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The Changing Socioeconomic Status of Louisiana's Metropolitan Areas: New Findings from the 2008 American Community Survey

Troy C. Blanchard, Louisiana State University
Karen Paterson, Louisiana State Data Center

Contact Information:
Troy Blanchard
Department of Sociology
Louisiana State University
(225) 245-2642 or (225) 570-8000

Karen Paterson
Louisiana State Data Center
(225) 219-9470

Louisiana has undergone rapid socioeconomic change during the second half of this decade. The hurricanes of 2005 created significant levels of social dislocation followed by a redistribution of the population during 2006. As we move further away from the 2005-2006 time period, we gain our first insights into the trends that will likely characterize Louisiana into the next decade. In this report we review two indicators of socioeconomic status for states and metropolitan areas in Louisiana. These include median wage and salary earnings for workers age 16 and over and migration patterns by educational attainment for persons age 25 and over. We draw on new data from the 2008 American Community Survey that is scheduled for release on September 22, 2009.

Median Annual Earnings for Workers

Table 1 provides the median earnings for workers age 16 and over statewide and for metropolitan areas. Median earnings refers to the 50th percentile of earnings for individual workers. Approximately 50% of workers earn at least the median while 50% of workers earn less than the median. Median earnings is used rather than average earnings because workers with extremely high earnings can lead to misleading results. The earnings question from the American Community Survey asks respondents to report income during the past 12 months.

The findings indicate that the Houma-Thibodaux-Bayou Cane MSA has the highest median annual earnings of all Louisiana metro areas. The MSA with the second highest median annual earnings for workers, the Baton Rouge MSA, is \$2,844 less than the highest earning MSA. High median annual earnings for the Houma-Thibodaux-Bayou Cane MSA are attributable to strong earnings among the least educated workers (See Table 2). In this MSA, the median annual earnings among workers not completing high school is over \$30,000 which is at least \$10,000 more than the median earnings for nonhigh school graduates in other Louisiana MSAs.

Table 1. Median Earnings for Workers Age 16+ in Louisiana Metropolitan Areas, 2008

	2008 Earnings	2007 Earnings
Houma Thibodaux Bayou Cane	\$30,819	\$26,686
Baton Rouge	\$27,975	\$26,089
Lafayette	\$27,824	\$26,584
New Orleans	\$26,938	\$27,158
Lake Charles	\$26,922	\$24,400
Statewide	\$26,457	\$25,147
Alexandria	\$26,036	\$24,485
Shreveport Bossier	\$25,763	\$23,932
Monroe	\$24,646	\$24,319

Data from 2008 and 2007 American Community Survey, U.S. Census Bureau

Moreover, the gap between the highest and lowest earning MSAs grew substantially between 2007 and 2008. The gap between the highest earning MSA in 2007 (New Orleans) and the lowest earning MSA (Shreveport-Bossier) was \$2,839. In 2008, the gap between the highest earning MSA and lowest earning MSA (Monroe) is \$6,173.

A second finding derived from these tables is that median earnings in North-Central Louisiana MSAs are slightly lower than MSAs in the southern part of the state. Interestingly, this finding is not uniform for all levels of education. College graduates and those with graduate degrees attain nearly identical earnings across all MSAs with graduate and professional degree workers earning slightly more in North-Central Louisiana. However, workers with high school diplomas, some college or an associate's degree, and those not completing high school do not fare as well in North-Central Louisiana. Workers possessing these educational credentials earn more in southern Louisiana than in North-Central Louisiana.

Table 2. Median Annual Earnings for Workers Age 25+ in LA MSAs by Educational Attainment, 2008

	Region	Educational Attainment				
		Less than high school graduate	High school graduate (includes equivalency)	Some college or associate's degree	Bachelor's degree	Graduate or professional degree
Houma Thibodeaux Bayou Cane	South	\$31,769	\$31,373	\$35,328	\$44,528	\$51,153
Baton Rouge	South	\$17,749	\$29,408	\$32,282	\$46,579	\$55,304
Lafayette	South	\$18,308	\$30,358	\$32,459	\$45,983	\$51,371
New Orleans	South	\$20,390	\$26,328	\$30,968	\$43,447	\$55,903
Lake Charles	South	\$16,760	\$26,284	\$32,533	\$41,853	\$47,058
Alexandria	North-Central	\$17,765	\$25,221	\$30,753	\$44,610	\$55,581
Shreveport Bossier	North-Central	\$15,111	\$23,645	\$30,403	\$42,169	\$55,411
Monroe	North-Central	\$18,628	\$26,842	\$25,778	\$46,374	\$51,133
Average for South Louisiana MSAs		\$20,457	\$28,162	\$32,387	\$44,500	\$52,728
Average for North-Central Louisiana MSAs		\$17,168	\$25,236	\$28,978	\$44,384	\$54,042

Data from 2008 American Community Survey, U.S. Census Bureau

Migration of Workers by Educational Attainment

A second indicator of changing socioeconomic status is the flow of educated workers into and out of Louisiana. The American Community Survey asks respondents to identify their place of residence one year ago. Using these data, researchers can calculate the net flow of persons by educational attainment. These data are reported at the state level in Table 3.

Table 3. Louisiana Inmigration and Outmigration of Persons Age 25+, 2007-2008

	Moved Out of LA	Moved Into LA	Difference
Total Age 25+	64,081	70,809	6,728
Less than high school graduate	9,293	11,034	1,741
High school graduate (includes equivalency)	16,805	18,980	2,175
Some college or associate's degree	17,239	22,631	5,392
Bachelor's degree	12,929	11,496	-1,433
Graduate or professional degree	7,815	6,668	-1,147

Data from 2008 American Community Survey, U.S. Census Bureau

At the state-level, Louisiana continues to experience a population gain in the number of persons age 25+. When disaggregated by educational attainment, the state has a net loss of persons age 25+ with Bachelor's and Graduate/Professional degrees. Combined, the state lost 2,580 persons age 25+ with a Bachelor's or graduate level degree between 2007 and 2008. In contrast, the state gained persons age 25+ who do not possess at least a Bachelor's level education (9,308 persons).

Interstate migration statistics for Louisiana MSAs are reported in Table 4. These statistics identify the net migration of persons into and out of Louisiana by MSA. For example, the Baton Rouge MSA had 724 more residents move away from Louisiana (10,815---See Appendix 1) than the number of persons moving to the Baton Rouge MSA from out of state or abroad (10,091---See Appendix 2) from 2007-2008.

The Baton Rouge and the New Orleans MSAs lead the state in the outmigration of college educated persons age 25+ to other states. Between 2007 and 2008, the Baton Rouge MSA experienced a net loss of approximately 2000 persons age 25+. The New Orleans MSA lost approximately 1,500 persons age 25+ with at least a Bachelor's degree.

In contrast, the Lake Charles, Lafayette, and Alexandria MSAs experienced net immigration of persons age 25+ with at least a Bachelor's degree. Lake Charles leads the state with a net immigration of approximately 1,000 persons with a Bachelor's degree or better. Lafayette is also unique in that it attracted a net inflow of approximately 500 persons age 25+ with a Graduate/Professional degree.

As a whole, these statistics regarding the migration of highly educated workers suggests that the largest metro areas in the state are attracting fewer highly educated out of state persons than the number of persons from these metros exiting the state.

Table 4. Louisiana Metropolitan Area Interstate Immigration and Outmigration of Persons Age 25+, 2007-2008

	Alexandria	Baton Rouge	Houma	Lafayette	Lake		New	
					Charles	Monroe	Orleans	Shreveport
Total Age 25+	137	-724	-422	-29	2,353	693	-2,208	-696
Less than high school graduate	106	770	18	520	-222	466	-938	-418
High school graduate (includes equivalency)	-58	-429	21	-562	738	-496	1,168	-129
Some college or associate's degree	5	1,000	-89	-31	713	733	1,093	216
Bachelor's degree	32	-1,078	-211	-474	941	23	-235	-507
Graduate or professional degree	52	-987	-161	518	183	-33	-1,275	142

Data from 2008 American Community Survey, U.S. Census Bureau

Appendix 1. Number of Persons Leaving Louisiana by Metropolitan Area, Persons Age 25+ 2007-2008

	Alexandria	Baton	Houma	Lafayette	Lake		New	
		Rouge			Charles	Monroe	Orleans	Shreveport
Total Age 25+	1,726	10,815	1,686	3,164	3,599	1,864	25,274	6,641
Less than high school graduate	43	607	46	232	743	44	4,987	878
High school graduate (includes equivalency)	622	2,621	531	1,164	796	1,183	5,407	1,997
Some college or associate's degree	638	2,381	454	872	1,618	322	7,082	1,838
Bachelor's degree	279	3,034	494	655	442	282	4,218	1,389
Graduate or professional degree	144	2,172	161	241	0	33	3,580	539

Data from 2008 American Community Survey, U.S. Census Bureau

Appendix 2. Number of Persons Moving to Louisiana by Metropolitan Area, Persons Age 25+ 2007-2008

	Alexandria	Baton	Houma	Lafayette	Lake		New	
		Rouge			Charles	Monroe	Orleans	Shreveport
Total Age 25+	1,863	10,091	1,264	3,135	5,952	2,557	23,066	5,945
Less than high school graduate	149	1,377	64	752	521	510	4,049	460
High school graduate (includes equivalency)	564	2,192	552	602	1,534	687	6,575	1,868
Some college or associate's degree	643	3,381	365	841	2,331	1,055	8,175	2,054
Bachelor's degree	311	1,956	283	181	1,383	305	3,983	882
Graduate or professional degree	196	1,185	0	759	183	0	2,305	681