

Stuck in the Middle: What Happened to the Middle Wage Jobs?

Regional Snapshot, January 2016

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- Nationally, metro Atlanta has fairly high wages, especially when considering its low cost-ofliving.
- 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.





Nationally, There Is Much Discussion About the Disappearing Middle Class...

The New York Times

ECONOMY

Middle Class Shrinks Further as More Fall Out Instead of Climbing Up



Middle-Class Betrayal? Why Working Hard Is No Longer Enough in America

by SETH FREED WESSLER

THE HUFFINGTON POST

Disappearing Middle Class

Page:

Why Is The Middle Class Disappearing? Here Are Some Clues



America's middle class are less wealthy than at any time since the 1940s - but the rich are still getting richer

The Washington Post

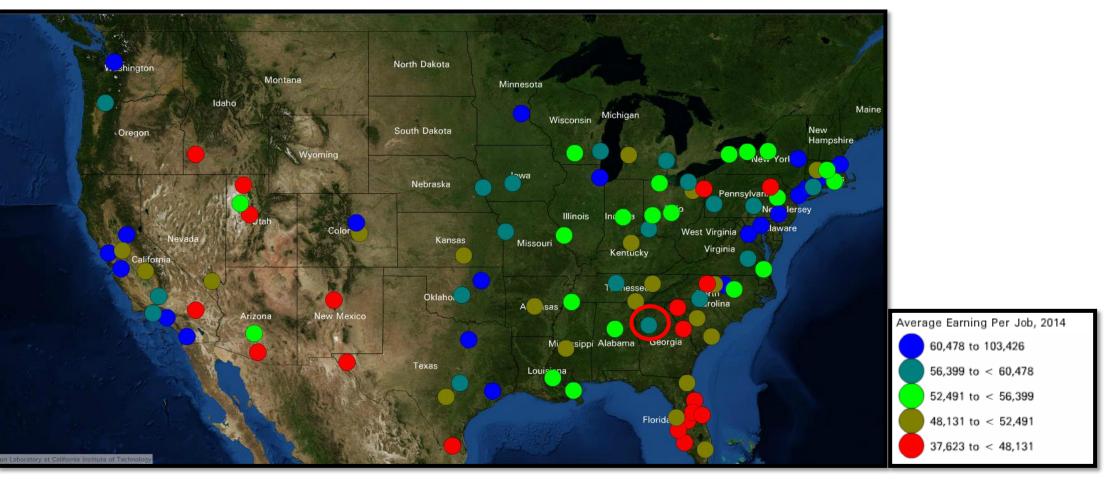
Goodbye Middle Class: 51 Percent Of All American Workers Make Less Than 30,000 Dollars A Year





How do metro Atlanta wages compare to other U.S. metros?

Average Earning Per Job, 2014



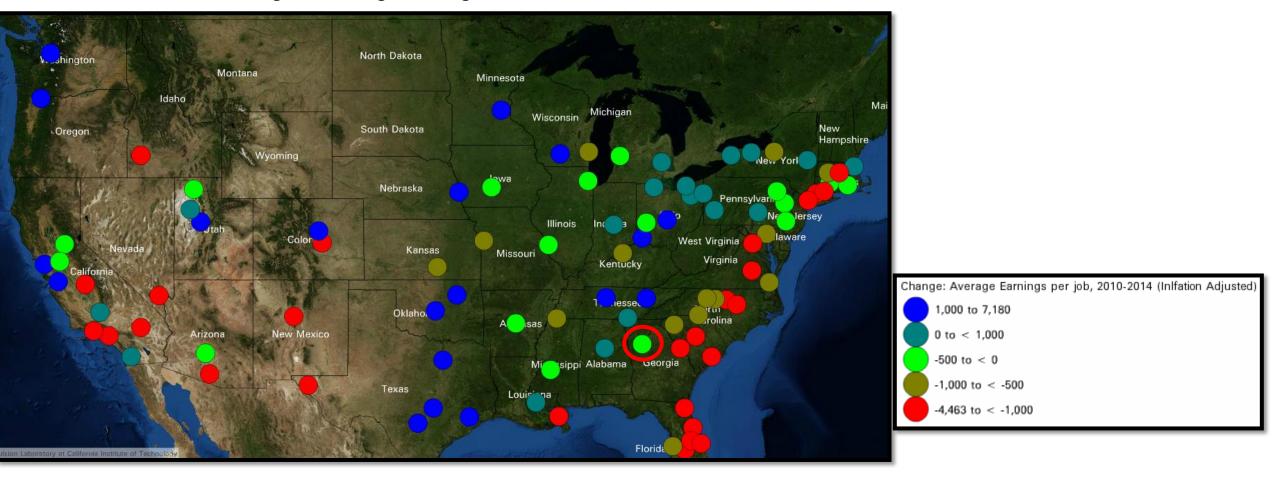
In terms of earnings per job, metro Atlanta is in the top 40 when compared to the top 100 U.S. metros. It has average annual earnings of \$57,168.





How have metro Atlanta earnings changed since 2010?

Change in Average Earnings Per Job, 2010-2014

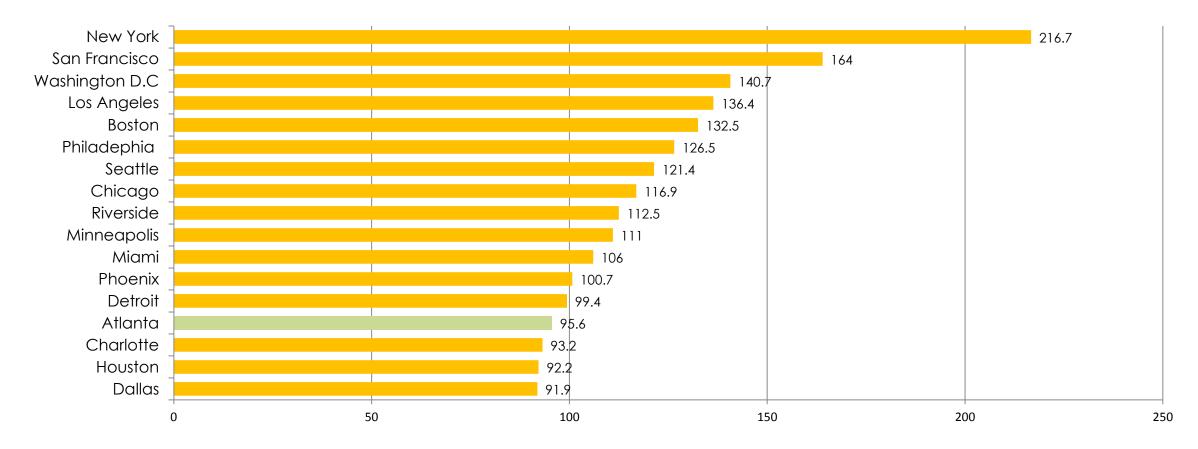


Despite having a higher average income than many of the other largest U.S. Metros, the change in earnings since 2010 has been flat. In fact, it has declined by \$70 (in current dollars) between 2010 and 2014.





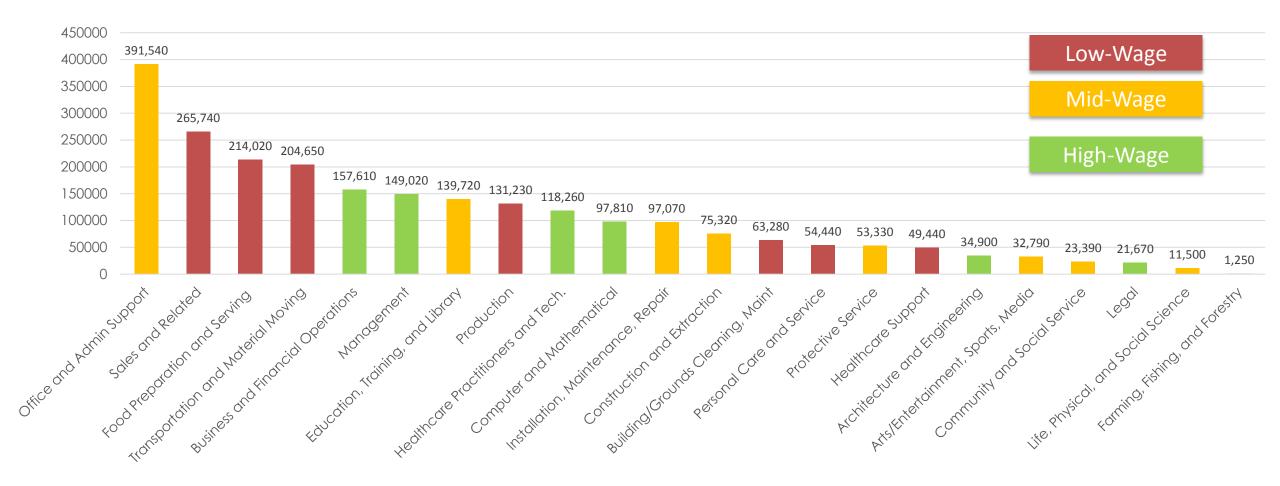
Cost of Living Index



We can't discuss wages in each metro area with 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 median wages, and it also has a fairly low cost of living. 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, 2014



This chart looks at total employment among the major occupational groupings in metro Atlanta for 2014. The bars are color-coded based on whether they are low-, middle- or high-wage occupations.

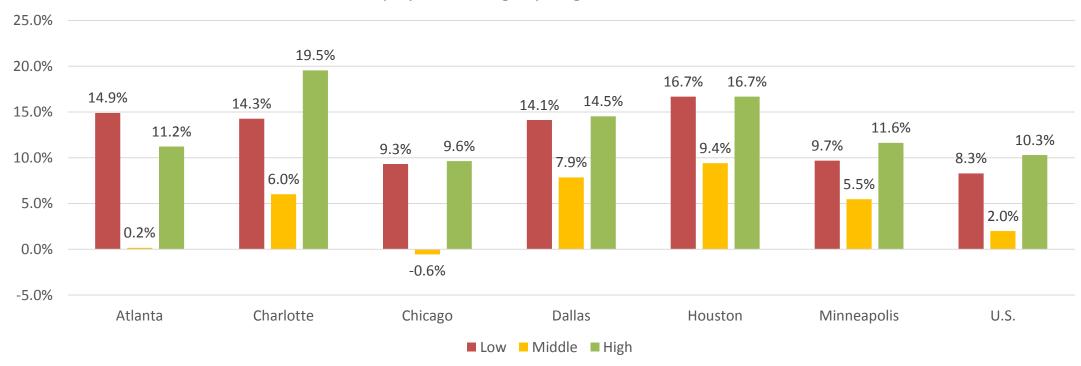




... But Job Growth in Middle-Wage Occupations Lagging in ATL

Low, Middle, and High Income EMPLOYMENT CHANGE, 2010-2014

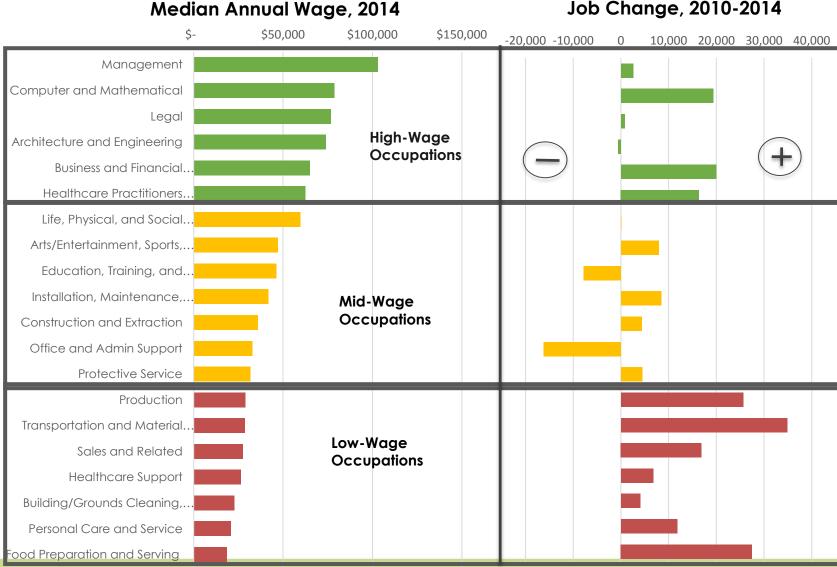




While wages are mostly down across all categories and across similar metro areas, middle-wage occupations have experienced almost no growth in metro Atlanta since 2010, which is not the case in most other peer metros.



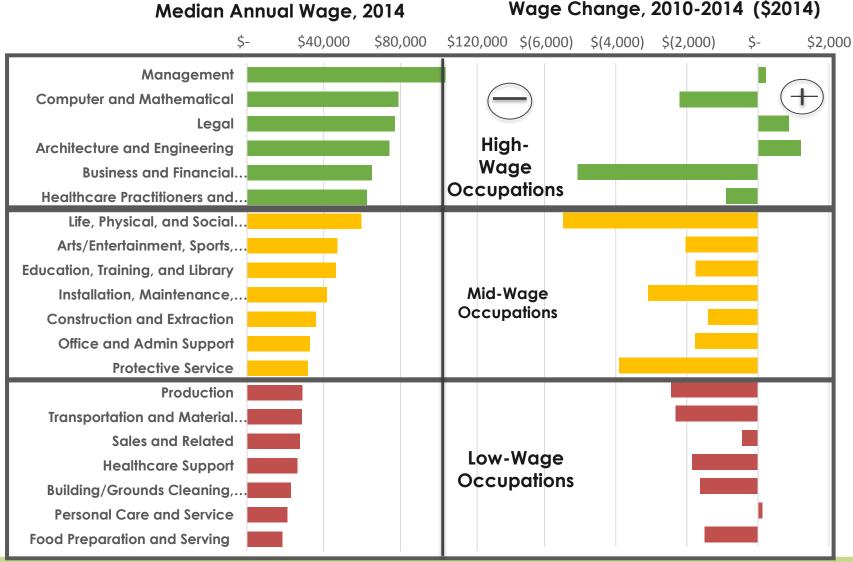
Job Change by Occupation Grouping, 2010-2014



This chart once again splits out all occupations into either high-wage, middle-wage or low-wage. While the groupings are somewhat arbitrary, this shows that those seven occupations in the middle have seen very little growth since 2010, especially when compared to growth in the lower-wage occupations.



Wage Change by Major Occupations, 2010-2014

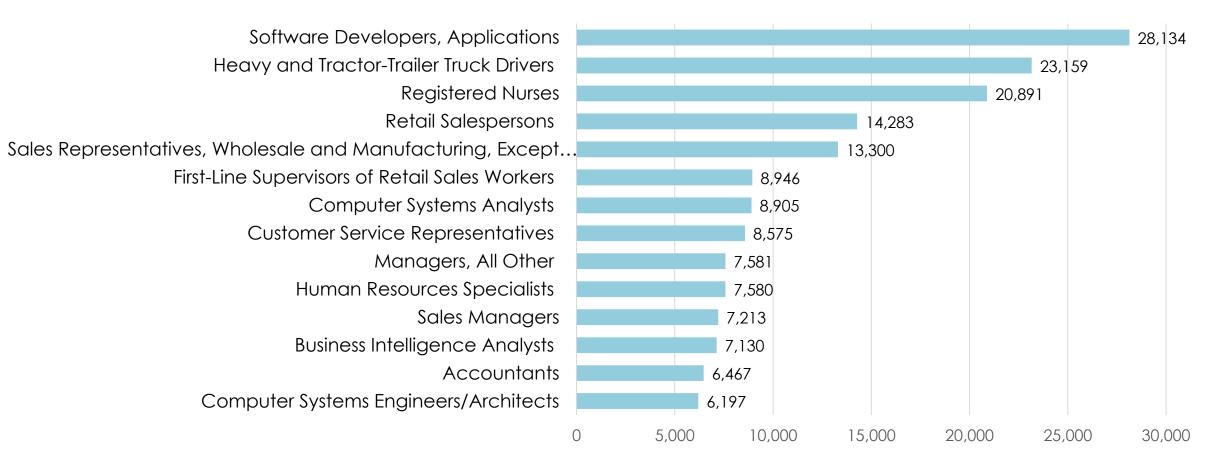


Shifting from change in the number of jobs to change in real wages, this graph shows that the only occupations to see any significant increase in wages since 2010 are those in the high-wage category. During that same time, wages in the middle-and low-wage occupations experienced dramatic declines.





Labor Demand: Top Job Postings in metro Atlanta Last 12 months



Through Burning Glass Technologies, we are able to see the supply of these occupations in real-time. This chart shows the top occupations that employers are searching for in metro Atlanta. This shows a mix of "new economy" and "old economy" jobs



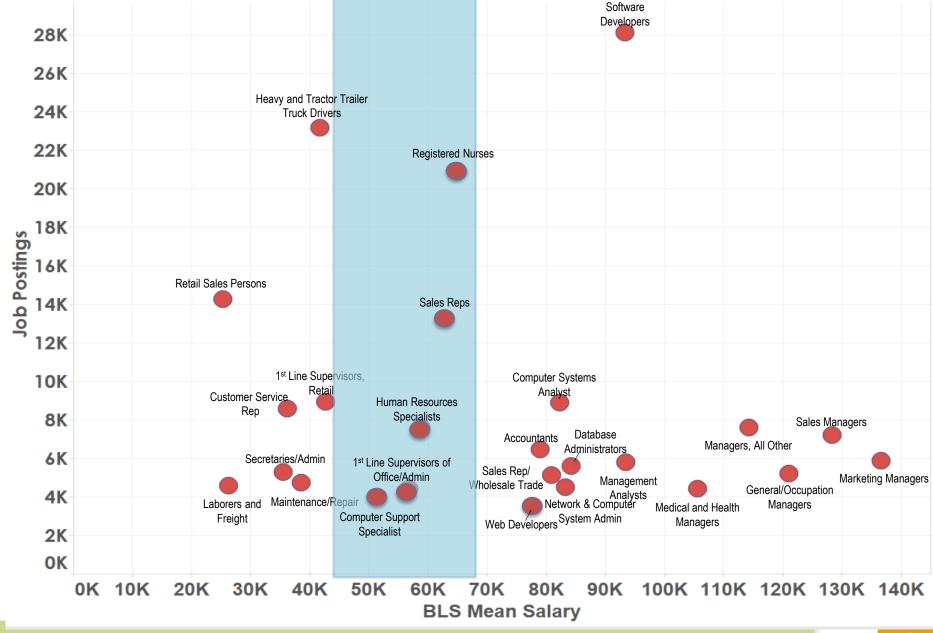
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Burning Glass-Labor Insight:

Top Job Postings & Mean Salary

This scatterplot shows the top job postings in metro Atlanta and the mean salary of the jobs. The highlighted area is the middle income distribution band (this spans between 80 to 120 percent of the mean salary in metro Atlanta). After collapsing some of the most in-demand occupations into "computer occupations", only 5 of the most in-demand occupations falls within the middle-income band. As you can see, a majority of the remaining top postings are high or low-wage occupations-only four are within the middle-wage distribution band.

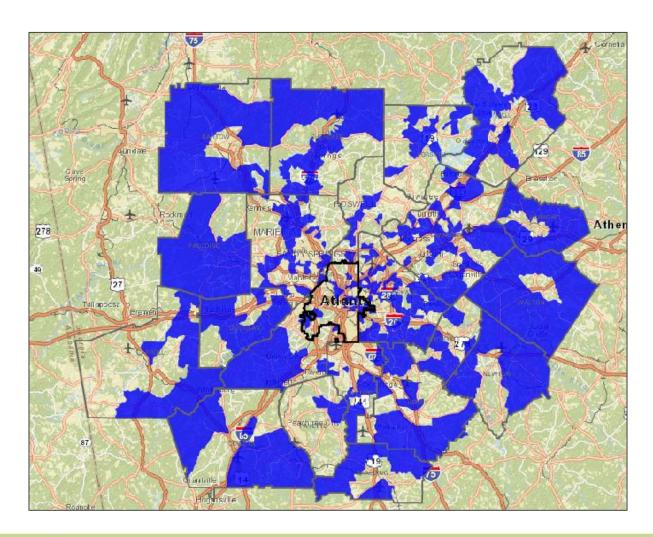








So where do middle income residents live in metro Atlanta?



Now that we know what middle class wage jobs are looking like in Atlanta, let's take a look where high concentrations of middle wage workers live in metro Atlanta. The largest concentrations are located on the exurban fringe and in the suburbs of Atlanta. Given the high levels of income inequality in the City of Atlanta very few middle-income households are located in City of Atlanta.

