

■ Nonmetropolitan Employment and Wages

In 1993, 27 million people 16 years old and older were in the nonmetropolitan work force, either at work or looking for work. On average, 6.5 percent or 1.8 million of these workers were unemployed during the year. Unemployment rates are particularly high among nonmetro minorities and teenagers. In 1993, 17.1 percent of teenagers, 12.3 percent of blacks, and 9.4 percent of Hispanics in nonmetro areas were unemployed. The official unemployment rate ignores those jobless people not actively seeking work because they believe jobs are unavailable (discouraged workers) and part-time workers who want full-time jobs. The nonmetro adjusted unemployment rate, which includes discouraged workers and one-half of involuntary part-time workers, was 10.3 percent.

Nonmetro unemployment fell from 7.1 percent in 1992 to 6.5 percent in 1993, as rural areas participated in the continuing national economic recovery from the 1990-91 recession. The national unemployment rate continued to fall during 1994 and rural unemployment probably fell as well (a separate nonmetro unemployment rate cannot be calculated for 1994). During the 1980's, unemployment rates were consistently higher in nonmetro areas than in metro. By 1993, however, the 6.5 percent nonmetro unemployment rate was slightly lower than the 6.9 percent metro rate. The nonmetro and metro adjusted unemployment rates show a similar pattern except that the nonmetro adjusted unemployment rate in 1993, at 10.3 percent, was still slightly higher than the 10 percent metro adjusted unemployment rate.

During the 1980's and early 1990's, nonmetro wages failed to keep pace with inflation. The inflation-adjusted, average nonmetro wage fell 11.8 percent between 1979 and 1993, from \$10.88 to \$9.60 per hour (1993 dollars). Average metro wages fell a smaller 3.4 percent between 1979 and 1993. As a result, the metro/nonmetro average hourly wage gap grew by 47.8 percent, increasing from \$1.78 to \$2.63 (1993 dollars).

An increasing share of rural workers hold jobs paying so little that they would not earn enough to raise a family of four above the poverty line even if they worked full time, year round. In 1993, 42.9 percent of nonmetro workers received wages below this threshold (\$7.39/hour), an 8.9 percentage point increase since 1979. During the same period, the share of metro workers earning poverty level wages rose a smaller, but still substantial, 5.9 percentage points, to 32.3 percent.

Table 4-4.

	<i>Nonmetro</i>		<i>Metro</i>		<i>United States</i>	
	<i>1993</i>	<i>1993</i>	<i>1993</i>	<i>1993</i>	<i>1993</i>	<i>1994¹</i>
	<i>Thousands</i>					
Civilian labor force	27,264	100,777	128,040	128,040	131,056	131,056
Total employment	25,480	93,827	119,306	119,306	123,060	123,060
Unemployed	1,782	6,951	8,734	8,734	7,996	7,996
	<i>Percent</i>					
Unemployment rate						
All civilian workers	6.5	6.9	6.8	6.8	6.1	6.1
Men	6.5	7.2	7.1	7.1	6.2	6.2
Women	6.6	6.5	6.5	6.5	6.0	6.0
Teenagers	17.1	19.6	19.0	19.0	17.6	17.6
White	6.0	6.0	6.0	6.0	5.3	5.3
Black	12.3	13.7	12.9	12.9	11.5	11.5
Hispanic	9.4	10.7	10.6	10.6	9.9	9.9
Adjusted unemployment rate ²	10.3	10.0	10.1	10.1	NA	NA

¹Separate metro and nonmetro estimates are not available for 1994.

²Unemployment rate adjusted to include discouraged workers and one-half of all workers employed part-time for economic reasons.

Source: Current Population Survey, Bureau of the Census.

Table 4-5.

	<i>Average hourly wage</i>		<i>Change</i>
	<i>1979</i>	<i>1993</i>	<i>1979-93</i>
	<i>1993 dollars</i>		<i>Percent</i>
United States	12.09	11.66	-3.6
Metro	12.66	12.23	-3.4
Nonmetro	10.88	9.60	-11.8
Rural wage gap	1.78	2.63	47.8

Source: Current Population Survey, Bureau of the Census.

Table 4-6.

Share of low-wage¹ workers, 1979-93

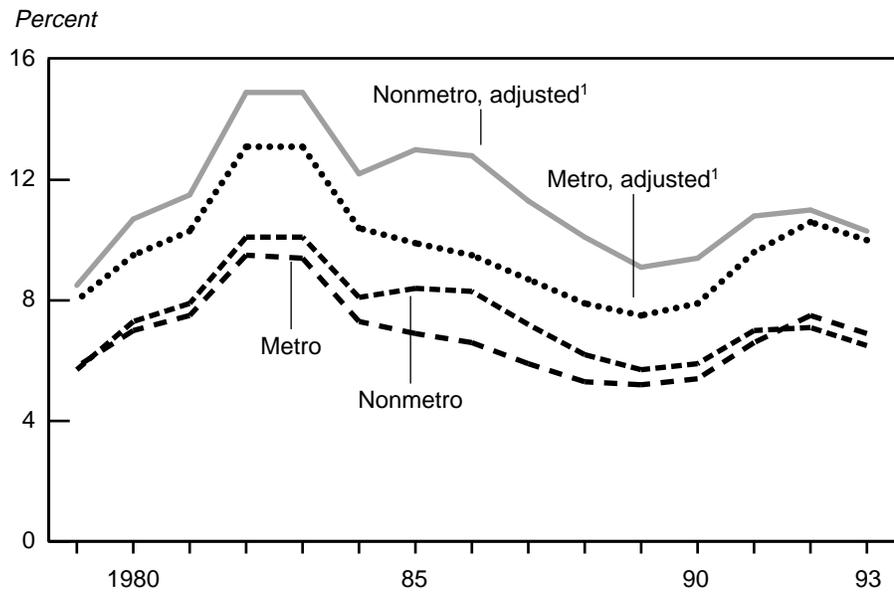
	<i>Nonmetro</i>		<i>Metro</i>	
	<i>1979</i>	<i>1993</i>	<i>1979</i>	<i>1993</i>
	<i>Percent</i>			
All workers	34.0	42.9	26.4	32.3
Sex				
Women	54.2	56.7	41.1	40.6
Men	18.9	30.2	14.9	24.7
Race/ethnicity				
White	32.5	41.4	25.9	31.2
Black	53.2	60.8	30.7	40.3
Hispanic	41.4	42.4	33.8	48.4
Other high risk				
Teen (ages 16-19)	78.5	95.7	78.0	94.9
High school dropout	49.4	66.0	43.5	63.8

¹Hourly wages such that full-time, year-round employment is insufficient to bring a family of four above the poverty line.

Source: Current Population Survey, Bureau of the Census.

Figure 4-2.

Unemployment rates by residence, 1979-93



¹Includes discouraged workers and half of the workers employed part-time for economic reasons.

Source: Current Population Survey.

Note: Beginning in 1985, estimation procedures for Current Population Survey are based on the 1980 Census.

Female, minority, young, and low-educated workers were especially likely to hold low-wage jobs. Among nonmetro workers, 56.7 percent of women earned poverty level wages in 1993, as did 60.8 percent of blacks, 95.7 percent of 16-19 year-olds, and 66 percent of high school dropouts. Of course, many of these workers are members of families that have additional earners or other sources of income. For example, many younger workers have lower income needs than older workers, because they live with their parents.

Table 4-7.

Median household income by race and Hispanic ethnicity

<i>Race/ethnicity</i>	<i>1993 household income</i>		<i>Nonmetro-metro gap¹</i>	<i>Real change, 1989-93</i>	
	<i>Nonmetro</i>	<i>Metro</i>		<i>Nonmetro</i>	<i>Metro</i>
	<i>Dollars</i>			<i>Percent</i>	
Total	25,256	33,212	24.0	-3.2	-8.5
White	26,463	37,330	29.1	-5.4	-6.2
Black	14,183	20,601	31.2	+0.3	-9.6
Hispanic ²	20,246	23,231	12.8	+0.5	-10.8

Note: Nonmetro-metro difference is statistically significant in each category. Change in household income from 1989 to 1993 is significant for all race-ethnic groups in metro areas and for nonmetro whites.

¹Percent by which nonmetro income is lower than metro. ²Hispanics may be of any race.

Source: Current Population Survey

Table 4-8.

Median household income by household type

<i>Household type</i>	<i>1993 household income</i>		<i>Nonmetro-metro gap¹</i>
	<i>Nonmetro</i>	<i>Metro</i>	
	<i>Dollars</i>		<i>Percent</i>
Married-couple household	33,836	47,120	28.2
Male householder with family	25,372	31,147	18.5
Female householder with family	15,209	19,418	21.7
Male living alone	19,205	25,976	26.1
Female living alone	10,625	16,458	35.4

Note: Nonmetro-metro difference is statistically significant in each category.

¹Percent by which nonmetro income is lower than metro.

Source: Current Population Survey, Bureau of the Census.