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How far a dollar goes in Houston

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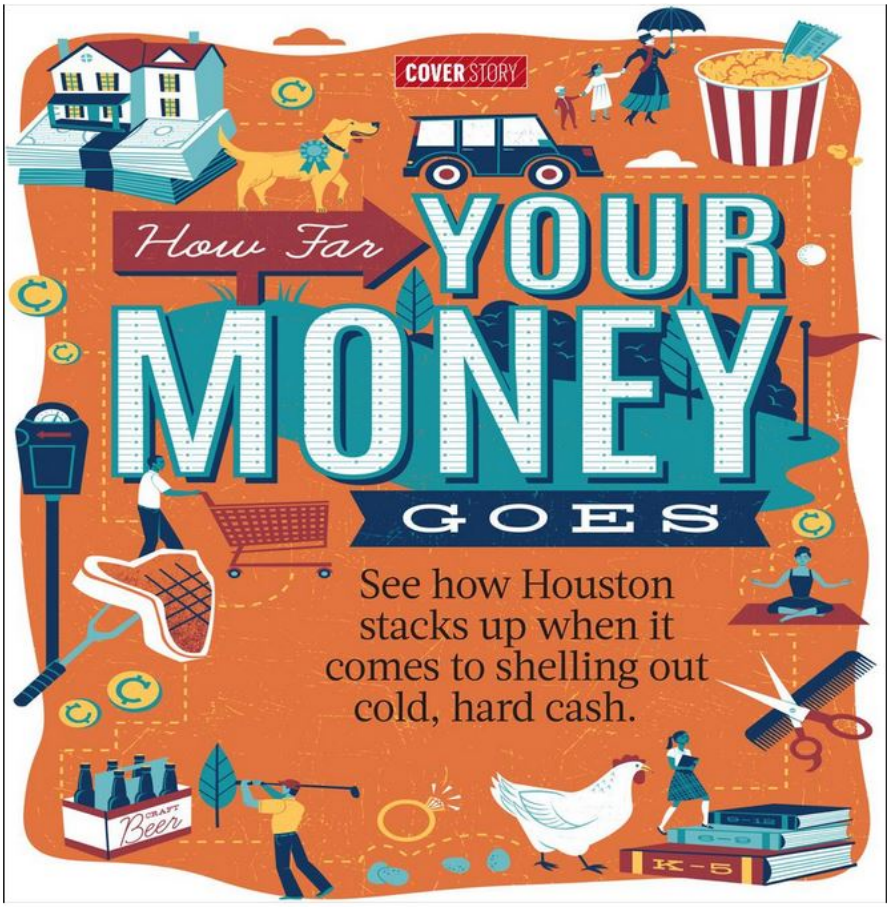
Cara Smith Reporter *Houston Business Journal*

A dollar's only as good as what it can buy you, and that's part of what makes these next careers so hot in the Bayou City.

Using data from the Bureau of Labor Statistics and the U.S. Bureau of Economic Analysis, HBJ looked at the top three jobs in Houston in terms of purchasing power. For architectural and engineering managers, geoscientists and the 20 jobs listed in the first chart of the slideshow, Houston is the No. 1 market for that job's paycheck to get the most bang for its buck. Even if these jobs earned a higher base salary in another city, the cost of living is cheaper in Houston, so these jobs have the strongest purchasing power in Houston.



HOUSTON JOBS WHERE PAY GOES THE FURTHEST

For these 20 jobs in the Bayou City, an employee's paycheck can be stretched the furthest compared to these jobs in 106 U.S. metros.

HOUSTON'S HIGHEST PAY ADJUSTED FOR PURCHASING POWER

		Local jobs
Architectural and engineering managers	$180,280	5,440
Geoscientists, except hydrologists and geographers	$158,700	6,810
Compensation and benefits managers	$148,930	310
Purchasing managers	$147,850	1,660
Economists	$139,420	480
Marine engineers and naval architects	$115,200	1,620
Civil engineers	$111,700	10,850
Computer systems analysts	$102,250	15,260
Claims adjusters, examiners, and investigators	$83,940	2,360
Arbitrators, mediators, and conciliators	$76,310	100
Title examiners, abstractors, and searchers	$74,260	2,470
Earth drillers, except oil and gas	$72,190	490
Environmental engineering technicians	$65,740	310
Mathematical technicians	$63,360	130
Athletic trainers	$60,760	410
Electrical and electronics installers and repairers, transportation	$60,710	320
Medical appliance technicians	$58,460	150
Wind turbine service technicians	$49,360	750
Telephone operators	$47,480	120
Motorboat mechanics and service technicians	$45,620	440
Electronic equipment installers and repairers, motor vehicles	$35,060	450

THE REAL SIZE OF YOUR PAYCHECK

Northern Californians earn the nation's top salaries; however, it's a different story when it comes to pay adjusted for purchasing power. San Jose's average pay of $75,770 carries the buying power of just $62,110 on a national scale when the region's steep cost of living is considered.

AVERAGE PAY ADJUSTED FOR PURCHASING POWER

San Jose, California	973,480 local jobs	$62,110
Durham, N.C.	284,480	58,780
Huntsville, Alabama	208,480	56,660
Hartford, Conn.	564,480	55,080
Boston	2,587,770	54,250
Washington, D.C.	2,944,560	53,930
Trenton, N.J.	224,020	53,830
Seattle	1,761,920	53,620
SF-Oakland	2,112,800	53,580
St. Louis, Missouri	1,305,470	52,070
Ann Arbor, Michigan	204,840	52,050
Cleveland, Ohio	1,014,440	51,890
Charlotte, N.C.	910,290	51,210
Atlanta	2,387,970	50,990
Denver	1,325,430	50,870
Sacramento	858,060	50,750
Bridgeport-Stamford	422,570	50,740
Akron, Ohio	320,520	50,680
Minneapolis-St. Paul	1,824,720	50,560
Houston	2,843,360	50,480

LOSERS AND GAINERS AFTER COST-OF-LIVING ADJUSTMENTS

Don't be fooled by a large salary in Honolulu. Its purchasing power on the national scale is 18.6 percent lower. The biggest gainer is McAllen-Edinburg in South Texas, up 17.6 percent. Houston is one of only 13 markets in the study where the average cost-of-living adjustment is less than one percent difference than the market's local average pay.

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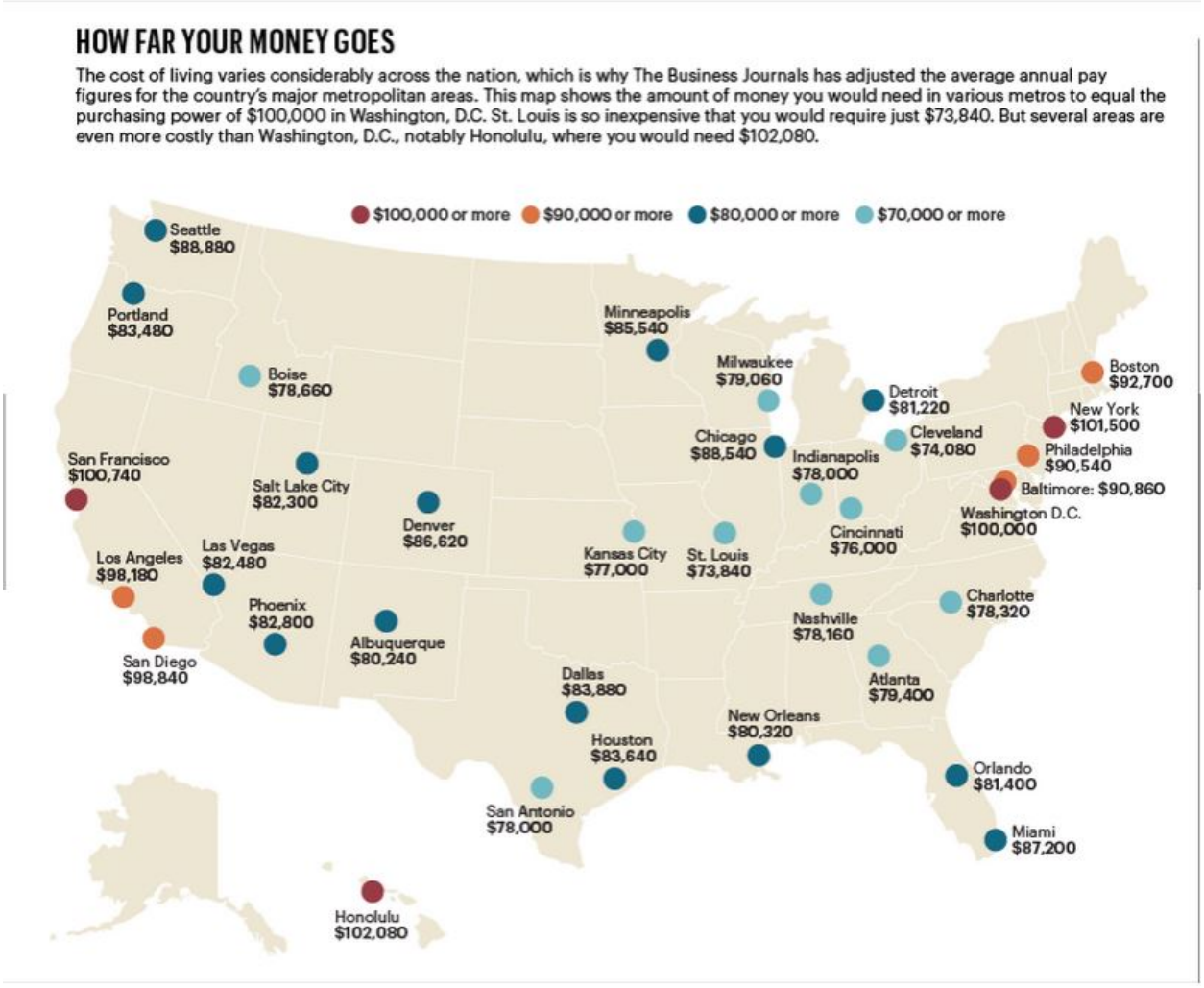

Click through the slide show to see more visual representations of how far your money… more

And despite the recent oil price slump, Houston's energy industry is by far the most impactful on the city's economy. Nearly all the 20 jobs listed to the right are involved in energy, engineering or health care.

HBJ broke down the significance of Houston's three highest-earning jobs by purchasing power.

Architectural and Engineering Managers

Architectural and engineering managers have been enjoying a boom in business in recent years, said Laura Michela, a project manager at IBI Group in Houston. Houston's unique, sprawling geography makes it a city that naturally caters to those in architecture. Upticks in development in The Woodlands, Friendswood, Sugar Land and other outer Loop communities that are then

compounded with developments in Houston's metro give architects a vast playing field to work in.

"We do have a lot of area to build out and a lot of undeveloped land that people want to build in," Michela said. "Business expansions and new buildings that are being built to accommodate new businesses coming to Houston are happening. … I think geography plays into that. I think the variety of jobs that Houston offers, as well, (plays into the success of architectural and engineering managers in Houston)."

IBI Group works on higher education facilities, such as the newly minted science building at San Jacinto College Central campus, and the $35 million Career and Technology High School in Pasadena Independent School District. But there's a slew of other commercial developments that are keeping Houston-based engineering and architectural firms busy. With a boom in business comes a higher demand for architects, and Michela said there's a strong need for young talent in the industry.

"We have a lot of job opportunity in architecture, and I think the demand is greater than the supply. We're having trouble finding people who are interested," Michela said. "A couple of years ago that was the opposite case. But people at other firms are also having the same issues. Everyone's looking to hire. There's just a large demand for employees of all levels."

Geoscientists

Geoscientists, which refers to non-engineering roles in oil and gas and mining, is one of the best jobs to have in Houston if you're looking to get the most bang for your buck. But the nature of the job can vary widely, and it's all based on the kind of rocks you're dealing with.

For example, those working in hard rock are in the "suit and tie" sector of the job, said Justin Vandenbrink, a professionally licensed geologist and global solutions manager at Ireland-based Weatherford International Ltd. (NYSE: WFT).

"(They) go to work with their briefcases and look at maps," Vandenbrink said. "In that sense, it's a cleaner version of being a geologist. You have a suit and tie, you're downtown having lunch and you're going to happy hour. But if you're a mining geoscientist, you're in a mountain village or a mine."

In a way, service companies, which often employ a higher volume of geoscientists than most, can serve as a bellwether of its recent performance, Vandenbrink said. A first indicator of rough times in the industry is how fat or thin these oil and gas service companies are in terms of their geoscientist manpower.

"Services companies employ a lot of geoscientists," Vandenbrink said. "Those geoscientists are now looking for work."

Still, Vandenbrink noted that for geoscientists, the oil slump is a very localized event and that there's a wealth of opportunities in the Middle East for geoscientists.

“Companies around the world explore for oil and gas, but they recognize that the education and talent that comes from Houston is top tier,” Vandenbrink said. “You can parlay that and get a job anywhere around the world if you’ve been trained in this part of the world. They accept you with open arms.”

Compensation and benefits managers

Compensation and benefits managers are more in-demand nationwide due to health care reform and subsequent rising health care costs, according to the Bureau of Labor Statistics. Many companies are rewriting their benefits plans to include strategies such as pay-for-performance, which rewards physicians and other health care providers for meeting certain quality and efficiency standards. An increasing amount of these complex plans is giving a boon to compensation and benefits managers’ job outlook.

How we stack up in jobs, salaries

All paychecks are not created equal, so we broke it down. Adjusted salaries for 106 U.S. metros are based on “regional price parities,” cost-of-living multipliers devised by the U.S. Bureau of Economic Analysis. Here’s the local scorecard.

***2,944,560* —** Houston’s total jobs, ranking sixth among 106 U.S. markets behind New York, Los Angeles, Chicago, Dallas-Ft. Worth and Washington, D.C.

***$50,830* —** Local average pay, ranking 22nd

***$50,480* —** Local average pay adjusted for purchasing power, ranking 22nd

***0.69 percent* —** Percent adjustment in purchasing power for Houston (27th), with a raw adjustment of -$350 (27th)

A Trip to the Market

To determine what high-end goods and services cost in major metro areas across the country, the Business Journals staff in each of our 43 markets researched more than 40 notable goods and services and reported back what those items cost. While it can be difficult to line up all the items as a true apples-to-apples comparison — and we did ask each market to price an organic honey crisp apple — researchers, editors and reporters in each city tried to match each product as closely to the specific guidelines as possible. The cities and corresponding prices below the price tags show the markets with the most expensive price for the given item.

Movie Tickets: for two, Saturday night show at a first-run theater — $17

- Business Journal average: **$22.72**
- Rank among all markets: **43**
- Most expensive markets:
    - Kansas City: **$35.00**
    - New York: **$30.50**
    - Los Angeles: **$30.00**

Yoga: drop-in rate for yoga class in your wealthiest ZIP Code — $20

- Business Journal average: **$18.42**
- Rank among all markets: **8th (tie)**
- Most expensive markets:
    - Miami: **$35**
    - New York: **$35**
    - Philadelphia: **$28**

Top Sirloin: Cost per pound of organic top sirloin at an upper-end grocer — $9.99

- Business Journal average: **$12.85**
- Rank among all markets: **38th (tie)**
- Most expensive markets:
    - San Francisco: **$21.99**
    - New York: **$19.99**
    - Albany: **$18.99**

Golf: Standard rate for round of golf at No. 1 public course — $61

- Business Journal average: **$91**
- Rank among all markets: **28th**
- Most expensive markets:
    - Jacksonville: **$450**
    - Milwaukee: **$245**
    - Lose Angeles: **$188**

Diamond Ring: 1 Carat diamond engagement ring, 14kt gold band, Solitaire — $5,531

- Business Journal average: **$10,373**
- Rank among all markets: **39th**
- Most expensive markets:
    - Albany: **$20,000**
    - Seattle: **$20,000**
    - Dayton: **$15,000**

Craft Beer : Six-pack of Karbach Hopadillo — $8.99

- Business Journal average: **$9.59**

- Rank among all markets: **28th (tie)**
- Most expensive markets:
    - New York: **$13.99**
    - Dallas: **$12.99**
    - Honolulu: **$11.49**

Dog: Pure-bred Labrador Retriever puppy, AKC registered — $858

- Business Journal average: **$1,122**
- Rank among all markets: **28th**
- Most expensive markets:
    - Boston: **$2,700**
    - San Antonio: **$2,200**
    - Tampa: **$2,000**

Cara covers commercial real estate and construction for the Houston Business Journal.

MORE PRICE COMPARISONS

This chart compares Houston's cost for the items below to comparable cities, and where it ranks out of the 43 markets.

	Local cost	The Business Journals average	Rank	Dallas	Washington, D.C.	Philadelphia
Best seat at prominent local play house for a Saturday night show	$125	$132.54	16th (tie)	$214	$50	$175
Monthly rent for 6,000 square feet of mid-level office space in downtown office tower	$14,000	$13,991	16th (tie)	$17,500	$27,750	$14,000
Round-trip flight to Paris for seven days in late October, business class	$10,906	$15,383	43rd	$12,984	$13,235	$13,371
Round-trip flight to Paris for seven days in late October, coach	$2,536	$3,700	36th	$2,778	$2,255	$1,875
Cost of a 3,000-square-foot house built in the last five years with a three-car garage and 0.75 acre lot in wealthiest ZIP code	$1.65 million	$1.58 million	12th	$1.38 million	$1.47 million	$750,000
Private school tuition for largest private school on The List, grades K-5	$18,891	$17,311	22nd	$22,620	$37,750	$21,420
Private school tuition for largest private school on The List, grades 9-12	$23,029	$21,283	18th	$28,365	$56,191	$31,500
Cost of four tickets in the most expensive section of the stadium for the "hottest" pro or college sport	$1,512 (Texans)	$1,090	10th	$5,412 (Cowboys)	$480 (Redskins)	$460 (Eagles)
1 gallon premium gas, priced on Oct. 1	$2.12	$2.56	44th	$2.29	$2.85	$2.49
Cost of UberX from downtown hotel to George Bush Intercontinental Airport on a weekday	$33	$34.36	16th	$40	$13	$47
Cost of a taxi from downtown hotel to George Bush Intercontinental Airport on a weekday	$53	$34.15	3rd	$45	$64	$29
Cost of parking for two hours during the day at the largest office building downtown	$25	$14.60	7th	$4	$20	$34