# NEWS

## DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS



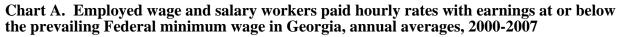
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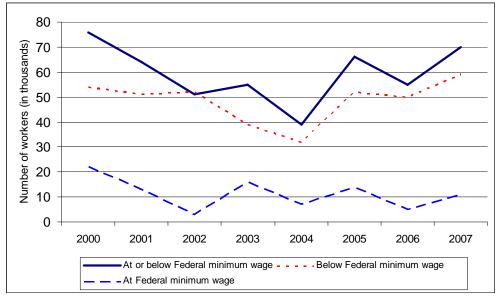
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### MINIMUM WAGE WORKERS IN GEORGIA: 2007

In 2007, 70,000 hourly-paid workers in Georgia had earnings at or below the prevailing Federal minimum wage<sup>1</sup>, according to the U.S. Department of Labor's Bureau of Labor Statistics. (See chart A.) In the State, about 2.2 million workers were paid at hourly rates, representing 53.4 percent of all wage and salary workers<sup>2</sup>. Regional Commissioner Janet S. Rankin noted that workers paid at or below the Federal minimum wage accounted for 3.2 percent of these hourly-paid workers in Georgia<sup>3</sup>. (See table 1.)





<sup>&</sup>lt;sup>1</sup> On July 24, 2007, the Federal minimum wage increased to \$5.85 per hour from \$5.15 per hour. Data in this report reflect the average number of workers earning the prevailing Federal minimum wage or less for the year—those who earned \$5.15 or less from January 2007 through July 2007 and those who earned \$5.85 or less from August 2007 through the end of the year.

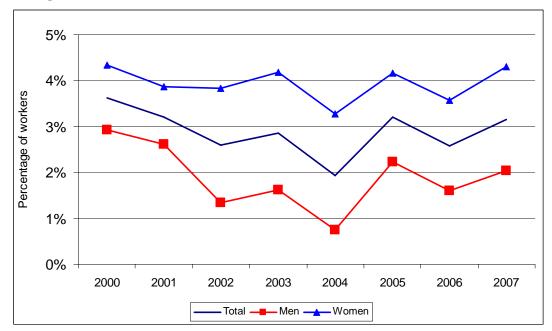
 $<sup>^{2}</sup>$  Data are for wage and salary workers, excluding the incorporated self-employed, and refer to earnings on a person's sole or principal job.

<sup>&</sup>lt;sup>3</sup> It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law.

According to Current Population Survey (CPS) estimates for 2007, 75.9 million workers in the United States were paid at hourly rates, representing 58.5 percent of all wage and salary workers. Of those paid by the hour, 267,000 were reported as earning exactly the prevailing Federal minimum wage. Nearly another 1.5 million were reported as earning wages below the minimum. Together, these 1.7 million workers with wages at or below the Federal minimum made up 2.3 percent of all hourly-paid workers.

Between 2006 and 2007, the number of workers at or below the new Federal minimum wage in Georgia increased among women. Women earning at or below the minimum wage as a percent of all hourly-paid female workers in Georgia, rose to 4.3 percent in 2007, up from 3.6 percent in 2006. Both men and women reached a low point in 2004, at 0.7 percent and 3.3 percent, respectively. The percentage for men, at 2.0 percent in 2007, was up slightly from the previous year. Women workers accounted for about 70 percent of all Georgia hourly-paid workers who earned the prevailing Federal minimum wage or less in 2007, up from about 59 percent in 2000. (See table A and chart B.)

Chart B. Percentage of employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in Georgia, by sex, annual averages, 2000-2007



Overall, Georgia wage and salary workers paid hourly rates<sup>4</sup> had median hourly earnings of \$11.50 in 2007; nationally, the median was \$11.95. The 2007 median hourly rates for men and for women in Georgia were \$12.12 and \$10.80, respectively. (See table A.) For the United States as a whole, the comparable figures were \$12.95 for men and \$10.98 for women.

<sup>&</sup>lt;sup>4</sup> Wage rates in this release use median values. The median is the middle of a distribution: half the scores are above the median and half are below the median. The median is less sensitive to extreme wages than the mean; this makes it a better measure than the mean for highly skewed distributions.

Table A. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, and median earnings of all hourly-paid workers in Georgia, annual averages, 2000-07

Georgia		elow Federa (number of v thousands	vorkers in	All hourly-paid workers			
	Total	Below prevailing	At prevailing	Number of workers (in thousands)	Median earnings (in dollars)		
Total			• •				
2000	76	54	22	2,099	\$9.69		
2001	64	51	13	1,993	10.22		
2002	51	48	3	1,959	10.63		
2003	55	39	16	1,921	10.55		
2004	39	32	7	2,022	11.21		
2005	66	52	14	2,060	11.02		
2006	55	50	5	2,127	11.24		
2007	70	59	11	2,216	11.50		
Men							
2000	31	23	8	1,060	\$10.15		
2001	25	21	4	959	11.18		
2002	13	12	1	969	11.75		
2003	16	10	6	989	11.51		
2004	8	6	2	1,074	11.95		
2005	23	17	6	1,028	11.83		
2006	17	16	1	1,064	11.93		
2007	22	19	3	1,076	12.12		
Women							
2000	45	31	14	1,039	\$8.87		
2001	40	31	9	1,034	9.61		
2002	38	36	2	990	9.81		
2003	39	29	10	932	9.94		
2004	31	26	5	948	10.33		
2005	43	35	8	1,032	10.20		
2006	38	34	4	1,063	10.43		
2007	49	40	9	1,140	10.80		

Note: All self-employed persons are excluded, regardless of whether or not their business is incorporated.

Among the states, Mississippi, at 4.5 percent, had the highest proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage in 2007, followed by Louisiana, at 4.3 percent. Texas, Massachusetts, and South Carolina had the next highest shares, at 4.0 percent each. California, Montana, Oregon, and Washington had the lowest shares, each with less than 1 percent of hourly-paid workers earning the Federal minimum or below. It should be noted that as of January 1, 2008, 32 states and the District of Columbia had laws establishing minimum wage standards that exceeded the Federal level of \$5.85 per hour<sup>5</sup>. (See table 1 and chart C.)

<sup>&</sup>lt;sup>5</sup> U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division: http://www.dol.gov/esa/minwage/america.htm.

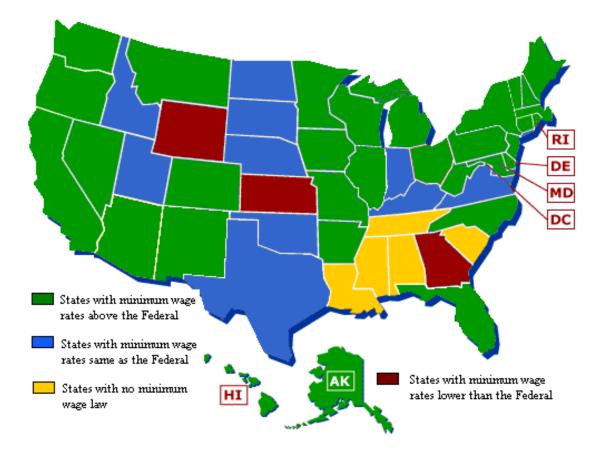


Chart C. Minimum wage laws in the States, January 1, 2008

Source: U.S. Department of Labor, Employment Standards Administration.

#### **Technical Note**

The Bureau of Labor Statistics' data on minimum wage earners are derived from the Current Population Survey (CPS), a nationwide sample survey of households that includes questions enabling the identification of hourly-paid workers and their hourly wage rate. Data in this summary are annual averages.

Minimum wage data, particularly levels, for each year are not strictly comparable with data for earlier years because of the introduction of revised population controls used in the CPS. The effect of the revised population controls on the minimum wage estimates is unknown. However, the effect of the new controls in 2007 on the monthly CPS estimates for the U.S. was to increase the December 2006 employment level by 153,000 and the unemployment level by 10,000. The updated controls had little or no effect on unemployment rates and other ratios. For additional information, see "Adjustments to Household Survey Population Estimates in January 2007" in the February 2007 issue of Employment and Earnings, available on the Internet at http://www.bls.gov/cps/cps07adj.pdf.

It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law. The estimates of the numbers of minimum and subminimum wage workers presented in the accompanying tables pertain to workers paid at hourly rates; salaried and other non-hourly workers are excluded. As such, the actual number of workers with earnings at or below the prevailing minimum is undoubtedly understated. Research has shown that a relatively smaller number and share of salaried workers and others not paid by the hour have earnings that, when translated into hourly rates, are at or below the minimum wage. However, BLS does not routinely estimate hourly earnings for non-hourly workers because of data concerns that arise in producing these estimates. For further information, see Steven Haugen and Earl Mellor, "Estimating the number of minimum wage workers," *Monthly Labor Review*, January 1990 (PDF 415K).

The prevailing Federal minimum wage was \$2.90 in 1979, \$3.10 in 1980, and \$3.35 in 1981-89. The minimum wage rose to \$3.80 in April 1990, \$4.25 in April 1991, \$4.75 in October 1996, and \$5.15 in September 1997. On July 24, 2007, the Federal minimum wage increased to \$5.85 per hour from \$5.15 per hour. Data in this report reflect the average number of workers earning the prevailing Federal minimum wage or less for the year (those who earned \$5.15 or less from January 2007 through July 2007 and those who earned \$5.85 or less from August 2007 through the end of the year).

This release is available on our Web site at <u>http://www.bls.gov/ro6/home.htm</u>. If you have additional questions, you can contact the Southwest Information Office at 214-767-6970. Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

	Number of workers (in thousands)				Percent distribution			Percent of workers paid hourly rates			
State	Total	At or below minimum wage		Total	At or below minimum wage		At or below minimum wage				
	paid hourly rates	Total	At minimum wage	Below minimum wage	paid hourly rates	Total	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Total, 16 years & over	75,873	1,729	267	1,462	100.0	100.0	100.0	100.0	2.3	0.4	1.9
Alabama	1,132	37	14	23	1.5	2.1	5.2	1.6	3.3	1.2	2.0
Alaska	197	2	-	2	0.3	0.1	-	0.1	1.0	-	1.0
Arizona	1,560	28	2	26	2.1	1.6	0.7	1.8	1.8	0.1	1.7
Arkansas	677	17	1	16	0.9	1.0	0.4	1.1	2.5	0.1	2.4
California	8,785	74	9	65	11.6	4.3	3.4	4.4	0.8	0.1	0.7
Colorado	1,164	25	1	24	1.5	1.4	0.4	1.6	2.1	0.1	2.1
Connecticut	923	14	-	14 5	1.2	0.8	-	1.0	1.5	-	1.5 2.1
Delaware District of Columbia	234 109	5 3	- 1	5 2	0.3	0.3	-	0.3 0.1	2.1	-	2.1
Florida	4,261	د 114	15	2 99	0.1 5.6	0.2 6.6	0.4 5.6	6.8	2.8 2.7	0.9 0.4	2.3
Georgia	2,216	70	13	59 59	2.9	4.0	5.0 4.1	4.0	3.2	0.4	2.3
Hawaii	338	4		4	0.4	4.0 0.2	4.1	4.0	1.2	0.5	1.2
Idaho	424	12	4	- 8	0.4	0.2	1.5	0.5	2.8	0.9	1.2
Illinois	3,335	74	3	71	4.4	4.3	1.0	4.9	2.0	0.3	2.1
Indiana	1826	36	7	29	2.4	2.1	2.6	2.0	2.0	0.4	1.6
lowa	933	24	2	22	1.2	1.4	0.7	1.5	2.6	0.2	2.4
Kansas	796	25	5	20	1.0	1.4	1.9	1.4	3.1	0.6	2.5
Kentucky	1,152	35	9	26	1.5	2.0	3.4	1.8	3.0	0.8	2.3
Louisiana	937	40	17	23	1.2	2.3	6.4	1.6	4.3	1.8	2.5
Maine	399	9	-		0.5	0.5	-	0.6	2.3	-	2.3
Maryland	1317	27	2	25	1.7	1.6	0.7	1.7	2.1	0.2	1.9
Massachusetts	1505	60	2	58	2.0	3.5	0.7	4.0	4.0	0.1	3.9
Michigan	2,678	58	1	57	3.5	3.4	0.4	3.9	2.2	0.0	2.1
Minnesota	1,565	21	2	19	2.1	1.2	0.7	1.3	1.3	0.1	1.2
Mississippi	691	31	16	15	0.9	1.8	6.0	1.0	4.5	2.3	2.2
Missouri	1,577	33	3	30	2.1	1.9	1.1	2.1	2.1	0.2	1.9
Montana	289	1	-	1	0.4	0.1	-	0.1	0.3	-	0.3
Nebraska	553	17	3	14	0.7	1.0	1.1	1.0	3.1	0.5	2.5
Nevada	747	12	3	9	1.0	0.7	1.1	0.6	1.6	0.4	1.2
New Hampshire	372	9	1	8	0.5	0.5	0.4	0.5	2.4	0.3	2.2
New Jersey	1,697	29	4	25	2.2	1.7	1.5	1.7	1.7	0.2	1.5
New Mexico	479	11	2	9	0.6	0.6	0.7	0.6	2.3	0.4	1.9
New York	4078	88	7	81	5.4	5.1	2.6	5.5	2.2	0.2	2.0
North Carolina	2156	46	4	42	2.8	2.7	1.5	2.9	2.1	0.2	1.9
North Dakota	191	5	2	3	0.3	0.3	0.7	0.2	2.6	1.0	1.6
Ohio	3,422	79	5	74	4.5	4.6	1.9	5.1	2.3		2.2
Oklahoma	849	25	10	15	1.1	1.4	3.7	1.0	2.9	1.2	1.8
Oregon	1050	9	2	7	1.4	0.5	0.7	0.5	0.9		0.7
Pennsylvania	3,434	69	3	66	4.5	4.0	1.1	4.5	2.0	0.1	1.9
Rhode Island	315	7	-	7	0.4	0.4	-	0.5	2.2	-	2.2
South Carolina	1178	47	10	37	1.6	2.7	3.7	2.5	4.0	0.8	3.1
South Dakota	241	6	1	5 29	0.3	0.3	0.4 3.7	0.3	2.5	0.4	2.1
Tennesee	1602 5,585	39 221	10 46	29 175	2.1	2.3 12.8	3.7 17.2	2.0 12.0	2.4 4.0	0.6 0.8	1.8 3.1
Texas Utah	5,585 748	221	46 1	175 10	7.4 1.0	12.8 0.6	17.2 0.4	12.0	4.0 1.5		3.1
Vermont	748 181	4	1	4	0.2	0.6	0.4	0.7	2.2	0.1	2.2
Virginia	1761	4 46	- 5	4 41	0.2 2.3	0.2 2.7	- 1.9	2.8	2.2	0.3	2.2
Washington	1761	40 17	3	41 14	2.3	2.7 1.0	1.9	2.0 1.0	2.0	0.3	2.3
West Virginia	478	16	3 9	14	2.4 0.6	0.9	3.4	0.5	3.3	0.2 1.9	1.5
Wisconsin	478 1,730	32	9	28	2.3	0.9 1.9	3.4 1.5	0.5 1.9	3.3 1.8	0.2	1.5
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## Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by State, 2007 annual averages

NOTE: Data exclude all self-employed persons regardless of whether or not their businesses are incorporated. Users are reminded that these data are based on a sample and are therefore subject to sampling error; the degree of error may be quite large for less populous States. It is not possible to clearly determine whether workers surveyed in the CPS are actually covered by the Fair Labor Standards Act (FLSA) or by individual State minimum wage laws. Thus, some workers reported as earning an hourly wage of \$5.15 may not in fact be covered by Federal or State minimum wage laws. At the same time, the presence of a sizable number of workers with wages below the prevailing Federal minimum wage does not necessarily indicate violations of the FLSA or applicable State laws, because there are numerous exclusions and exemptions to these minimum wage statutes. Dash indicates no data or data that do not meet publication criteria