

Micropolitan Statistical Areas: a few highlights

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Micropolitan Statistical Areas were first introduced by the Office of Management and Budget (OMB) in June 2003 as part of the OMB redefinition of Federal Statistical Areas that occurs after each decennial census. The new micropolitan areas differ from their Metropolitan Statistical Area counterparts only in urban core size. A metropolitan area is defined around an urbanized area of 50,000 or more population, whereas a micropolitan area contains one or more urban clusters with a population of at least 10,000 but less than 50,000. Each area of either type then takes in adjacent territories that have a high degree of social and economic integration with the urban core, as measured by commuting ties. Because both of these types of area are based on urban cores, they are collectively referred to as Core-Based Statistical Areas (CBSAs).

The Local Area Unemployment Statistics (LAUS) program within the U.S. Bureau of Labor Statistics first published estimates for the new Census 2000-based CBSAs and related areas in March 2005. LAUS data series for these areas were carried back to 1990 to maintain intertemporal geographic comparability. This report presents a review of micropolitan areas, as represented in LAUS data and U.S. Census Bureau population esti-

mates. Note that OMB defined an alternative set of CBSAs using cities and towns for the six New England States. These CBSAs are known as New England City and Town Areas. New England data generated by the LAUS program and aggregated in this report are based on these New England City and Town Areas. For the portion of the Nation not included in CBSAs, the LAUS program creates estimates for what it designates as small labor market areas, which are city and town based in the New England States and county based in the remaining States.¹

About 10 percent of the U.S. population resides in micropolitan areas. In contrast, metropolitan areas are home to roughly 83 percent of the Nation's residents. People residing in the residual territory, which LAUS subdivides into small labor market areas, account for about 7 percent of the overall population. The following tabulation shows the share, in percent, of the U.S. population, by type of area, from 2000 to 2006.²

Year	Metro-politan	Micro-politan	Small labor market area
2000	82.7	10.3	7.0
2001	82.8	10.3	6.9
2002	82.9	10.2	6.9
2003	83.0	10.2	6.8
2004	83.1	10.1	6.8
2005	83.2	10.1	6.7
2006	83.3	10.1	6.7

On the basis of annual population estimates produced by the U.S. Census Bureau, metropolitan areas consistently have not only higher population levels, but also higher population growth rates than their micropolitan counterparts; however, growth rates for metropolitan areas have decreased slightly in recent years, while rates for

micropolitan areas have increased. The following tabulation presents the annual population growth rates, by type of area and place of residence, from July 1 of the previous year to July 1 of the current year (column 1), in percent:

Year	Nation	Metro-politan	Micro-politan	Small labor market area
2001...	1.1	1.2	0.3	0.0
2002...	1.0	1.2	.5	.2
2003...	.9	1.0	.5	.2
2004...	1.0	1.1	.6	.3
2005...	1.0	1.1	.6	.2
2006...	1.0	1.0	.8	.4

In each year since 2000, unemployment rates have been higher in the Nation's micropolitan areas than in metropolitan areas. Similarly, unemployment rates for small labor market areas have been consistently higher than those for micropolitan areas. This may be due in part to relative access to jobs: areas with smaller population bases may have fewer jobs—particularly wage and salary jobs—relative to their populations. The following tabulation compares national and area-type unemployment rates from 2000 to 2006 (note: national unemployment rates originate from the Current Population Survey, and LAUS estimates are controlled to national totals):

Year	Nation	Metro-politan	Micro-politan	Small labor market area
2000..	4.0	3.9	4.4	4.7
2001..	4.7	4.6	5.2	5.4
2002..	5.8	5.7	5.9	6.1
2003..	6.0	5.9	6.2	6.4
2004..	5.5	5.5	5.9	6.0
2005..	5.1	5.0	5.5	5.7
2006..	4.6	4.5	5.0	5.3

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When area types are further decomposed, more nuanced relationships emerge. Ranked by Census 2000 population, metropolitan and micropolitan areas have substantial overlap. Of the 585 micropolitan areas, 220 have populations larger than the least populous metropolitan area—Palm Coast, Florida (population 49,832). Conversely, 132 of the 369 metropolitan areas have populations smaller than the largest micropolitan area—Seaford, Delaware (population 156,638). Splitting micropolitan areas into two groups—those smaller than the smallest metropolitan area and those larger—indicates that small micropolitan areas have unemployment rates slightly lower than larger ones, although no major differences in trends are apparent. The analogous decomposition is more telling for the

two sets of metropolitan areas: those larger than the largest micropolitan area had a greater increase in relative joblessness after the most recent recession,³ albeit from a lower base than any other area-size grouping. (See chart 1.)

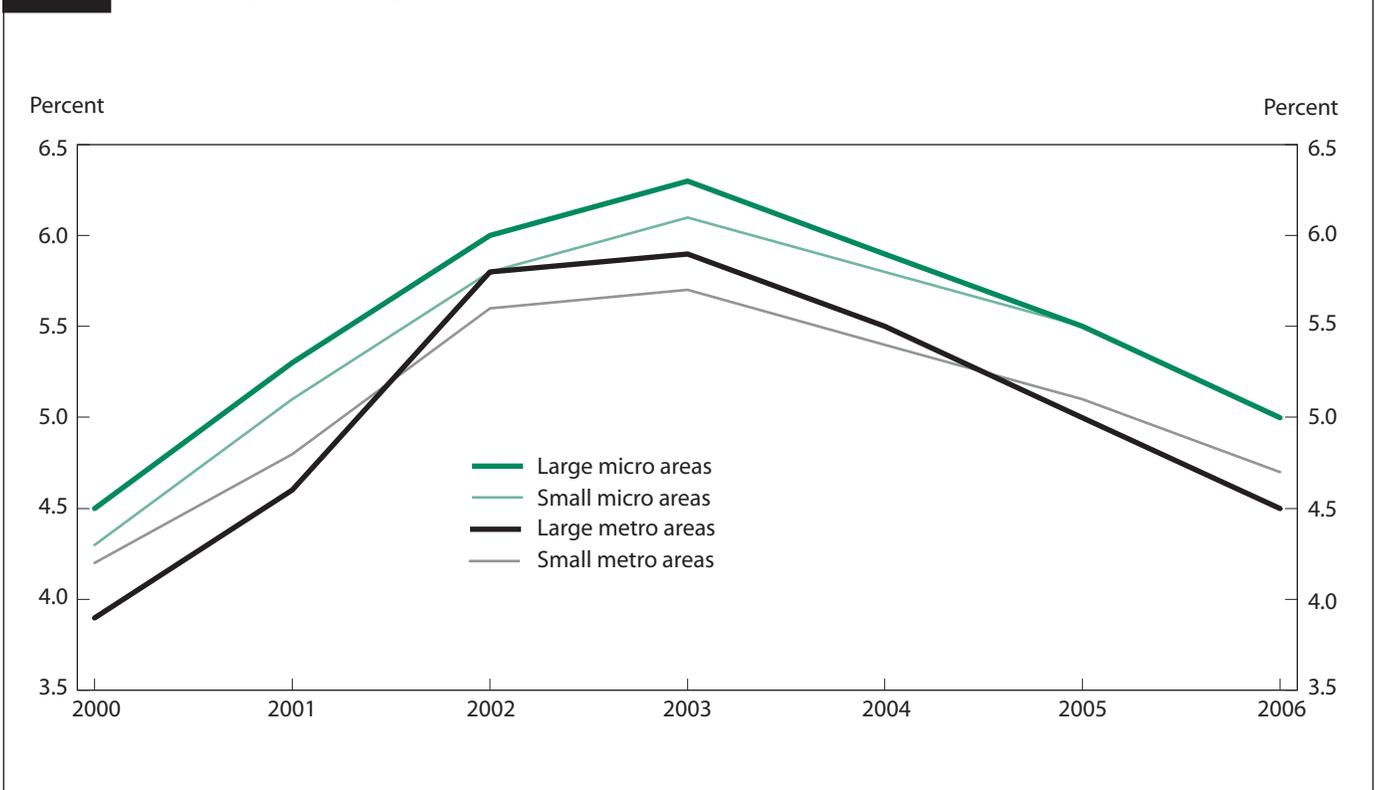
In 2006, Williston, North Dakota, and Gillette, Wyoming, had the lowest unemployment rates among micropolitan areas, 2.1 percent each. Eagle Pass, Texas, had the highest unemployment rate, 13.0 percent, followed by Rio Grande City-Roma, Texas, 11.7 percent.⁴ Both of these high-rate areas are located on the Mexican border, as are a number of high-rate metropolitan areas, including El Centro, California, and Yuma, Arizona.

Four Louisiana micropolitan areas affected by Hurricane Katrina recorded the largest decreases in unemployment rates from 2005, reflecting re-

covery following the storm: Hammond (−4.7 percentage points), Pierre Part (−4.4 points), Bogalusa (−4.3 points), and Morgan City (−4.1 points). The micropolitan areas posting the largest rate increases were Camden, Arkansas, and Lawrenceburg, Tennessee (1.2 percentage points each), and Chester, South Carolina, and McMinnville, Tennessee (1.1 points each).

From 2000 to 2006, Rio Grande City-Roma, Texas, and Deming, New Mexico, recorded the largest unemployment rate decreases (−5.1 and −4.8 percentage points, respectively), even though their rates remained in the double-digit range. The areas having the largest rate increases during the 5-year period were all in South Carolina: Union (5.9 percentage points), Seneca (5.6 points), Lancaster (5.5 points), and Chester (5.3 points). □

Chart 1 Unemployment rate by area type and relative size, 2000–06



Notes

¹For information regarding designation procedures for small labor market areas, see Labor Market Areas, 2007 (Bureau of Labor Statistics, March 2007), “Appendix II: Criteria for Designating Small Labor Market Areas,” p. 168, on the Internet at www.bls.gov/lau/lmadir.pdf (visited Mar. 11, 2008). Since the drafting of this report, one new micropolitan area has been designated by the

Office of Management and Budget—Show Low, Arizona, Micropolitan Statistical Area. The analysis in this report does not reflect this change.

²Population estimates are those published during 2007 and pertain to July 1 of each year, 2000 through 2006, inclusive.

³As of this publication, the most recent

recession, designated as such by the National Bureau of Economic Research (NBER), occurred from March 2001 through November 2001.

⁴Unemployment rate data are as published by LAUS in early 2007. Data are subject to minor revisions on an annual basis and may differ slightly from the latest data published by LAUS on April 18, 2008.