

RESEARCH NOTES



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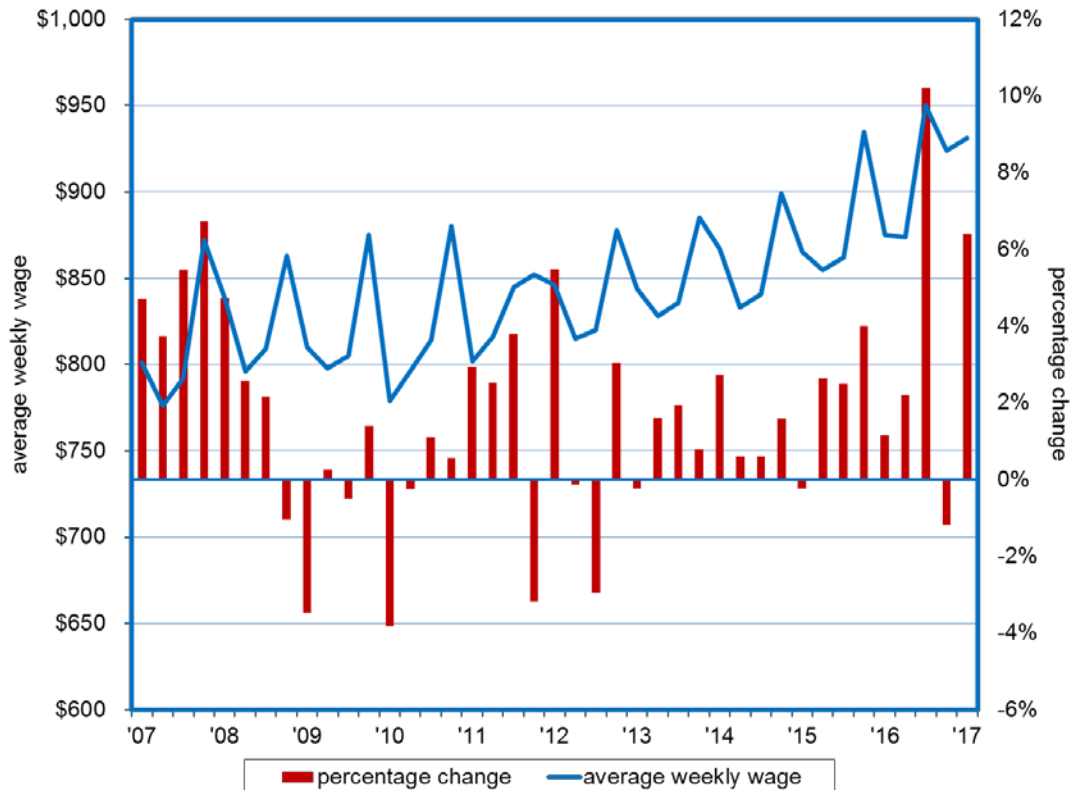
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Average Weekly Wages
Jeremey Hays, Economist

Note: 2017:117
September 6, 2017

Average Weekly Wages at \$931 in 2017:1Q Highest First Quarter Reading on Record



- Weekly wages in Nevada averaged \$931 during the first quarter of 2017. This compares to \$875 during the same period last year, an increase of \$56, or 6.4 percent, year-over-year. This is the highest nominal first quarter reading on record.
- Wages have been trending up since 2011. Initially, gains were quite modest. However, gains have been recorded in 14 of the past 16 quarters, and are showing some signs of strengthening, as evidenced by this year's first quarter gain. At the height of the recession, wages declined in five of seven quarters.
- Underlying trends continue to improve as well, as wage growth is more than keeping up with inflation. During the first quarter of 2017, consumer prices rose 2.5 percent relative to a year ago according to the Consumer Price Index reported by the Bureau of Labor Statistics. This suggests that wages are continuing to grow in "real" terms.
- As an aside, we have seen considerable volatility in wage gains of late. In last year's third quarter, growth came in at 10.2 percent. Fourth quarter wages actually declined by 1.2 percent prior to the most recent quarter's solid advance. We will be monitoring this volatility, going forward, in an attempt to better understand underlying trends.