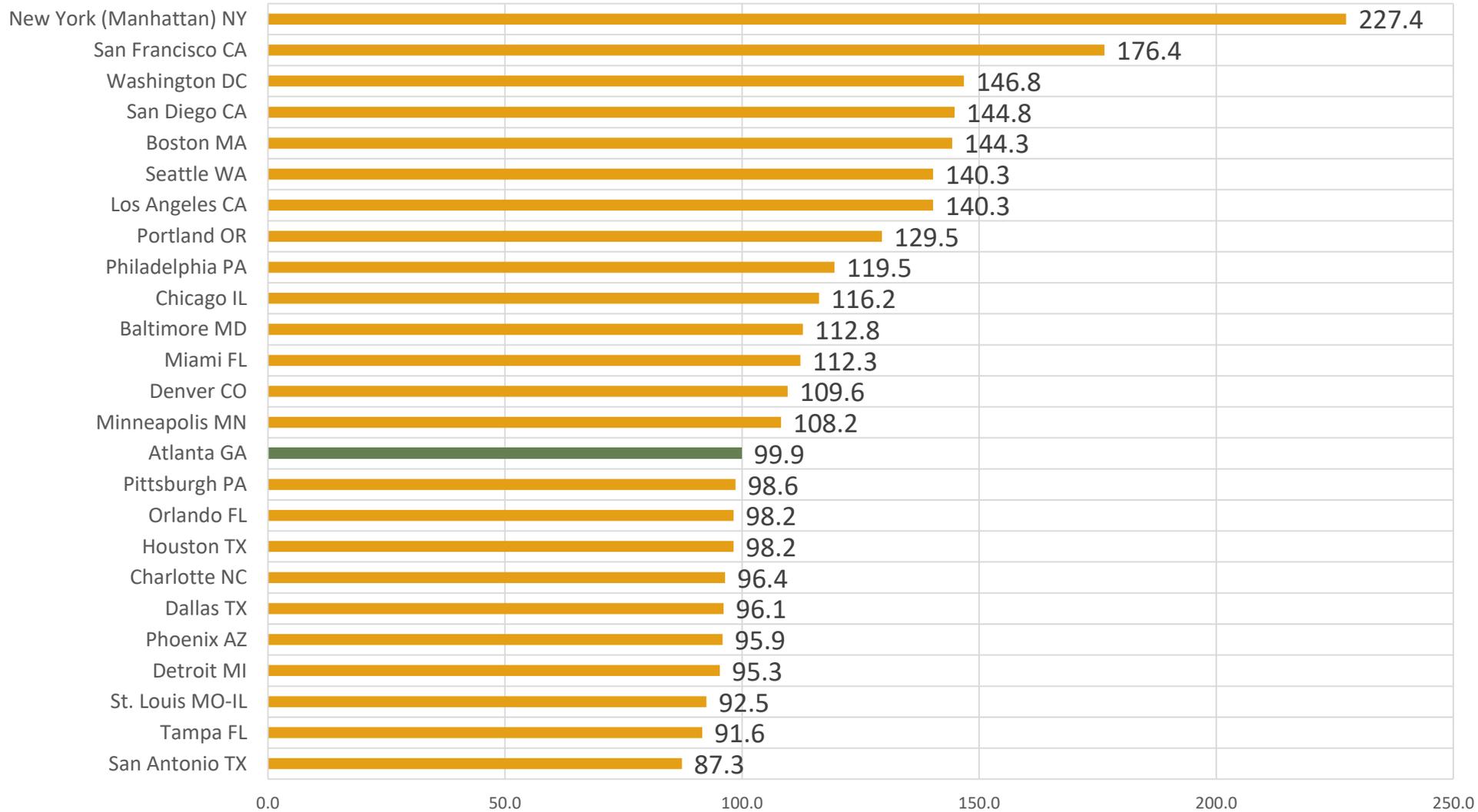
Change in Average Hourly Earnings, 2012-2016



When compared to the top U.S. Metros, Atlanta records one of the largest positive changes in average hourly earnings since 2012, increasing by 2.8 percent. Hourly earnings have increased by about \$0.70 (in constant dollars) between 2012 and 2016.

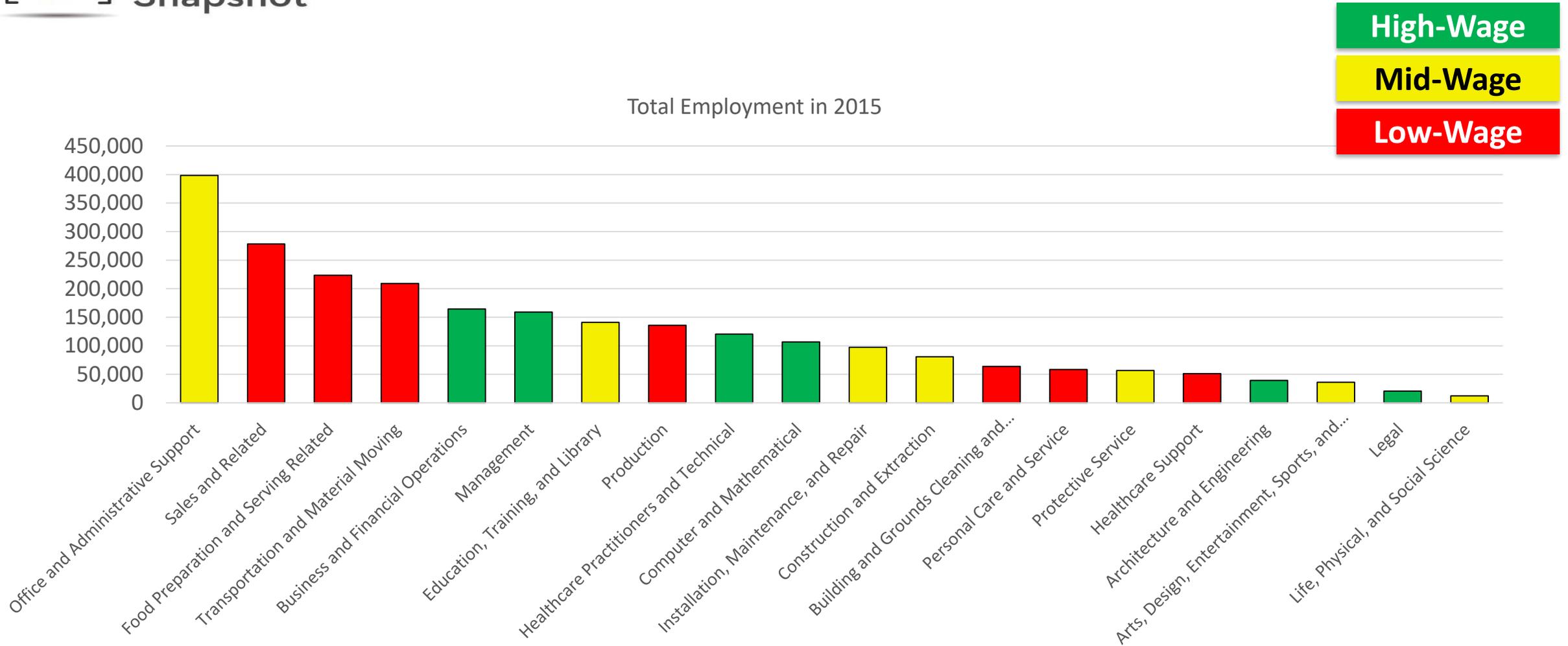


Cost of Living Index



We can't discuss wages in each metro area without also discussing cost of living. This chart ranks the cost of living index in large U.S. cities. Cities with the largest index are the most expensive, while cities with the lowest are the least expensive. So, as mentioned before, Atlanta ranks relatively well in terms of average hourly earnings, and it also has a fairly low cost of living, when compared to the 25 largest metro areas. Conversely, while New York and San Francisco have the highest wages, they also have the highest cost of living.

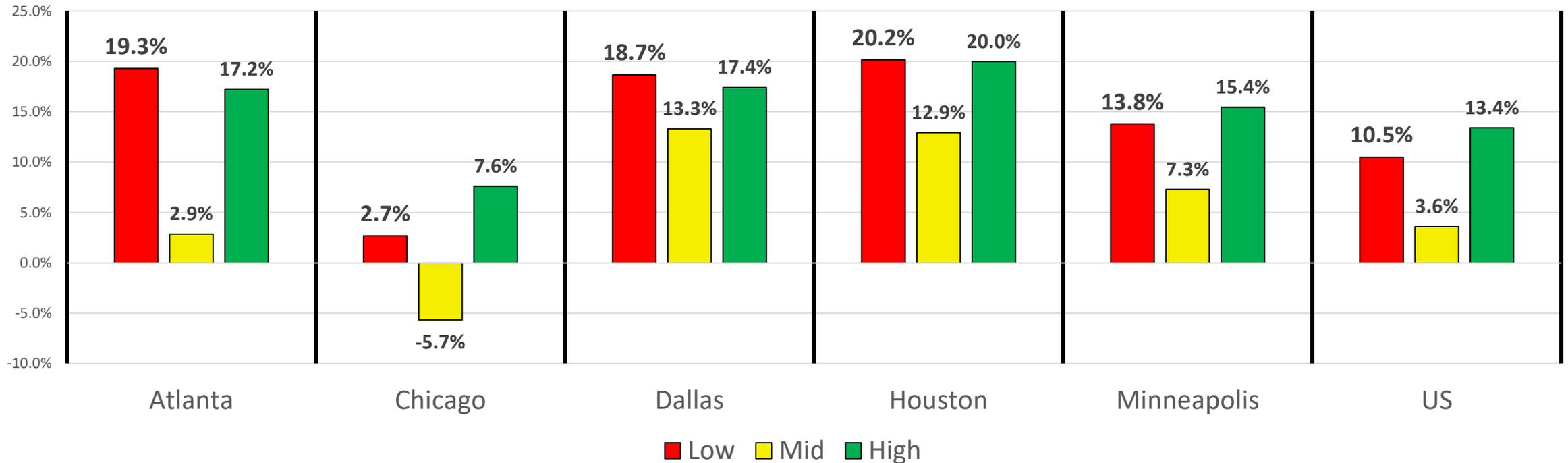
Total Employment by Major Occupation Groupings, 2015



This chart looks at total employment among the major occupational groupings in metro Atlanta for 2015. The bars are color-coded based on whether they are low-, middle- or high-wage occupations, as we classify them.

Low, Middle, and High Income EMPLOYMENT CHANGE, 2010-2015

Employment Change by Wage Levels, 2010-2015



Across these selected metro areas, jobs in low- and high-wage occupations have increased significantly, with Chicago being the exception. In the middle-wage occupations, however, all metro areas have experienced slower employment growth. Atlanta has among the slowest growth rates, while Chicago has seen a decline in middle-wage jobs since 2010.

Job Change by Occupation Grouping, 2010-2015

Median Annual Wage, 2015

Job Change, 2010-2015



This chart once again splits out all occupations into either high-wage, middle-wage or low-wage jobs. While the groupings are somewhat arbitrary, the chart shows that jobs for the seven occupations in the middle wage category have grown relatively slowly since 2010, especially when compared to job growth in the lower-wage and higher-wage occupations.

Job Change by Occupation Grouping, 2014-2015

Median Annual Wage, 2015

Job Change, 2014-2015

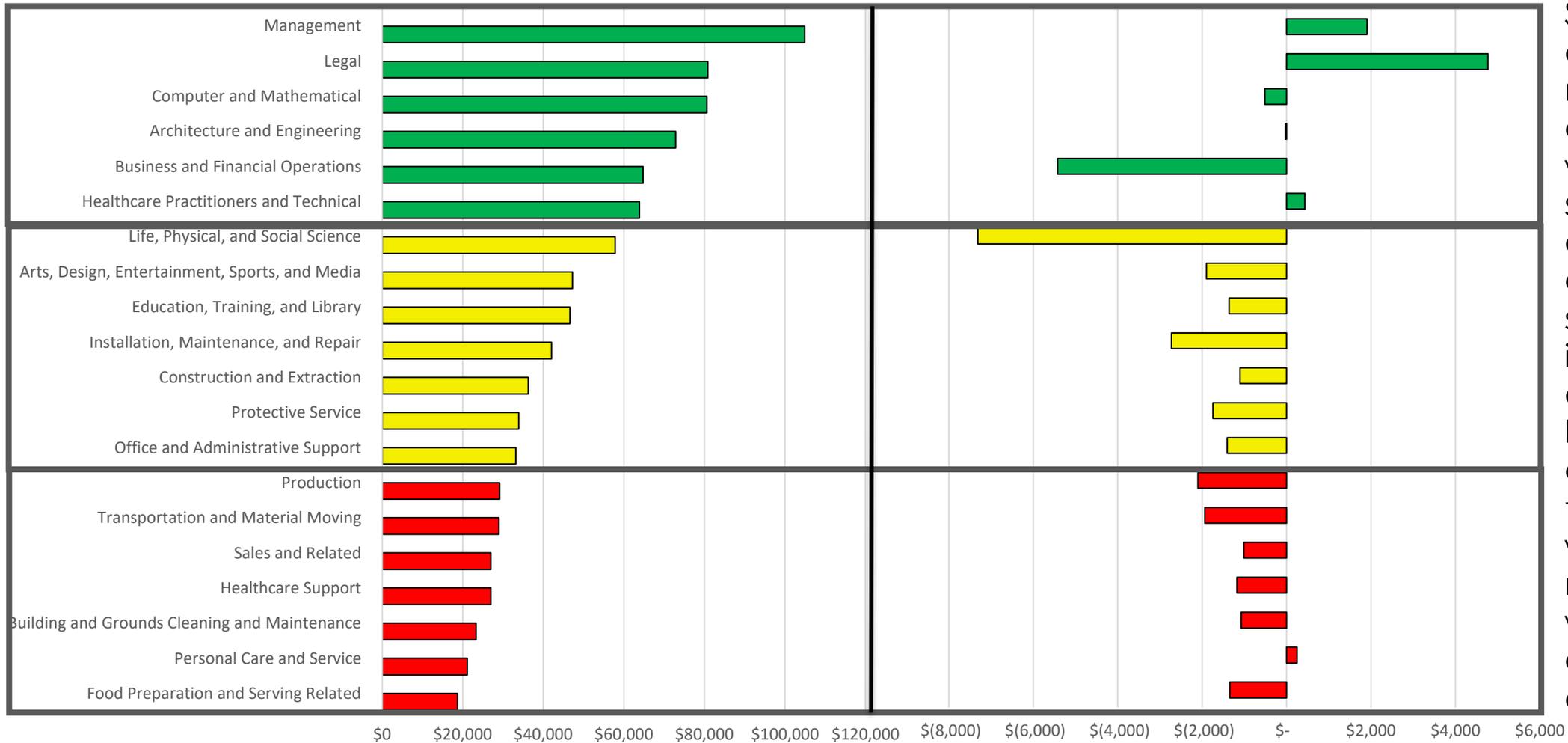


So, the seven occupations in the middle have seen very little growth during the 2010-2015 period. But in the year between 2014-2015, the rate of job growth among these middle-wage occupations increased, approaching the growth rates of high-wage occupations.

Wage Change by Major Occupations, 2010-2015

Median Annual Wage, 2015

Wage Change, 2010-2015 (\$2015)

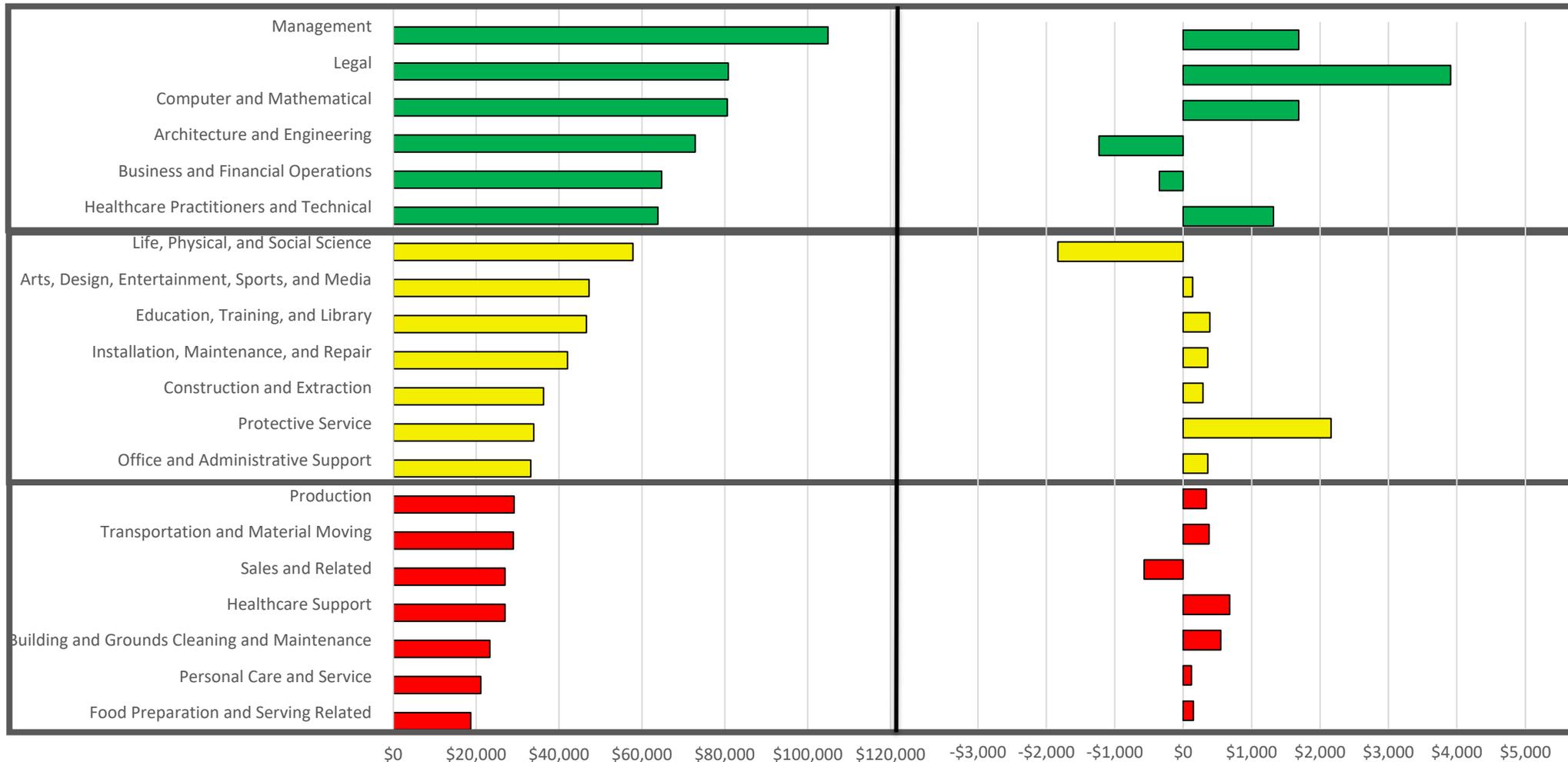


Shifting from change in the number of jobs to change in real wages, this graph shows that the only occupations to experience any significant increase in wages since 2010 are those in the high-wage category. During that same time, wages in the middle- and low-wage occupations experienced dramatic declines.

Wage Change by Major Occupations, 2014-2015

Median Annual Wage, 2015

Wage Change, 2014-2015 (\$2015)

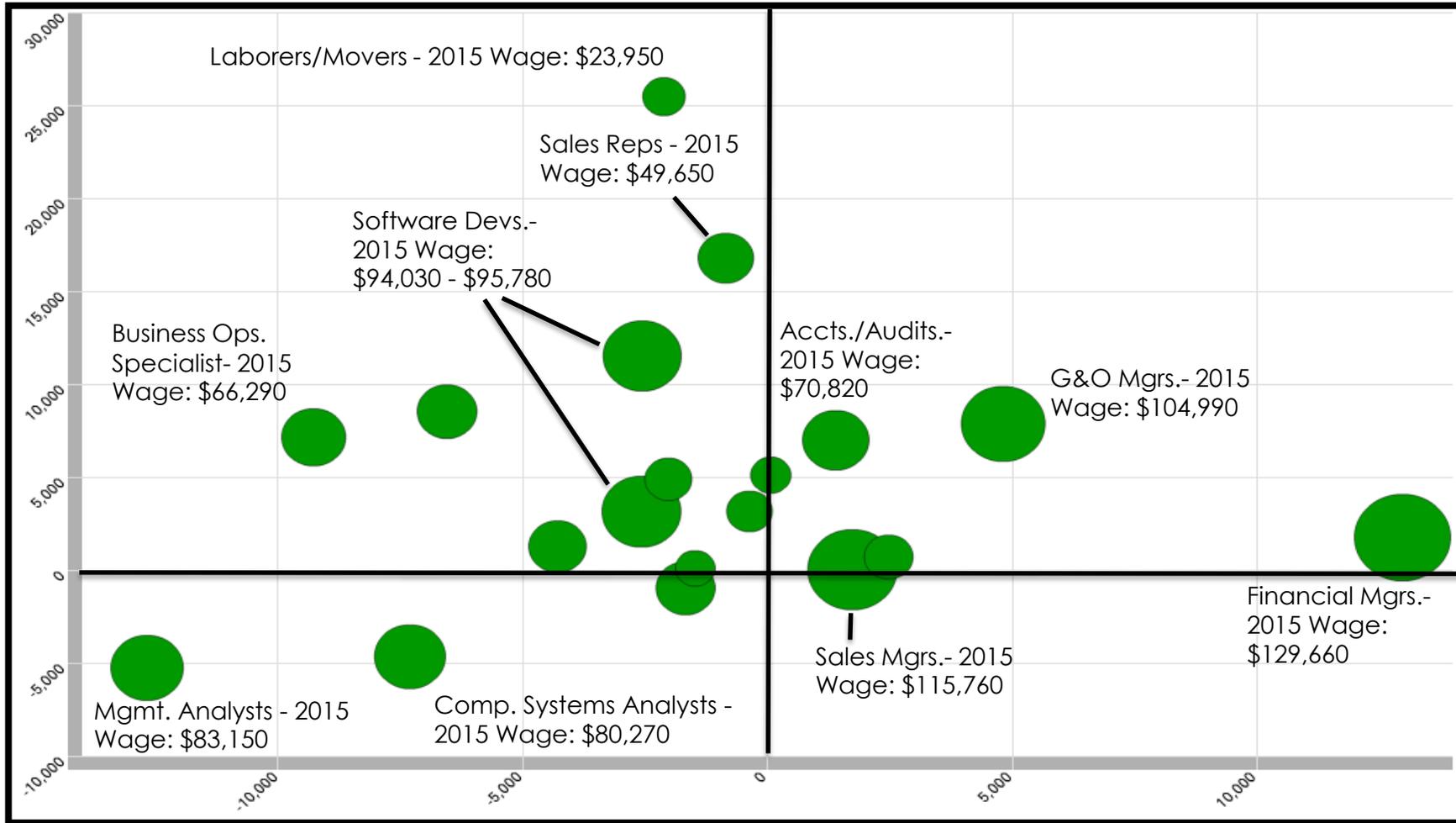


But when we look at real wage change between over the single year of 2014-2015, we do see some moderate wage growth in both the middle- and lower-wage occupations. Still, inflation-adjusted wage growth can be characterized as sluggish for both middle-wage and lower-wage occupations.



What Has Happened to Metro Atlanta's "Strategically Advantageous" Occupations since 2010?

Job Change: 2010-2015



Wage Change: 2010-2015 (\$2015)

This chart shows both job and wage change for the top 20 "strategically advantageous" occupations in metro Atlanta. These occupations have the highest location quotients (LQs) in the region. LQs measure the region's share of employment in an occupation relative to the national share of employment for that same occupation. Metro Atlanta has a higher concentration of these "strategically advantageous" occupations when compared to the nation.

Occupations in the top right quadrant of the chart have both gained jobs and increased wages since 2010, while occupations in the bottom right have increased wages, but lost jobs. Occupations in the top left quadrant have gained jobs, but have seen decreased wages, while occupations in the lower left have experienced both a loss in jobs and a drop in wages.

Most of the "strategically advantageous" occupations fall in the top left quadrant, meaning that while they have added jobs, wages are declining.

