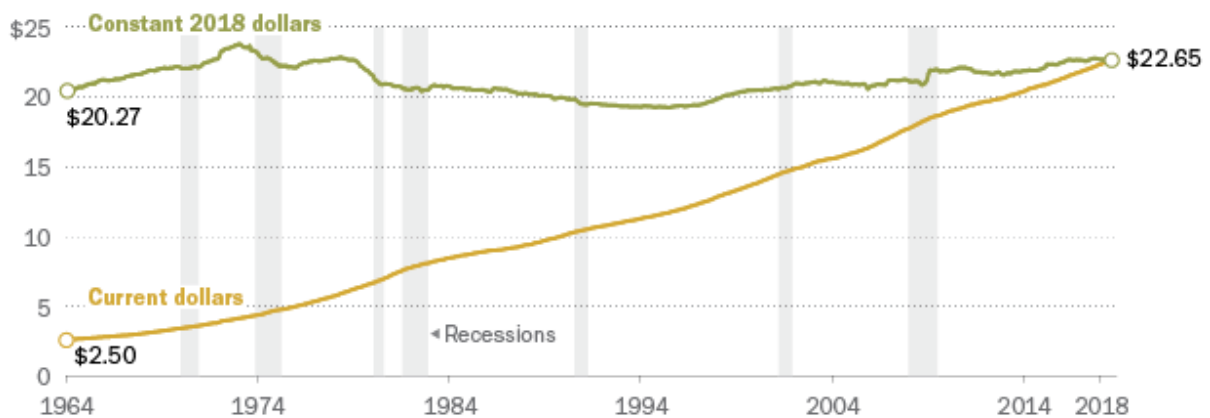


Florida's Wage Purchasing Power Since 1969 Has Gone Up

The Pew Research Center recently released an analysis by Drew DeSilver showing that, after adjusting for inflation, the U.S. average hourly wage has just about the same purchasing power it did in 1978. Using a time series of seasonally adjusted average hourly wages, the analysis reflected wages peaking in the 1970's and remaining relatively flat since then.

Americans' paychecks are bigger than 40 years ago, but their purchasing power has hardly budged

Average hourly wages in the U.S., seasonally adjusted



Note: Data for wages of production and non-supervisory employees on private non-farm payrolls. "Constant 2018 dollars" describes wages adjusted for inflation. "Current dollars" describes wages reported in the value of the currency when received. "Purchasing power" refers to the amount of goods or services that can be bought per unit of currency. Source: U.S. Bureau of Labor Statistics.

Figure 1. Pew Research Report

Do these results hold true for the state of Florida or locally? While the exact data set is not available at the county level, we utilized average annual wage data from REMI PI+ and the Consumer Price Index from the US Bureau of Labor Statistics to create a comparable comparison for Florida and selected counties. Data from these sources is only available from 1969 through 2016, thus limiting our analysis to those years.

Not surprisingly, given its population growth and economic diversification since 1969, hourly wages in Florida have actually increased in real terms. The 2016 average hourly wage of \$23.82 (reported in 2017 dollars) is 29% higher than the inflation adjusted \$18.42 from 1969.

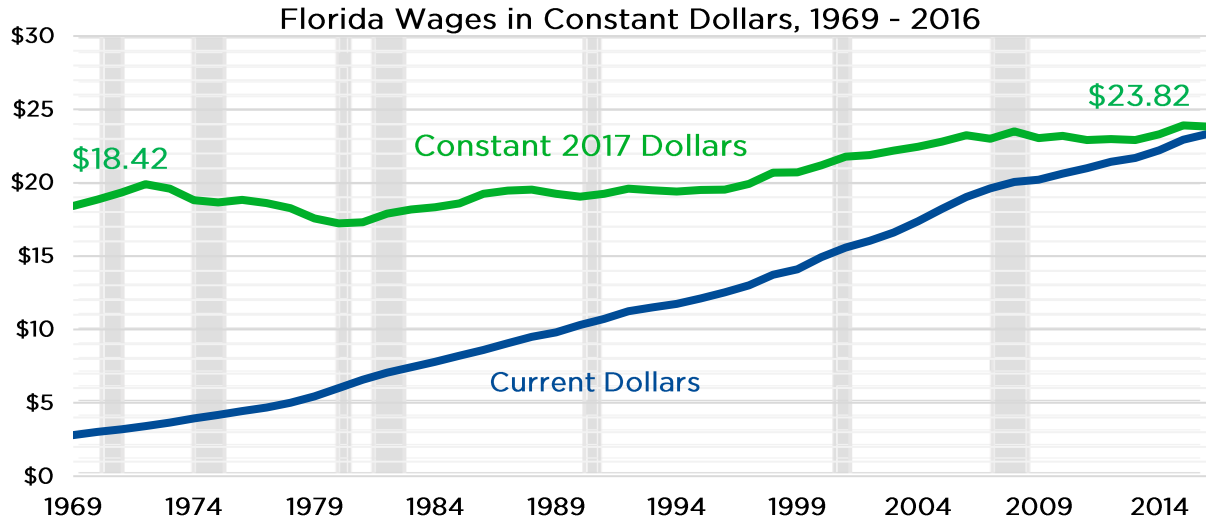


Figure 2. Average hourly wages in Florida, not seasonally adjusted

This real increase is also true of counties in Northwest Florida. Of the five westernmost counties in Florida, all saw real increases in hourly wages since 1969, with Walton county seeing the largest change for the better.

Florida County	1969	2016	% change
Escambia	\$19.02	\$22.30	17%
Santa Rosa	\$17.36	\$19.73	14%
Okaloosa	\$18.09	\$24.27	34%
Walton	\$12.40	\$18.67	51%
Bay	\$16.44	\$20.58	25%

Figure 3. Panhandle Wage Growth



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