Earnings Rebound in Southwestern Pennsylvania

By Christopher Briem

Last fall, the U.S. Bureau of Economic Analysis (BEA) released county-level personal income data through 2017. Included in this data are estimates of total employment and earnings by place of work for individual counties across the nation. After adjusting for inflation, the latest data shows a rebound in the average earnings per job across the Pittsburgh region after significant declines over the previous year.

With average annual earnings of $67,636, jobs located in Allegheny County were the best paid across southwestern Pennsylvania in 2017 (Figure 1). Earnings varied significantly within the region, with Armstrong County recording the lowest average earnings per job at $43,863.

The table on page 4 compares the real average annual earnings per jobs for ten counties in the southwestern Pennsylvania region. These earnings have been adjusted for inflation and are compared to earnings levels for the metropolitan area of the United States, which is comprised of all counties that are included in any of the nation’s 383 Metropolitan Statistical Areas (MSAs).

Nine of the ten counties of southwestern Pennsylvania experienced increases in real average earnings between 2016 and 2017, ranging from +0.4% for

Figure 1. Average Earnings Per Job ($2017)
Southwestern Pennsylvania Counties

<table>
<thead>
<tr>
<th>County</th>
<th>Earnings Per Job ($2017)</th>
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</thead>
<tbody>
<tr>
<td>Allegheny</td>
<td>$67,636</td>
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<tr>
<td>Washington</td>
<td>$63,042</td>
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<tr>
<td>Greene</td>
<td>$61,141</td>
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<tr>
<td>Butler</td>
<td>$56,214</td>
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<tr>
<td>Beaver</td>
<td>$50,489</td>
</tr>
<tr>
<td>Westmoreland</td>
<td>$49,527</td>
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<tr>
<td>Indiana</td>
<td>$48,974</td>
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<tr>
<td>Fayette</td>
<td>$44,878</td>
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<tr>
<td>Lawrence</td>
<td>$44,874</td>
</tr>
<tr>
<td>Armstrong</td>
<td>$43,863</td>
</tr>
</tbody>
</table>

Source: Bureau of Economic Analysis
In 2017, the Institute of Museum and Library Services (IMLS) awarded a National Leadership Grant for Libraries to the University Library System at the University of Pittsburgh in partnership with the Carnegie Library of Pittsburgh, the Western Pennsylvania Regional Data Center (WPRDC), and the Urban Institute, which supports and coordinates the National Neighborhood Indicators Partnership. Named the Civic Switchboard, the project develops the capacity of academic and public libraries in civic data ecosystems.

Libraries and library workers are well-suited to make important contributions around civic data, including helping people discover civic information, building data literacy and technical skills, providing technical assistance in data management and documentation, creating feedback mechanisms to data publishers, convening and hosting events, and connecting data users. However, many libraries have just started to play these roles in their local communities, and the goal of the Civic Switchboard is to add momentum to that process.

In 2018, the first year of the project, Civic Switchboard hosted two workshops for library and data intermediary teams. The first workshop took place in Atlanta, Georgia in May before the spring 2018 meeting of the National Neighborhood Indicators Partnership (NNIP). The second workshop was held in Las Vegas, Nevada before the 2018 Digital Library Federation (DLF) Forum in October. Participants in the workshops represented 22 separate communities around the United States. The goal was to build the relationships of regional teams and prepare team members to take action together after the workshop. To facilitate this, the workshop design included many hands-on, participatory activities.

In 2019, Civic Switchboard will provide awards ranging from $3,000 to $9,000 for projects led by libraries in partnership with community data organizations. In each project, the library will be working with one or more local community data partners, and its proposed work must demonstrate a commitment to understanding and engaging its local civic data ecosystem. The awardees will also provide details about their work to Civic Switchboard, informing case studies that will become part of a guide that will help inform libraries interested in this work.

For more information
Project website: civic-switchboard.github.io/
Civic Switchboard guide: civic-switchboard.gitbook.io/guide

Civic Switchboard 2019 Awardees

Alaska State Library, Juneau, AK
Partner: Office of the Governor, Office of Management & Budget
State of Alaska Data Ecosystem Mapping and Analysis Project

Charlotte Mecklenburg Public Library, Charlotte, NC
Partner: UNC Charlotte Urban Institute
Charlotte Mecklenburg Civic Data Literacy Project

Fondren Library, Rice University, Houston, TX
Partner: Kinder Institute for Urban Research, Rice University
Data Literacy Training for Nonprofit Organizations

Pioneer Library System, Ontario County, NY
Partner: Substance Abuse Prevention Coalition of Ontario County, Council of Alcoholism & Addiction of the Finger Lakes, and Finger Lakes Prevention Resources Center Community
Creating a County Wide Substance Use Data Ecosystem Map

Providence Public Library, Providence, RI
Partner: NEXMAP, Chibitronics, Wonderful Idea Company
Telling Local Data Stories with Paper and Electronics: A Maker-based Design Project for Providence Public Library Data Navigators Program for Teens

Queens Borough Public Library, Queens, NY
Partner: Mayor’s Office of Data Analytics, NY Immigration Coalition partners, Center for Integration & Advancement of New Americans, Olvido Global, DSI International, Inc., Haitian Americans United for Progress, Inc., Poles Organized to Minister to Our Community
Data Counts at QBPL

Robert L. Bogomolny Library at the University of Baltimore, Baltimore, MD
Partner: Baltimore Neighborhood Indicators Alliance at the Jacob France Institute
Exploring the Baltimore Regional Study Archives and the Baltimore Vital Signs Open Data to Improve Quality of Life in Baltimore Neighborhoods

Saint Paul Public Library, Saint Paul, MN
Partner: City of Saint Paul’s Office of Technology and Communications
Sunshine Saint Paul: Shining Light on Your Civic Data

Western New York Library Resources Council, western NY
Partner: Butler Library at SUNY Buffalo State, Buffalo, NY and the Western New York Open Civic Data Project
Butler County to -2.6% in Greene County. Only Fayette County experienced a decline of -0.5% in real average earnings. The seven-county Pittsburgh MSA experienced an increase of average earnings per job of +1.7%. These increases represent a change in real earnings levels after adjusting for inflation rates of +1.3% between 2015 and 2016, and -2.1% between 2016-17. Over the same year, metropolitan areas in the United States experienced an average +1.1% increase in real average earnings per job. These increases contrast sharply with significant declines in earnings experienced by all ten counties over the previous year. Between 2015 and 2016, declines in real average earnings per job ranged from -1.1% in Greene County to -10.0% in Armstrong County. The Pittsburgh MSA experienced a decline in real average earnings of -2.4%, a far greater decline than a -0.4% decline for the 91% of United States (metro areas only) regional earnings. The drop in average earnings between 2015 and 2016 was a break in a recent trend that had resulted in growing convergence between regional and national earnings levels. Figure 2 shows the trend in Pittsburgh-region earnings compared to the nation since 2001. Average Pittsburgh earnings trailed comparable national levels by nearly 5% in 2001. That gap had been nearly eliminated by 2015 when average annual earnings per job reached $62,532, just $20 lower than the $62,552 average across metropolitan areas of the United States.

Earnings data compiled here represent the sum of wage and salary disbursements, supplements to wages and salaries, and proprietors’ income. Earnings per job is a total measure of wages, the Quarterly Census of Employment and Wages (QCEW) reports that the average weekly wages for jobs in the Pittsburgh MSA were estimated to be $1,042 in the second quarter of 2018, nearly 4% above the year-earlier period. Employment and wage data compiled by the QCEW are derived from reports filed by all employers subject to state and federal unemployment compensation laws. BEA employment and wage data makes adjustments to account for employment and wages not covered, or not fully covered, by unemployment insurance programs.

Looking back at QCEW data, it is possible to narrow the period when earnings in the Pittsburgh region declined. Average weekly wages for the Pittsburgh MSA dropped by 5.8% in the first quarter of 2016 compared to the year-earlier period, by far the largest year-over-year drop in average weekly earnings for the Pittsburgh region over the last two decades.

While most regional industries experienced declines in earnings between 2015 and 2016, the sharpest declines were concentrated in a few specific industries. The Pittsburgh MSA industry Management of Companies and Enterprises (NAICS 55) recorded a 27% decline in average earnings per job between the first quarter of 2015 and the first quarter of 2016. Total quarterly earnings for the one industry declined by over $540 million compared to the year-earlier period, or over 62% of the Pittsburgh region’s total decline in earnings between the two periods.

Smaller but significant declines in average earnings per job were recorded in Pittsburgh industries Finance and Insurance (NAICS 52), which experienced a year-over-year decline in earnings per job of 8.6% and Manufacturing (4.9%). The concentration of these declines and their timing suggest that much of the decline was the result of lower corporate bonuses typically paid during the first quarter of the year, reflecting economic weakness over the previous year.

Real Average Earnings Per Job Southwestern Pennsylvania Counties, 2014-2017

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<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>United States (Metropolitan Areas Only)</td>
<td>$61,514</td>
<td>$62,552</td>
<td>$62,282</td>
<td>$62,970</td>
<td>+1.7%</td>
<td>-0.4%</td>
<td>+1.1%</td>
</tr>
<tr>
<td>Pittsburgh MSA</td>
<td>$65,731</td>
<td>$68,087</td>
<td>$66,468</td>
<td>$67,636</td>
<td>+3.6%</td>
<td>-2.4%</td>
<td>+1.8%</td>
</tr>
<tr>
<td>Allegheny County</td>
<td>$65,731</td>
<td>$68,087</td>
<td>$66,468</td>
<td>$67,636</td>
<td>+3.6%</td>
<td>-2.4%</td>
<td>+1.8%</td>
</tr>
<tr>
<td>Armstrong County</td>
<td>$62,684</td>
<td>$47,804</td>
<td>$43,011</td>
<td>$43,863</td>
<td>-9.3%</td>
<td>-10.0%</td>
<td>+2.0%</td>
</tr>
<tr>
<td>Beaver County</td>
<td>$49,204</td>
<td>$50,879</td>
<td>$49,399</td>
<td>$50,489</td>
<td>+3.4%</td>
<td>-2.9%</td>
<td>+2.2%</td>
</tr>
<tr>
<td>Butler County</td>
<td>$54,740</td>
<td>$50,680</td>
<td>$55,066</td>
<td>$56,214</td>
<td>+3.5%</td>
<td>-1.2%</td>
<td>+0.4%</td>
</tr>
<tr>
<td>Fayette County</td>
<td>$44,702</td>
<td>$45,608</td>
<td>$45,104</td>
<td>$44,878</td>
<td>+0.9%</td>
<td>+1.1%</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Washington County</td>
<td>$61,926</td>
<td>$64,830</td>
<td>$61,944</td>
<td>$63,042</td>
<td>+4.7%</td>
<td>-4.5%</td>
<td>+1.8%</td>
</tr>
<tr>
<td>Westmoreland County</td>
<td>$48,291</td>
<td>$49,347</td>
<td>$48,638</td>
<td>$49,527</td>
<td>+2.2%</td>
<td>-1.4%</td>
<td>+1.8%</td>
</tr>
<tr>
<td>Other SWPA Counties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greene County</td>
<td>$72,707</td>
<td>$65,465</td>
<td>$59,572</td>
<td>$61,141</td>
<td>-10.0%</td>
<td>-9.0%</td>
<td>+2.6%</td>
</tr>
<tr>
<td>Indiana County</td>
<td>$50,396</td>
<td>$49,808</td>
<td>$48,188</td>
<td>$48,974</td>
<td>-1.2%</td>
<td>-3.3%</td>
<td>+1.6%</td>
</tr>
<tr>
<td>Lawrence County</td>
<td>$44,744</td>
<td>$45,155</td>
<td>$44,665</td>
<td>$44,874</td>
<td>+0.9%</td>
<td>-1.1%</td>
<td>+0.5%</td>
</tr>
</tbody>
</table>

Average earnings in 2017 inflation-adjusted dollars for all years. Compiled from U.S. Bureau of Economic Analysis (BEA).
Bring your lunch and join us for presentations that highlight neighborhood, community, economic, and other social research by our esteemed colleagues. Presenters include local, national, and international social research experts. Lectures are from noon to 1:15 p.m.

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Urban and Regional Brown Bag Lecture Series
Friday, February 8th, 2019
“Governing without Government: Nonprofit Governance in Detroit and Flint”

Davia Downey
Associate Professor and the MPA Program Coordinator
School of Public, Nonprofit and Health Administration
Grand Valley State University

Davia Downey’s research looks at the impacts of natural and man-made disasters on economic development in cities and states. She also dabbles in research on tax increment financing, the interplay of party capability theory cross-nationally, and exploring the interrelationships between nonprofit organizations and local governments as they navigate long-term collaborative partnerships.

Scholars across the social sciences have shown how economic, social, and political changes are weakening local governments and contributing to rising nonprofit activity in urban politics. These trends, largely studied in isolation, could add up to a new form of governing in some U.S. cities. This presentation explores how the convergence of government austerity and a burgeoning nonprofit sector have created space for what we term “nonprofit governance.” In some cities, nonprofit leaders work as insiders to guide policy, often with limited input from elected officials or citizens. First, we apply insights from studies in comparative politics to demonstrate how nonprofit leadership expands in the context of a weak state. Second, we use empirical indicators of government capacity as well as nonprofit surveys to examine Detroit and Flint as potential cases of nonprofit governance. These cases allow us to trace the development of nonprofit governance and its consequences for public services and government capacity. This work was conducted with Sarah Reckhow of Michigan State University and Joshua Sapotichne.

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