

WORKFORCE INVESTMENT BOARD
MONTHLY LABOR MARKET INFORMATION UPDATE
October 2002

- The U.S. Bureau of Labor Statistics (BLS) reports that eight out of 10 companies polled say economic conditions have forced them to eliminate jobs, freeze hiring or reduce budgets for salary increases during 2002.
- The BLS reported Average Annual Wages in Metropolitan Areas, 2001 indicating average annual pay of employees in the nation's 318 metropolitan areas (which Merced County is included) increased by 2.4 percent from 2000. This yearly gain was the lowest increase since 1994.
- The U.S. technology industry continued to hemorrhage jobs in the first half of 2002, but employment showed some signs of stabilizing toward the end of this period, according to the American Electronics Association. During the first six months of the year 113,000 jobs disappeared.
- The USA Today reported that based on results of a recent poll; workers can expect much lower raises next year due to double-digit health insurance costs expected in 2003. The Wall Street Journal reported that the spiraling cost of health care in the U.S. is "slow drama". The report said it is difficult to call the rising costs a crisis for workers when employers keep absorbing approximately 15 percent of annual cost increases' however, early indications are that employers may ask workers to share more of the cost next year.
- The American consumer, still the nation's main source of economic strength, seems torn between worrying about the future and making another trip to the mall. Polls indicate that many people, after sustaining an unusual amount of optimism during the last two years of turmoil, are beginning to wonder whether the current path of slow growth has become the new economic reality, rather than merely an interlude. (The New York Times, Nov. 11, page A1).
- The recent reduction in interest rates by the Federal Reserve Board has caused some policy makers to say the risks to the economy are now balanced between slow growth and inflation, a signal that additional rate cuts are unlikely.
- The BLS reports management and legal jobs were the highest paying occupation in 2001. The average wage for those in legal occupations (lawyers, paralegals and judges) was \$33.19 an hour, or approximately \$63,700 per year. Lawyers topped the scale at an average of almost \$92,000 per year.
- Several new and some old Internet web sites offer outstanding labor market information for those interested in looking deeper into the nation's and state's economy. Try these?

www.calmis.ca.gov for state and Merced County data.

At America's Career InfoNet (www.acinet.org) one can access a wealth of information including a list of California's occupational licensing information. Look under "Career Tools" near the bottom of the main page.

And

More to come each month.