Salaries in area rise faster than inflation

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Average salaries in the Baltimore metropolitan area have been increasing faster than the sapping power of inflation - but just barely in some counties.

Weekly wages rose $2 in Baltimore City from the summer of 2006 to the summer of last year, after factoring in the mounting cost of living, according to figures released yesterday by the federal Bureau of Labor Statistics. Anne Arundel County had the second-smallest weekly increase in wages - $7. That is less than a 1 percent raise in each case.

Nationally, wages rose an average of $12 a week, or 1.5 percent.

The good news is that any gain over inflation is more money in people's pockets, said Richard P. Clinch, director of economic research at the University of Baltimore's Jacob France Institute. The bad news? Plenty of people are not seeing these increases.

"The gains from this are really at the top of the economy," Clinch said. "More-skilled, more-educated workers are going to see incomes grow at or above inflation, even in this downturn, and the lower-skilled workers are not. And that's the sad truth."

Wages in the area were highest in Howard County, an average of $945 a week. The city followed at $937.

Nationally, the average weekly wage was $818 in the summer of last year, the government said.

The biggest increase in the metro area came in Harford County, up $29 a week to $811. The 3.7 percent jump ranked it 18th in the nation among large counties, the federal government said. (Because the report excludes smaller counties, Carroll is not counted.)

Credit Harford's changing job base for its increase. The county, once a bastion of distribution centers, has been adding higher-paying, white-collar jobs as technology and research-and-development employers push outward along Interstate 95. The average weekly wage is lowest among the area's large counties, but it has grown 12 percent since the start of the decade, accounting for inflation.

"It was a natural progression," said J. Thomas Sadowski, executive vice president at the Economic Alliance of Greater Baltimore.

Residents have been moving to the county from elsewhere in the region for years, and offices added to the landscape more recently mean "employers have been able to follow," he said.
The county also is seeing the beginnings of growth associated with the base realignment and closure process, known as BRAC, which is expected to send thousands of jobs to Aberdeen Proving Ground.

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