



Review of Current Conditions: The Economic Outlook and Its Impact on Workers Compensation

The exhibits below are updated to reflect the current economic outlook for factors that typically impact workers compensation. Each exhibit also provides some context for the outlook, relative to the historical data. Forecasts are derived from Moody's Analytics.

Employment Growth

Private employment grew by 2.4% in 2015, the strongest increase since the recession. After continuing at a strong pace during the first quarter of this year, growth has slowed in the second quarter, with an increase of only 25,000 in May, the worst performance since February 2010 when jobs declined. Employment growth averaged 78,000 for April and May, compared to 220,000 for the 12 months prior to April.

Professional and business services and healthcare services are adding jobs, while mining and manufacturing are losing jobs this year. The manufacturing industry group accounts for 16% of manual premium in NCCI states, so the decline in manufacturing employment is concerning for workers compensation. Construction employment, which is also important to workers compensation since the contracting industry group makes up 24% of premiums in NCCI states, has shown little change this year.

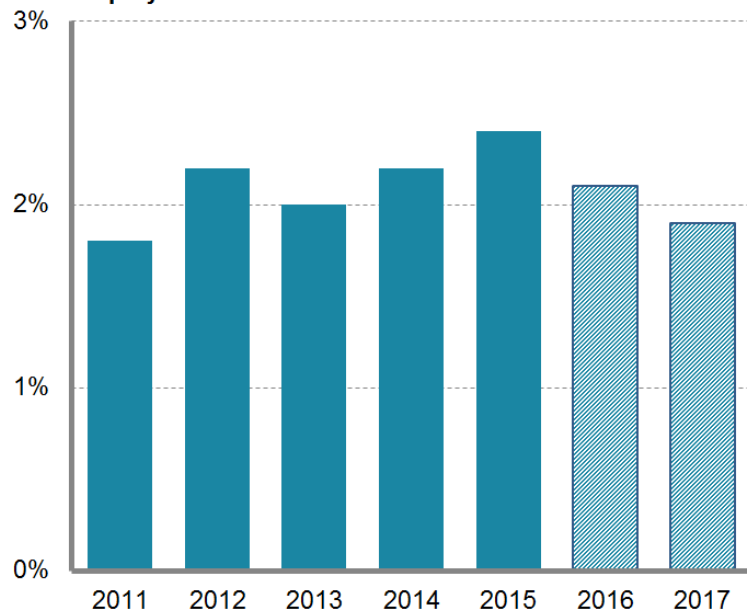
Real gross domestic product (GDP) growth continued to slow in the first quarter to a 1.1% seasonally adjusted annual rate, down from last year's growth rates of 1.4% in the fourth quarter, 2% in the third quarter, and almost 4% in the second quarter. Consumer spending has remained strong, but the strong dollar and global economic weakness have had a negative impact on exports.

As seen in the graph above, Moody's forecasts slowing employment growth of 2.1% this year and 1.9% next year. These forecasts are in line with the average increase of 2.1% countrywide for the past five years, but down slightly from the 2.4% increase in 2015.

New workers will lead to increased premium, but their lack of experience and training may also put upward pressure on claim frequency.

Employment: Forecast Is for Continued but Slowing Growth Near 2%

Growth Rate:
Private Employment



Sources: US Bureau of Labor Statistics; Moody's Analytics

Wage Growth

Preliminary data indicates that average weekly wages increased by 3.1% during 2015, the same as during 2014. This is an increase from last March's *Quarterly Economics Briefing (QEB)*, where we estimated 2015 average weekly wage growth at 2.8%. Average weekly wages are forecast to increase by 3.0% this year (down from the 3.7% forecast in March) and accelerate to 4.5% next year (up from the 4.3% forecast in the March *QEB*).

A stronger labor market, as measured by the declining unemployment rate, contributes to the forecast for wage acceleration next year, since employers will likely start offering higher wages to attract workers. The unemployment rate was 4.7% in May, the lowest level since November 2007.

However, it is worth noting that the decline from 5.0% in April was largely due to people dropping out of the labor force. A broader measure of unemployment that also includes discouraged workers and part-time workers who would prefer a full-time schedule remained at 9.7% in May. This is the lowest level for the broader unemployment rate since the start of the recovery, but it is still more than double the headline unemployment rate.

For a discussion of regional trends in wage growth by NCCI industry group, see the "Drilling Down" section in this issue.

Private-sector payrolls should grow due to the combined impact of higher employment and increases in the average weekly wage. In addition, accelerating wage growth will tend to increase indemnity severity.

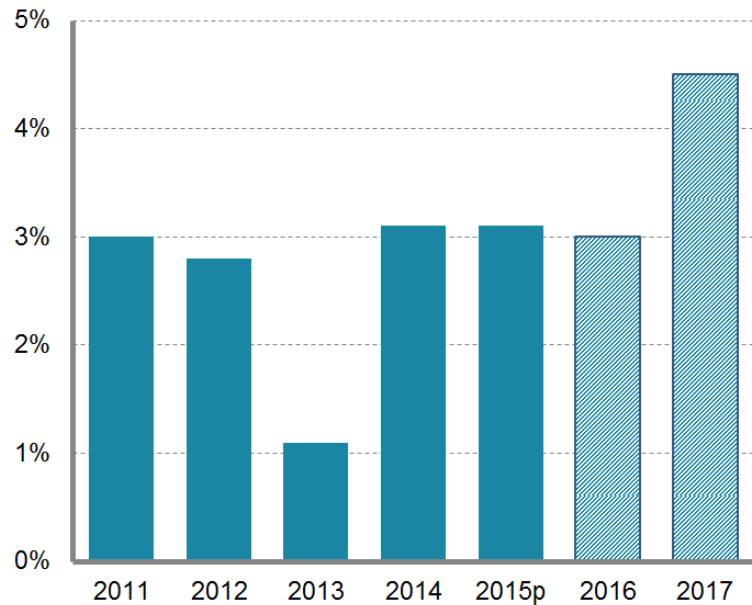
Medical Inflation

Change in medical severity is driven by changes in price and utilization. Medical inflation measures the price component of that equation. Medical inflation accelerated slightly in 2015 to 2.6%. However, medical severity declined during 2015, indicating a decrease in medical service utilization.

Moody's forecasts that medical inflation will accelerate and outpace general inflation in 2016 and 2017. Moody's forecasts medical inflation at above 3% this year and next, whereas it forecasts general inflation of 1.4% in 2016 and 2.7% in 2017. Moody's forecasts suggest upward pressure on medical cost per claim. However, the overall change in medical severity could be greater or lesser than medical inflation, depending on utilization rates.

Wages: Forecast to Accelerate Significantly by 2017

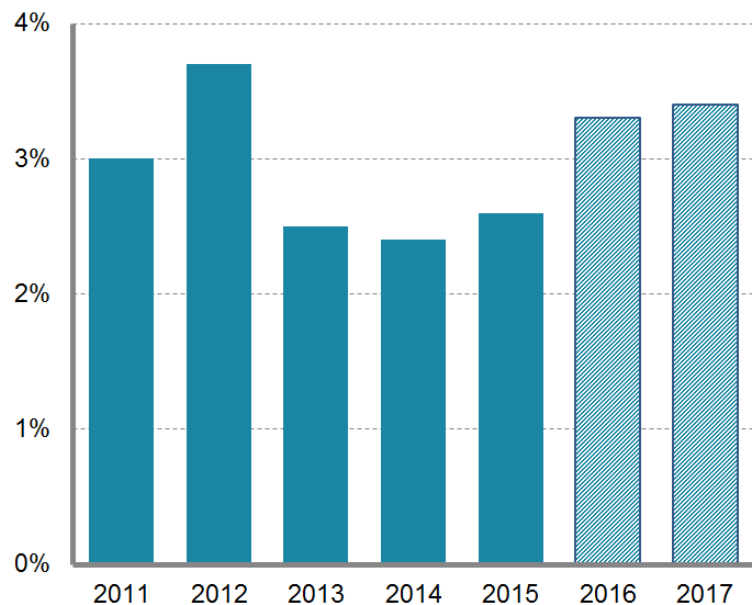
Growth Rate:
Average Weekly Wage



Sources: US Bureau of Labor Statistics; Moody's Analytics; NCCI

Medical Inflation: Forecast to Grow Above 3% per Year in 2016 and 2017

Growth Rate:
Medical CPI, Urban Consumers



Sources: US Bureau of Labor Statistics; Moody's Analytics

Interest Rates

Low interest rates continue to constrain investment income in the property/casualty (P/C) industry.

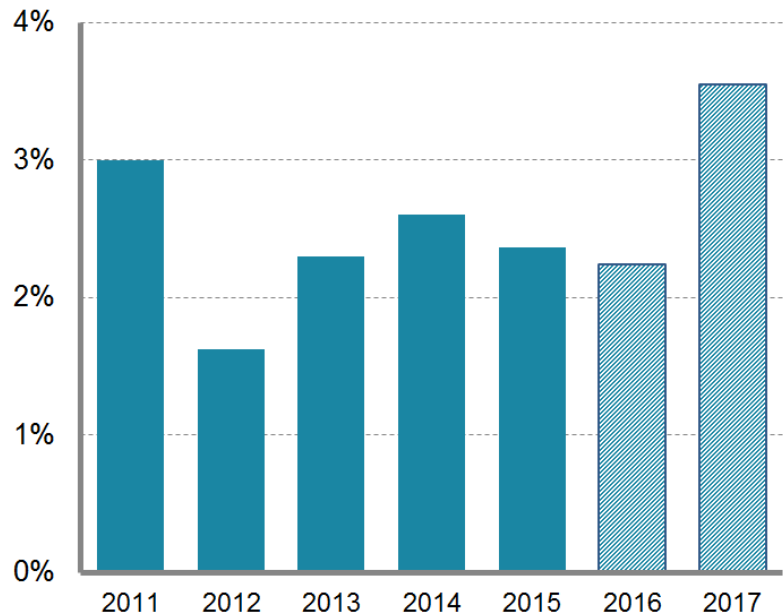
The Federal Open Market Committee (FOMC) has left rates unchanged at all four of their meetings this year including their most recent meeting in June. Having maintained the target range for the federal funds rate at 0%–0.25% since December 2008, the Fed increased the target range by 25 basis points to 0.25%–0.50% in December 2015. Statements released after that meeting and the meetings since then have indicated that future increases will be gradual. However, the projection released at the June meeting still indicates that the Fed expects to raise the target rate twice this year, although the number of officials who see only 1 rate hike in 2016 increased to 6 out of 17 from only 1 in March. Also at the June meeting, the Fed lowered its projection for how high it expects to raise the rate in the coming years.

Interest rates for 10-year Treasury notes as of June of each year are shown in the chart at right. The rate has been at or below 3% for the last several years. It declined last year, and Moody's expects interest rates on 10-year Treasury notes to decline further to 2.2% in the second quarter of this year before increasing to 3.6% by the same quarter of 2017. This is in line with the forecast from March but is a downward revision from last December, reflecting continued uncertainty about the strength of global economies, particularly in Asia.

Low investment yields mean that P/C insurers will likely continue to focus on underwriting profitability.

Interest Rates: Forecast to Increase in 2017

Interest Rate as of June: 10-Year Constant Maturity Securities



Sources: Federal Reserve Board; Moody's Analytics

Drilling Down: Components of Payroll Growth for NCCI Industry Groups

In this section, we will look at the components of payroll growth for NCCI industry groups. The percentage change in payroll is approximately equal to the percentage change in employment plus the percentage change in the average wage. Because the change in employment is one driver of the change in payroll, the discussion here extends our analysis from the December *QEB* where we looked at changes in employment by economic sector and state through 2014. In this edition, our data extends to 2015 with forecasts for 2016, and we have mapped economic sectors into NCCI's five industry groups (Manufacturing, Contracting, Office and Clerical, Goods and Services, and Miscellaneous). We also investigate changes in the average weekly wage (AWW) in terms of its decomposition into average hourly wages and average hours worked per week.

Figure 1 shows 2015 percentage changes in payroll and its components for the total US private sector and broken out for NCCI's five industry groups. Values are preliminary estimates from Moody's Analytics based on data from both the Bureau of Labor Statistics (Quarterly Census of Employment and Wages and Current Employment Survey) and the Bureau of Economic Analysis (Personal Income). The values in parentheses are the industry group shares of manual premium in 2015. Values do not add to 100% due to rounding.

For all industries, increases in both employment and average wages contributed to payroll growth in 2015. For example, the increase in payroll of 5.0% for the private sector can be decomposed into a 2.3% increase in employment and a 2.7% increase in average wages. Note that these values vary somewhat from what is shown for 2015 in the Employment Growth (2.3% vs. 2.4%) and Wage Growth (2.7% vs. 3.1%) sections of the "Review of Current Conditions" above due to the different data source required to decompose payroll.

Contracting was the industry group with the fastest growth in payroll of 8.5%. It was also the only industry where employment growth increased at a faster pace than the average weekly wage. For all other industry groups, average weekly wages grew slightly faster than employment last year. Office and Clerical experienced above average payroll growth of 5.7%, followed by Goods and Services with about average payroll growth of 5.1%. Payroll for the Miscellaneous industry group grew at a below average pace of 4.1%, followed by Manufacturing at 2.7%. Average wages grew more than 3% for both Contracting and Office and Clerical, more than 2% for Goods and Services and Miscellaneous, but less than 2% for Manufacturing.

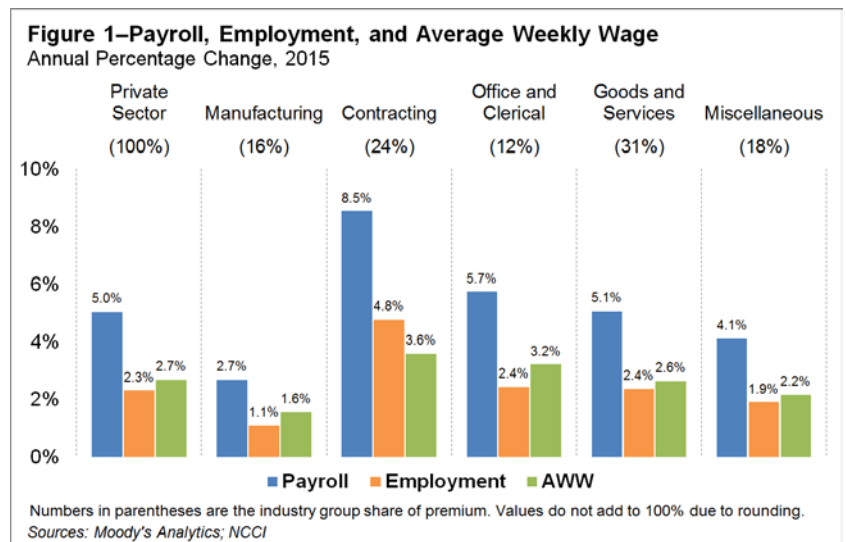


Table 1 contains the same data seen in Figure 1 for 2015 as well as percentage changes in payroll and its components for 2013 and 2014. Color shading is based on comparison across all columns and rows in the table (industry groups, payroll components, and years) with white and lighter green indicating slower growth and darker green indicating stronger growth. For example, the darker green color in 2014 indicates that payroll growth accelerated that year for all industries. Although all industry groups but Goods and Services experienced a slight slowdown in 2015, payroll growth in both 2014 and 2015 was substantially higher than in 2013.

In 2013, payroll growth was primarily driven by changes in employment for most industries; but in 2014 and 2015, the change in average wages dominated for all industry groups with the exception of Contracting. Average wage growth accelerated for all industries in 2014 from slow growth rates close to 1% in 2013. However, most industries experienced decelerating wage growth in 2015. Contracting was the exception, where average wage growth also accelerated in 2015.

Employment growth looks more stable year to year than wage growth, with a slight upward trend for the private sector as a whole over the 3 years shown here. Employment growth accelerated for most industries in 2014, but then slowed in 2015 for Manufacturing, Contracting, and Miscellaneous.

Table 1**Payroll, Employment, and Average Weekly Wage by Industry Group**

Annual Percentage Change, 2013–2015

Color based on comparison across industry groups, payroll components, and years

	2013			2014			2015		
	Payroll	Empl.	AWW	Payroll	Empl.	AWW	Payroll	Empl.	AWW
Private Sector	3.0	2.0	1.0	5.6	2.2	3.4	5.0	2.3	2.7
Manufacturing	1.7	0.8	0.9	4.6	1.4	3.1	2.7	1.1	1.6
Contracting	6.0	3.7	2.2	8.6	5.0	3.4	8.5	4.8	3.6
Office and Clerical	3.2	2.2	1.0	6.4	1.8	4.5	5.7	2.4	3.2
Goods and Services	2.9	1.9	1.0	4.9	2.0	2.8	5.1	2.4	2.6
Miscellaneous	3.1	2.4	0.7	6.3	2.5	3.7	4.1	1.9	2.2

Sources: Moody's Analytics; NCCI

Components of Average Weekly Wages

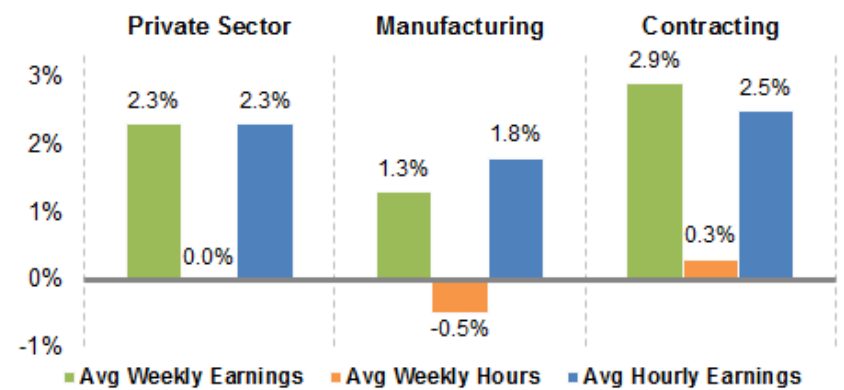
To get further insight into the drivers of changes in average weekly wages, we use the Current Employment Statistics (CES) survey that collects information on average weekly earnings, average hourly earnings, and average hours worked per week. The Moody's average weekly wage discussed above and the CES average earnings are not strictly comparable. For example, the Moody's average weekly wage includes bonuses whereas the CES average weekly earnings do not. However, the CES data allows us to decompose average weekly earnings into average weekly hours and average hourly earnings for the private sector as well as the Manufacturing and Contracting industry groups (but not for the other NCCI industry groups). At the national level, average weekly wages and average weekly earnings from the two sources roughly move together; however, variations are wider at the state and industry group level (see Tables 4a and 5).

Like Figure 1 for the components of payroll growth, Figure 2 shows 2015 percentage changes in average US weekly earnings and its components. It includes the total private sector and the two NCCI industry groups, Manufacturing and Contracting, for which data can be broken out from the CES survey data. Other NCCI industry groups—Office and Clerical, Goods and Services, and Miscellaneous—cannot be distinguished in the CES data.

For the private sector, CES average weekly earnings increased 2.3% in 2015 compared to the 2.7% increase for the change in Moody's average weekly wages. This change was entirely driven by the change in average hourly earnings since there was no change in average weekly hours worked. For Manufacturing and Contracting, the two industry groups common to both data sources, changes in weekly earnings are also mainly driven by changes in hourly earnings. Interestingly, average hours in Manufacturing went down in 2015, even though wages went up. This may be due to Manufacturing shifting away from paying overtime to existing employees in favor of new hiring.

Figure 2—Average Weekly Earnings, Average Weekly Hours, and Average Hourly Earnings by Industry Group

Annual Percentage Change, 2015



Sources: US Bureau of Labor Statistics, Current Employment Statistics; NCCI

Table 2 extends the 2015 data from Figure 2 with similar data for 2013 and 2014. The differences between the private sector changes in average weekly wages from Moody's and the average hourly earnings from the CES were more pronounced in 2013 and 2014 than in 2015. But the pattern is similar: accelerated growth in CES average earnings in 2014 from 1.9% to 2.4% and then a slight slowdown to 2.3% in 2015. Moody's average weekly wage growth accelerated from 1.0% to 3.4% in 2014 and then slowed to 2.7% in 2015, as seen in Table 1.

Like Table 1, the color shading in Table 2 is based on comparison across all columns and rows in the table (industry groups, earnings components, and years). Red indicates a decline, white or lighter green indicates slower growth, and darker green indicates faster growth. As with 2015, the primary driver of the change in average weekly earnings for both

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2013 and 2014 was an increase in average hourly earnings. This is the case for the private sector as a whole and for both the Manufacturing and Contracting industry groups, as indicated by the darker green shading for average hourly earnings than for average weekly hours. Average weekly hours exhibited very small or no change from year to year and actually declined in the private sector in 2013 and for Manufacturing in 2015 (indicated by red shading).

Table 2
Average Weekly Earnings, Average Weekly Hours, and Average Hourly Earnings by Industry Group
 Annual Percentage Change, 2013–2015

Color based on comparison across industry groups, earnings components, and years

	2013			2014			2015		
	Avg Weekly Earnings	Avg Weekly Hours	Avg Hourly Earnings	Avg Weekly Earnings	Avg Weekly Hours	Avg Hourly Earnings	Avg Weekly Earnings	Avg Weekly Hours	Avg Hourly Earnings
Private Sector	1.9	-0.3	2.0	2.4	0.3	2.1	2.3	0.0	2.3
Manufacturing	2.1	0.2	1.8	2.2	0.5	1.9	1.3	-0.5	1.8
Contracting	2.1	0.8	1.5	2.2	0.0	2.2	2.9	0.3	2.5

Sources: US Bureau of Labor Statistics, Current Employment Statistics; NCCI

A Longer-Term Perspective on Payroll Growth and Its Components

The preceding discussion has focused on payroll changes for the most recent three years. Now we turn to a longer-term perspective of the drivers of payroll growth since 2010.

Table 3 contains annualized percentage growth rates for payroll and earnings for two time periods. The first period comprises the early years of the recovery 2010–2012, while the second contains the more recent years 2012–2015. The annualized growth rate for the more recent years averages the annual percentage changes presented previously for 2013, 2014, and 2015. Table 3 shows how payroll and the components grew during these two periods of the recovery for the private sector as a whole and for different industry groups. Color shading is based on comparison across the two columns (periods) and all rows (industry groups) within each component, with the fastest-growing industry and period for each component in the darkest shade of green and the slowest-growing industry and period in white.

Overall, payroll for the private sector grew at a slightly slower pace of 4.6% per year during 2012–2015 compared to 5.1% per year for the early period from 2010–2012. Slower payroll growth in the more recent period is mainly due to slower average wage growth of 2.4% versus 3.1%. Annualized employment growth was similar at 2.0% and 2.2% for the two periods.

Using Moody's data, more variation between the two periods is evident at the industry group level. Contracting is the only industry group where payroll grew, on average, faster in the latter period than in the earlier period, accelerating to 7.7% from 3.3%. This payroll increase was due primarily to faster employment growth, although accelerating wage growth also played a part. The other four industry groups all experienced slower payroll growth as well as slower wage growth in the later period. Employment growth slowed for industry groups Manufacturing and Miscellaneous, but increased very slightly for Office and Clerical, and Goods and Services.

The CES data tells a similar story. For the US private sector, CES average earnings growth slowed in the recent period to 2.2% from 2.6% in earlier years. The slowdown in earnings growth was due entirely to slowing growth in hours worked, as hourly earnings growth for the two periods remained the same. At the industry group level, both Manufacturing and Contracting experienced slower growth in weekly hours but faster growth in hourly earnings during 2012–2015 than during 2010–2012, with the net result that weekly earnings growth was similar for the two time periods.

Table 3
Period of Early Recovery (2010–2012) Compared to Recent Years (2012–2015)

Average Annual Percentage Change in Payroll, Employment, and Average Weekly Wage
Color based on comparison across industry groups and periods within each component

	Payroll		Employment		Average Weekly Wage	
	2010–2012	2012–2015	2010–2012	2012–2015	2010–2012	2012–2015
Private Sector	5.1	4.6	2.0	2.2	3.1	2.4
Manufacturing	4.4	3.0	1.7	1.1	2.6	1.9
Contracting	3.3	7.7	1.2	4.5	2.1	3.1
Office and Clerical	6.2	5.1	1.8	2.1	4.4	2.9
Goods and Services	4.4	4.3	1.9	2.1	2.5	2.1
Miscellaneous	6.8	4.5	3.0	2.3	3.7	2.2

Sources: Moody's Analytics; NCCI

Average Annual Percentage Change in Average Weekly Earnings, Average Weekly Hours, and Average Hourly Earnings

Color based on comparison across industry groups and periods within each component

	Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	2010–2012	2012–2015	2010–2012	2012–2015	2010–2012	2012–2015
Private Sector	2.6	2.2	0.6	0.0	2.1	2.1
Manufacturing	1.9	1.9	0.6	0.1	1.3	1.8
Contracting	2.3	2.4	1.2	0.3	1.1	2.1

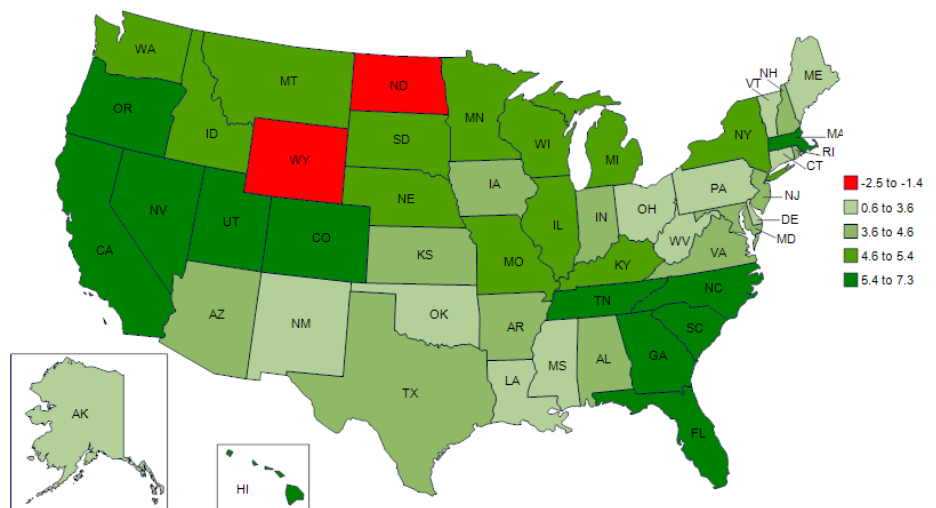
Sources: US Bureau of Labor Statistics, Current Employment Statistics; NCCI

Payroll Growth by State

In this section, we look at components of payroll change at the state level. Figure 3 shows the percentage change in private sector payroll in 2015 by state. States where payroll declined last year are shown in red. States where payroll increased are displayed in varying shades of green by quartile. All but two states grew private sector payrolls last year, with the fastest growing states mainly located in the Southeast and West (Massachusetts is an exception).

Figure 3—Private Sector Payroll

Annual Percentage Change, 2015



Source: Moody's Analytics

Table 4 breaks down the 2015 payroll change for each state into changes in employment and average wages. Table 4a presents the decomposition for the total private sector, Manufacturing, and Contracting, and Table 4b presents the decomposition for Office and Clerical, Goods and Services, and Miscellaneous. Color shadings are based on comparison across states and the payroll, employment, and AWW columns within each industry group. For a given state, intensity of color shading in the employment and AWW columns is an indication of which of these factors dominates the change in payroll. If both have similar shading intensity, then both had a similar impact on the change in payroll.

(Again, note that for the private sector values in Table 4a, the percentage changes in employment and average weekly wages vary somewhat from what is shown for 2015 in the Employment Growth and Wage Growth sections of the “Review of Current Conditions” at the beginning of this report due to the different data source required to decompose payroll.)

For most industry groups and states, average wages grew faster than employment in 2015. The exception is Contracting, where employment grew faster than average wages for most states. In 2015, payroll changes for the total private sector ranged from a decline of 2.5% in North Dakota to an increase of 7.3% in California. The increase in California was driven by payroll growth in the Contracting and Office and Clerical industry groups. For Contracting, the increase in payroll was primarily driven by employment growth of 7.7%, but for Office and Clerical it was driven by a 6.3% increase in average weekly wages. The decline in North Dakota was primarily driven by a significant decline in payroll for the Miscellaneous industry group due to contraction in oil and gas extraction. Both employment and average weekly wages fell in North Dakota in the Miscellaneous industry group and for the private sector as a whole.

Most states and industry groups showed increases in payroll in 2015, but there were also scattered declines for some states and industry groups as indicated by red shading in the tables. Manufacturing, Contracting, and Miscellaneous are the industry groups with the most frequent state-level payroll declines. For Manufacturing and Miscellaneous, payroll declines can correspond to decreases in both employment and average wages. For Contracting, payroll declines were due primarily to decreases in employment. Goods and Services is the one industry group for which payroll, employment, and average wages increased uniformly across all states during 2015.

Table 4a
Payroll, Employment, and Average Weekly Wage by Industry Group
 Annual Percentage Change, 2015

Color based on comparison across states and payroll component within industry group

State	Total Private Sector			Manufacturing			Contracting		
	Payroll	Employment	AWW	Payroll	Employment	AWW	Payroll	Employment	AWW
United States	5.0	2.3	2.7	2.7	1.1	1.6	8.5	4.8	3.6
Alabama	3.8	1.3	2.5	2.4	1.7	0.7	4.2	1.5	2.7
Alaska	3.5	0.8	2.6	8.3	-2.5	11.1	6.0	-1.1	7.3
Arizona	4.5	3.0	1.4	1.1	1.0	0.1	2.5	1.9	0.6
Arkansas	4.0	1.8	2.2	1.3	0.4	0.9	9.9	6.5	3.2
California	7.3	3.1	4.0	3.8	1.4	2.3	12.5	7.7	4.4
Colorado	6.0	3.2	2.7	4.8	3.4	1.3	7.9	5.1	2.7
Connecticut	2.3	0.9	1.4	-2.3	-0.3	-2.0	8.2	3.5	4.5
Delaware	2.8	2.8	0.0	13.0	4.2	8.4	5.4	2.8	2.5
District of Columbia	5.2	1.9	3.2	10.7	5.8	4.6	-0.6	0.0	-0.6
Florida	6.8	4.0	2.7	5.6	3.2	2.3	12.8	7.9	4.5
Georgia	6.2	3.5	2.6	4.2	3.2	1.0	10.1	6.2	3.6
Hawaii	5.6	2.0	3.6	3.8	0.9	2.9	13.9	8.7	4.8
Idaho	5.0	3.4	1.5	-1.7	3.0	-4.5	9.5	7.3	2.0
Illinois	5.2	1.5	3.6	3.7	0.2	3.5	11.4	5.7	5.3
Indiana	4.5	2.1	2.3	4.0	2.2	1.7	5.3	3.2	2.0
Iowa	4.1	0.4	3.7	0.9	-0.4	1.3	11.6	5.8	5.5
Kansas	3.6	0.9	2.8	1.6	-0.6	2.2	3.3	1.6	1.7
Kentucky	5.0	2.2	2.8	4.7	2.5	2.2	7.8	4.3	3.3
Louisiana	1.7	0.4	1.3	-0.1	-2.3	2.3	4.4	1.3	3.0
Maine	3.2	0.9	2.2	1.9	0.6	1.3	1.9	1.7	0.2
Maryland	4.2	1.9	2.2	3.3	0.8	2.5	5.7	3.0	2.7
Massachusetts	5.6	2.0	3.5	2.0	0.1	2.0	10.7	7.1	3.4
Michigan	5.0	1.6	3.3	4.7	2.6	2.1	6.5	4.4	2.0
Minnesota	5.3	1.6	3.6	4.6	1.5	3.1	12.0	6.5	5.2
Mississippi	2.0	2.1	-0.1	2.3	1.7	0.6	-5.9	-5.8	-0.2
Missouri	4.7	1.7	3.0	3.9	1.9	2.0	7.0	3.4	3.5
Montana	5.1	1.8	3.3	3.8	1.2	2.6	11.2	6.1	4.8
Nebraska	5.2	1.0	4.1	1.2	-0.1	1.2	9.4	5.4	3.8
Nevada	5.6	3.6	2.0	4.7	1.2	3.4	10.8	10.1	0.6
New Hampshire	3.6	1.9	1.7	1.6	0.9	0.7	7.3	5.1	2.0
New Jersey	4.6	1.9	2.6	-5.4	-0.3	-5.2	9.2	4.4	4.6
New Mexico	2.4	0.9	1.5	-2.6	-1.4	-1.2	3.4	1.6	1.8
New York	4.6	1.9	2.6	6.0	0.3	5.7	8.9	5.1	3.6
North Carolina	6.0	2.6	3.3	4.7	2.4	2.3	10.2	5.5	4.5
North Dakota	-2.5	-2.2	-0.3	-0.7	-2.1	1.4	0.2	-1.6	1.8
Ohio	3.4	1.7	1.7	1.9	1.9	0.0	5.2	2.4	2.8
Oklahoma	1.3	0.4	0.9	-2.2	-1.9	-0.3	5.8	3.3	2.4
Oregon	7.0	3.2	3.8	5.4	3.7	1.7	2.7	3.1	-0.4
Pennsylvania	3.6	1.1	2.4	1.3	0.1	1.2	4.0	2.1	1.9
Rhode Island	3.9	1.4	2.4	2.5	1.0	1.5	4.6	3.1	1.5
South Carolina	5.4	2.8	2.5	4.3	2.4	1.8	8.0	5.0	2.8
South Dakota	4.8	1.3	3.5	1.8	0.5	1.3	9.4	4.0	5.1
Tennessee	6.1	2.9	3.1	3.0	2.4	0.5	11.1	6.1	4.7
Texas	4.3	2.5	1.8	0.4	-1.0	1.4	8.5	4.9	3.4
Utah	7.0	4.1	2.7	5.1	2.4	2.7	11.2	7.4	3.5
Vermont	3.5	1.0	2.5	0.0	-1.3	1.4	3.7	2.9	0.7
Virginia	4.5	2.2	2.3	2.2	0.6	1.6	6.3	3.1	3.2
Washington	5.4	3.4	1.9	0.2	0.7	-0.4	12.6	8.4	3.9
West Virginia	0.6	-0.8	1.4	0.4	-0.5	1.0	-1.9	-3.8	2.0
Wisconsin	4.9	1.2	3.7	2.4	0.9	1.5	9.7	5.7	3.8
Wyoming	-1.4	-1.1	-0.2	2.7	-0.3	3.1	-1.6	-2.3	0.7

Sources: Moody's Analytics; NCCI

Table 4b
Payroll, Employment, and Average Weekly Wage by Industry Group

Annual Percentage Change, 2015

Color based on comparison across states and payroll component within industry group

State	Office and Clerical			Goods and Services			Miscellaneous		
	Payroll	Employment	AWW	Payroll	Employment	AWW	Payroll	Employment	AWW
United States	5.7	2.4	3.2	5.1	2.4	2.6	4.1	1.9	2.2
Alabama	3.6	0.8	2.8	4.5	1.8	2.6	4.4	-0.9	5.3
Alaska	1.7	0.1	1.6	4.2	1.6	2.6	1.9	0.7	1.2
Arizona	5.4	3.1	2.2	4.6	3.3	1.2	6.2	3.3	2.8
Arkansas	3.4	1.2	2.1	5.0	2.5	2.4	3.3	-0.2	3.5
California	9.3	2.8	6.3	6.4	3.2	3.1	6.1	2.9	3.1
Colorado	5.4	2.9	2.5	7.1	3.9	3.1	3.5	0.1	3.4
Connecticut	2.5	1.0	1.6	2.7	0.8	1.9	4.2	1.6	2.5
Delaware	-0.9	0.9	-1.8	3.4	2.7	0.7	5.6	5.8	-0.2
District of Columbia	5.3	2.0	3.2	5.2	1.8	3.3	6.9	2.7	4.1
Florida	5.8	3.0	2.8	6.5	3.6	2.8	8.4	5.6	2.6
Georgia	5.7	2.9	2.7	6.5	3.5	2.9	6.7	3.4	3.2
Hawaii	4.1	1.1	3.0	4.6	1.3	3.3	6.0	2.7	3.2
Idaho	5.3	2.6	2.7	6.6	3.4	3.0	5.1	2.5	2.5
Illinois	5.9	1.6	4.2	4.3	1.8	2.4	5.5	0.3	5.2
Indiana	5.0	1.9	3.0	4.9	2.3	2.5	2.9	1.1	1.8
Iowa	4.9	1.5	3.4	3.7	1.1	2.6	5.1	-3.8	9.3
Kansas	8.4	0.8	7.5	3.6	1.6	2.0	-2.0	-0.4	-1.6
Kentucky	4.8	1.2	3.7	5.3	2.1	3.1	3.7	2.2	1.5
Louisiana	1.1	-0.2	1.3	3.6	1.8	1.7	-2.2	-2.9	0.8
Maine	3.3	1.4	1.9	3.4	0.9	2.6	4.1	0.7	3.4
Maryland	2.1	0.6	1.5	5.2	2.1	3.0	6.3	3.0	3.3
Massachusetts	7.9	2.2	5.6	3.8	1.8	2.0	5.9	2.0	3.8
Michigan	6.1	2.2	3.8	4.4	1.2	3.1	4.9	0.5	4.5
Minnesota	4.7	1.6	3.0	5.2	1.6	3.6	5.2	0.4	4.8
Mississippi	1.2	0.5	0.8	2.9	2.0	0.9	3.7	6.1	-2.3
Missouri	4.8	1.7	3.0	4.8	1.6	3.1	3.9	1.2	2.6
Montana	4.7	1.8	2.9	6.0	2.4	3.6	0.8	-1.3	2.2
Nebraska	6.6	1.5	5.1	4.7	1.0	3.6	5.8	0.1	5.7
Nevada	5.3	3.6	1.6	4.4	2.8	1.5	8.9	4.9	3.8
New Hampshire	1.8	2.4	-0.5	4.4	1.5	2.9	6.5	3.6	2.8
New Jersey	6.6	1.4	5.1	4.4	1.8	2.5	5.7	3.2	2.4
New Mexico	4.1	1.5	2.6	3.9	2.3	1.5	-2.0	-3.6	1.7
New York	3.8	1.9	1.9	4.3	1.8	2.4	6.9	2.1	4.7
North Carolina	8.0	3.9	3.9	4.9	2.2	2.7	4.9	1.9	3.0
North Dakota	3.2	1.3	1.8	2.3	0.5	1.9	-13.3	-9.1	-4.6
Ohio	2.2	0.9	1.2	4.1	1.8	2.3	5.4	1.8	3.6
Oklahoma	2.6	1.0	1.6	3.0	2.2	0.9	-1.9	-3.8	2.0
Oregon	9.9	3.4	6.3	6.8	3.7	3.0	6.4	0.6	5.7
Pennsylvania	4.6	0.7	3.9	3.3	1.2	2.1	4.4	1.6	2.8
Rhode Island	4.4	2.3	2.1	3.6	0.8	2.7	5.5	3.5	1.9
South Carolina	4.9	1.9	2.9	5.9	3.3	2.5	5.1	1.6	3.4
South Dakota	5.2	0.3	4.8	5.0	1.4	3.6	4.2	1.6	2.6
Tennessee	9.1	3.6	5.3	5.5	2.5	2.9	5.0	3.0	2.0
Texas	5.9	3.2	2.7	5.8	3.6	2.1	0.0	-0.7	0.6
Utah	8.2	5.3	2.7	6.9	4.3	2.5	4.0	1.7	2.3
Vermont	4.5	1.1	3.3	4.4	1.4	3.0	2.1	0.2	1.9
Virginia	4.5	1.3	3.2	4.4	2.2	2.1	6.1	4.3	1.7
Washington	3.1	3.3	-0.2	7.4	2.7	4.6	7.2	6.3	0.9
West Virginia	1.7	-0.8	2.6	3.6	0.5	3.1	-5.7	-4.1	-1.7
Wisconsin	7.2	2.2	4.9	4.8	1.7	3.1	3.5	-2.8	6.5
Wyoming	-0.1	-1.0	0.9	2.1	1.0	1.1	-6.1	-4.8	-1.4

Sources: Moody's Analytics; NCCI

Average Wage Decomposition by State

Table 5 decomposes the percentage change in CES average weekly earnings into the percentage change in average weekly hours and the percentage change in average hourly earnings for the private sector, Manufacturing, and Contracting by state. Note that details for the Manufacturing and Contracting industry groups are not available for some states. These cells are shaded gray in the table. As with Table 4a, colors are based on comparison across states and the three earnings components within each industry group.

A number of states experienced declines in average weekly earnings in the private sector during 2015 as indicated by the red shading. Remember that CES average weekly earnings do not include bonuses that are included in the average weekly wage measure from Moody's shown in Tables 4a and 4b. For most states, declines in average weekly earnings are due to decreases in the average hours worked per week. In addition, quite a few states where average weekly earnings grew also experienced declines in average weekly hours. In total, about half the states posted declines in average hours worked. A few states also posted declines in average hourly earnings, but most experienced growth.

The change in average weekly earnings for the private sector ranged from a decline of 2.9% in the District of Columbia to an increase of 5.4% in Nevada. The range across states is wider for Manufacturing and Contracting. For Manufacturing, the change in average weekly earnings ranged from a decline of 7.1% in Rhode Island to an increase of 10.1% in Colorado. For Contracting, the biggest decline was again in Rhode Island (6.4%) and the largest gain was 15.1% in Kentucky. As with the private sector as a whole, close to half the states experienced a decline in average weekly hours for each industry group. Most states experienced growth in average weekly earnings for the industry groups, but a few had declines.

Recap and Looking Forward

Our review of payroll and its components of employment and average weekly wages indicate the following key takeaways:

- Payroll growth has been driven by increases in both employment and average weekly wages
- For the private sector, wage growth has slowed in the more recent years while employment growth has remained fairly steady throughout the recovery
- In 2015, employment growth was the dominant driver of the change in payroll for Contracting while average wage growth was the primary driver for the private sector and the four other industry groups (Manufacturing, Office and Clerical, Goods and Services, and Miscellaneous)
- Payroll increased for most states and industry groups last year, but some states experienced declines, particularly in Manufacturing, Contracting, and Miscellaneous

When further decomposing average wage growth into changes in average hourly earnings and average weekly hours, we found:

- For the US private sector, the dominant force has been an increase in average hourly earnings as changes in average weekly hours were very small
- For about half the states, the average work week got shorter in 2015
- Data at the state and industry group level reveals wide variation, particularly in Manufacturing and Contracting

Forecasts from Moody's Economy.com are available to decompose payroll growth into employment and average wage growth for 2016 by state and industry group. The forecasts are shown in Tables 6a and 6b, which are laid out like Tables 4a and 4b. Moody's payroll forecasts may provide some insight into prospective premium growth. For the US private sector, payroll growth is forecast to accelerate slightly to 5.2% from 5.0% in 2015. For 2016, Moody's expects that employment growth will slow to 2.0% from the 2.3% increase in 2015, and that average wage growth will accelerate to 3.1% from 2.7% in 2015. (Again, changes for 2016 in Table 6a for employment and average wages for the private sector vary somewhat from the values shown in the Employment Growth and Wage Growth sections of the "Review of Current Conditions" at the beginning of this report due to a different data source used to decompose payroll.)

Moody's forecasts that payroll will continue to grow for most states and industry groups, with the exception of a few states where it expects declines, particularly in Manufacturing and Miscellaneous.

Table 5
Average Weekly Earnings, Average Weekly Hours, and Average Hourly Earnings by Industry Group

Annual Percentage Change, 2015

Color based on comparison across states and earnings component within industry group

	Total Private Sector			Manufacturing			Contracting		
	Avg. Weekly Earnings	Avg. Weekly Hours	Avg. Hourly Earnings	Avg. Weekly Earnings	Avg. Weekly Hours	Avg. Hourly Earnings	Avg. Weekly Earnings	Avg. Weekly Hours	Avg. Hourly Earnings
United States	2.3	0.0	2.3	1.3	-0.5	1.8	2.9	0.3	2.5
Alabama	1.4	0.0	1.4	2.6	0.5	2.1	0.4	0.5	-0.1
Alaska	3.0	0.3	2.7	5.4	5.4	0.0	-1.9	-2.8	1.0
Arizona	1.6	0.6	1.0	-1.4	-1.0	-0.4	-4.3	-0.5	-3.8
Arkansas	-1.3	-1.1	-0.2	2.1	-0.2	2.3	-5.2	-8.1	3.2
California	2.2	0.3	1.9	1.0	0.5	0.5	1.3	1.7	-0.3
Colorado	0.6	-1.4	2.1	10.1	0.3	9.8	1.8	0.3	1.6
Connecticut	2.9	-0.6	3.5	2.1	0.0	2.1	5.4	4.0	1.4
Delaware	5.2	0.9	4.3	2.0	1.0	1.0	---	---	---
District of Columbia	-2.9	-1.4	-1.5	---	---	---	---	---	---
Florida	1.7	-0.3	2.0	0.9	-1.0	1.9	3.1	0.3	2.8
Georgia	1.9	-0.3	2.1	2.2	-0.5	2.7	2.8	0.0	2.8
Hawaii	0.3	-0.9	1.2	6.1	3.3	2.7	---	---	---
Idaho	3.3	0.0	3.3	4.2	-2.0	6.3	6.0	2.8	3.1
Illinois	2.0	-0.3	2.3	1.9	-1.0	2.9	2.8	-1.9	4.8
Indiana	1.1	0.0	1.1	0.3	-0.5	0.8	1.4	1.6	-0.2
Iowa	1.9	-1.1	3.1	5.3	-0.2	5.6	2.4	-2.6	5.1
Kansas	1.3	-0.9	2.2	1.6	-0.7	2.3	-1.7	-2.8	1.1
Kentucky	3.9	1.1	2.7	1.6	0.0	1.6	15.1	5.4	9.2
Louisiana	-0.7	-1.1	0.4	-3.5	-3.0	-0.5	-2.8	-4.0	1.3
Maine	3.3	0.9	2.4	0.8	2.8	-1.9	4.0	2.8	1.1
Maryland	0.4	0.6	-0.1	2.1	1.7	0.4	---	---	---
Massachusetts	3.7	0.6	3.1	2.2	0.0	2.2	5.8	0.8	5.0
Michigan	2.0	0.0	2.0	0.5	-0.7	1.2	3.0	1.3	1.6
Minnesota	1.0	0.0	1.0	-5.9	-3.4	-2.6	3.4	-0.8	4.2
Mississippi	-1.2	-2.8	1.7	0.8	-0.7	1.6	-5.4	-8.2	3.0
Missouri	-0.4	-0.9	0.5	-2.5	-0.5	-2.0	6.3	2.2	4.0
Montana	2.3	-0.6	2.9	---	---	---	1.8	0.8	1.0
Nebraska	3.8	0.0	3.8	5.9	0.0	5.9	---	---	---
Nevada	5.4	0.6	4.8	---	---	---	3.7	1.9	1.8
New Hampshire	3.1	0.6	2.5	-0.1	-1.5	1.4	---	---	---
New Jersey	3.5	0.3	3.2	1.9	-1.0	3.0	1.8	0.8	1.0
New Mexico	-1.5	-1.4	-0.1	---	---	---	-5.7	-4.3	-1.5
New York	2.2	0.0	2.2	-1.8	-1.0	-0.8	5.4	3.3	2.0
North Carolina	1.5	-0.6	2.1	-2.2	-3.1	0.9	4.8	0.0	4.8
North Dakota	-0.3	-2.0	1.6	-4.2	0.0	-4.2	-2.6	-3.4	0.8
Ohio	2.3	0.0	2.3	-1.1	-1.2	0.1	0.8	-0.5	1.3
Oklahoma	-0.2	-1.4	1.3	4.3	-2.7	7.2	0.1	-1.4	1.6
Oregon	3.0	0.3	2.7	0.0	-0.5	0.5	0.2	-0.8	1.0
Pennsylvania	2.9	0.9	2.0	-0.1	0.0	-0.1	7.7	3.3	4.3
Rhode Island	-0.3	0.3	-0.6	-7.1	-1.8	-5.5	-6.4	-4.8	-1.7
South Carolina	2.3	0.6	1.8	4.4	1.7	2.6	2.9	1.3	1.6
South Dakota	2.8	-1.2	4.0	3.5	-1.9	5.6	---	---	---
Tennessee	0.4	-0.3	0.7	3.9	1.5	2.4	---	---	---
Texas	1.4	-1.1	2.5	1.0	-3.7	4.9	2.4	-2.5	5.1
Utah	1.3	-1.1	2.5	3.8	-2.5	6.5	-2.3	-4.3	2.1
Vermont	3.5	-0.3	3.8	5.2	-1.0	6.3	-0.4	-3.4	3.1
Virginia	4.3	1.2	3.2	1.9	1.2	0.7	1.3	0.5	0.8
Washington	4.8	0.6	4.2	0.4	0.2	0.2	2.9	0.8	2.1
West Virginia	0.8	-0.3	1.1	0.5	-1.8	2.3	0.1	-1.0	1.1
Wisconsin	0.6	-0.3	0.9	2.9	0.7	2.1	1.2	-2.3	3.6
Wyoming	-1.9	-1.7	-0.2	---	---	---	-0.6	-0.5	-0.2

Sources: US Bureau of Labor Statistics, Current Employment Statistics; NCCI

Table 6a
Payroll, Employment, and Average Weekly Wage by Industry Group

Annual Percentage Change, 2016

Color based on comparison across states and payroll component within industry group

State	Total Private Sector			Manufacturing			Contracting		
	Payroll	Employment	AWW	Payroll	Employment	AWW	Payroll	Employment	AWW
United States	5.2	2.0	3.1	3.1	0.0	3.1	7.9	4.8	2.9
Alabama	4.6	1.9	2.7	3.3	1.3	2.0	7.6	2.3	5.2
Alaska	4.6	1.5	3.1	9.5	2.7	6.7	1.4	-2.4	3.9
Arizona	6.4	3.9	2.4	3.6	1.5	2.0	4.6	8.4	-3.5
Arkansas	4.2	2.6	1.6	2.4	1.0	1.3	10.0	2.8	7.0
California	5.1	2.5	2.5	2.2	-0.2	2.4	8.6	6.8	1.7
Colorado	5.1	2.6	2.4	3.1	1.9	1.2	8.2	5.9	2.2
Connecticut	4.3	1.4	2.9	2.2	0.3	1.9	8.5	2.5	5.8
Delaware	5.1	3.0	2.0	2.1	3.9	-1.7	6.8	3.1	3.6
District of Columbia	5.4	1.6	3.8	5.0	10.1	-4.6	7.8	3.6	4.0
Florida	6.9	3.1	3.7	4.9	2.3	2.5	6.6	6.9	-0.3
Georgia	6.0	3.0	2.9	4.6	2.0	2.6	8.0	7.2	0.8
Hawaii	6.4	2.9	3.4	4.3	2.5	1.8	10.6	13.6	-2.7
Idaho	6.8	3.8	2.9	4.7	1.8	2.8	4.9	6.2	-1.2
Illinois	4.6	1.1	3.5	3.3	-0.1	3.4	7.2	3.0	4.1
Indiana	5.5	2.2	3.3	3.6	0.3	3.4	8.9	6.3	2.4
Iowa	4.4	1.4	3.0	2.2	-0.9	3.1	5.8	6.6	-0.7
Kansas	4.5	0.9	3.6	3.4	0.6	2.8	5.9	-2.8	9.0
Kentucky	5.5	2.4	3.0	6.3	1.3	4.9	8.1	5.5	2.5
Louisiana	3.2	-0.3	3.5	1.5	-3.0	4.6	7.6	3.9	3.5
Maine	3.5	1.5	1.9	1.9	-0.1	1.9	5.7	3.1	2.5
Maryland	4.8	2.0	2.8	-0.6	3.2	-3.8	8.3	4.4	3.7
Massachusetts	4.0	1.7	2.3	-1.3	0.2	-1.6	8.1	8.9	-0.7
Michigan	6.4	2.2	4.1	7.4	1.7	5.6	7.8	7.0	0.7
Minnesota	2.9	1.7	1.2	2.8	-0.3	3.1	4.9	7.6	-2.6
Mississippi	3.4	1.8	1.6	2.8	2.4	0.4	6.7	2.0	4.6
Missouri	5.1	1.2	3.9	6.3	-0.1	6.4	7.2	7.5	-0.2
Montana	4.7	1.3	3.3	4.1	3.6	0.5	8.8	5.2	3.4
Nebraska	4.6	1.6	3.0	2.8	1.2	1.6	6.8	3.3	3.3
Nevada	5.4	2.8	2.5	-0.6	2.5	-3.1	3.7	7.4	-3.5
New Hampshire	6.0	2.2	3.7	4.8	-1.8	6.7	9.0	9.1	-0.1
New Jersey	4.2	1.5	2.6	1.4	-0.3	1.7	8.3	3.0	5.1
New Mexico	2.5	1.0	1.5	-1.2	-0.8	-0.4	3.7	7.9	-3.8
New York	4.8	1.3	3.5	3.6	0.3	3.3	8.5	3.3	5.0
North Carolina	5.4	2.3	3.1	3.5	0.3	3.3	8.2	5.8	2.2
North Dakota	-3.0	-3.4	0.4	0.6	-4.7	5.6	-3.7	-11.7	9.1
Ohio	4.0	1.7	2.2	3.3	-0.5	3.9	6.7	7.9	-1.1
Oklahoma	2.6	0.8	1.8	0.1	-4.0	4.2	7.5	6.1	1.4
Oregon	6.6	3.2	3.4	2.9	1.3	1.5	7.8	8.7	-0.8
Pennsylvania	4.5	1.4	3.0	2.4	-0.3	2.7	7.9	-0.3	8.3
Rhode Island	3.6	1.4	2.2	3.0	-0.4	3.4	8.9	14.7	-5.1
South Carolina	6.5	2.3	4.0	4.4	1.6	2.7	9.0	7.4	1.5
South Dakota	4.8	1.8	2.9	1.8	-2.5	4.5	4.0	4.5	-0.4
Tennessee	6.5	3.1	3.3	5.0	1.1	3.8	9.8	10.5	-0.7
Texas	2.7	1.3	1.3	-1.0	-4.5	3.6	6.9	2.8	4.0
Utah	6.3	3.2	3.0	4.8	1.2	3.5	8.7	7.2	1.4
Vermont	3.9	2.1	1.8	2.1	-0.6	2.7	5.0	9.8	-4.3
Virginia	6.2	2.8	3.3	3.4	-0.8	4.2	5.2	2.3	2.8
Washington	6.9	3.2	3.6	6.5	-0.9	7.4	7.6	8.5	-0.9
West Virginia	1.6	-1.0	2.6	-2.5	0.6	-3.1	4.4	-7.1	12.4
Wisconsin	4.8	1.6	3.2	3.1	0.0	3.1	7.4	6.4	0.9
Wyoming	0.2	-1.5	1.7	2.0	-0.6	2.7	4.3	-4.1	8.7

Sources: Moody's Analytics; NCCI

Table 6b
Payroll, Employment, and Average Weekly Wage by Industry Group

Annual Percentage Change, 2016

Color based on comparison across states and payroll component within industry group

State	Office and Clerical			Goods and Services			Miscellaneous		
	Payroll	Employment	AWW	Payroll	Employment	AWW	Payroll	Employment	AWW
United States	5.1	2.3	2.7	5.6	2.3	3.2	4.9	0.9	3.9
Alabama	3.6	2.4	1.2	4.9	2.0	2.8	6.1	1.5	4.5
Alaska	4.6	-0.9	5.6	8.1	3.3	4.7	0.4	-1.2	1.7
Arizona	7.1	5.3	1.7	6.6	3.5	3.1	7.0	3.7	3.2
Arkansas	6.0	2.4	3.5	3.5	3.3	0.2	3.7	1.6	2.1
California	5.2	2.2	2.9	5.3	2.8	2.4	5.7	1.8	3.9
Colorado	5.5	2.2	3.3	5.6	3.5	2.1	1.7	-1.0	2.7
Connecticut	3.1	1.4	1.7	5.6	1.5	4.0	5.9	2.1	3.8
Delaware	3.6	1.9	1.6	6.5	2.9	3.6	6.3	5.1	1.2
District of Columbia	5.6	0.5	5.0	5.0	1.9	3.0	6.5	2.0	4.4
Florida	6.9	3.2	3.6	6.8	2.6	4.1	8.8	3.8	4.8
Georgia	6.2	2.6	3.5	5.7	2.7	3.0	7.2	4.3	2.8
Hawaii	5.3	1.9	3.3	6.1	2.2	3.8	6.2	2.2	3.9
Idaho	6.9	2.6	4.3	8.0	4.0	3.8	6.3	4.2	2.0
Illinois	5.3	0.9	4.4	4.0	1.4	2.5	5.1	0.3	4.8
Indiana	5.3	0.8	4.5	6.4	3.3	2.9	5.6	0.4	5.1
Iowa	4.7	0.4	4.2	5.2	2.1	3.0	4.5	0.6	3.9
Kansas	3.8	0.7	3.0	4.9	1.6	3.2	5.4	0.2	5.1
Kentucky	5.3	1.0	4.3	5.2	3.0	2.1	4.3	1.6	2.7
Louisiana	3.3	-1.5	4.9	3.8	0.8	3.0	0.3	-4.0	4.5
Maine	4.6	1.6	2.9	3.0	1.9	1.1	4.1	0.1	4.0
Maryland	4.4	1.1	3.2	5.1	2.1	2.9	5.6	0.9	4.7
Massachusetts	3.9	1.6	2.3	4.5	1.3	3.2	7.5	2.2	5.2
Michigan	6.2	2.6	3.5	6.0	2.0	3.9	6.0	1.7	4.2
Minnesota	1.7	1.0	0.7	3.4	2.3	1.0	3.8	-0.2	4.0
Mississippi	3.2	0.2	3.0	3.5	2.2	1.3	2.8	0.8	2.0
Missouri	5.1	0.9	4.1	4.6	0.9	3.6	5.0	1.4	3.5
Montana	5.3	0.1	5.2	4.9	1.6	3.2	1.8	-0.5	2.3
Nebraska	5.1	1.6	3.4	4.5	1.7	2.7	4.9	1.0	3.9
Nevada	5.1	1.3	3.8	6.2	2.6	3.5	5.5	2.9	2.6
New Hampshire	6.0	1.8	4.1	5.7	2.7	3.0	8.2	2.2	5.9
New Jersey	4.0	1.1	2.8	3.7	1.4	2.3	7.4	2.8	4.4
New Mexico	5.4	-0.1	5.6	2.5	2.3	0.2	-0.4	-4.2	4.0
New York	4.9	1.5	3.4	4.3	1.1	3.2	5.2	1.6	3.6
North Carolina	5.8	2.5	3.2	5.2	2.2	3.0	6.9	3.1	3.7
North Dakota	2.2	-0.7	2.9	-1.3	-0.2	-1.1	-9.3	-8.0	-1.3
Ohio	3.6	1.5	2.1	3.8	2.3	1.5	6.1	0.3	5.8
Oklahoma	4.1	2.0	2.1	4.6	2.1	2.5	-2.2	-2.2	-0.1
Oregon	8.5	4.9	3.5	6.7	2.8	3.8	7.2	2.5	4.6
Pennsylvania	4.5	2.4	2.1	4.6	1.8	2.8	4.4	0.8	3.6
Rhode Island	3.0	2.6	0.4	3.5	0.2	3.2	4.6	3.0	1.5
South Carolina	7.6	1.4	6.1	6.3	2.3	3.9	7.3	2.1	5.1
South Dakota	4.7	2.1	2.5	5.6	2.4	3.1	5.8	1.9	3.8
Tennessee	5.7	2.9	2.8	7.0	3.1	3.8	6.8	2.9	3.8
Texas	3.7	1.9	1.8	3.4	2.5	0.8	0.2	-0.5	0.7
Utah	7.8	3.0	4.7	5.7	3.5	2.1	4.8	1.5	3.2
Vermont	5.2	1.3	3.8	4.3	2.0	2.3	1.4	2.1	-0.7
Virginia	5.8	3.3	2.5	6.6	3.0	3.6	8.6	3.5	4.9
Washington	5.4	3.6	1.7	7.8	3.4	4.3	7.7	2.8	4.8
West Virginia	4.1	0.0	4.2	3.3	0.1	3.2	-3.4	-4.7	1.4
Wisconsin	5.2	1.0	4.2	5.0	2.0	3.0	5.9	1.3	4.5
Wyoming	2.7	-0.1	2.8	2.9	0.4	2.5	-5.5	-4.7	-0.8

Sources: Moody's Analytics; NCCI