



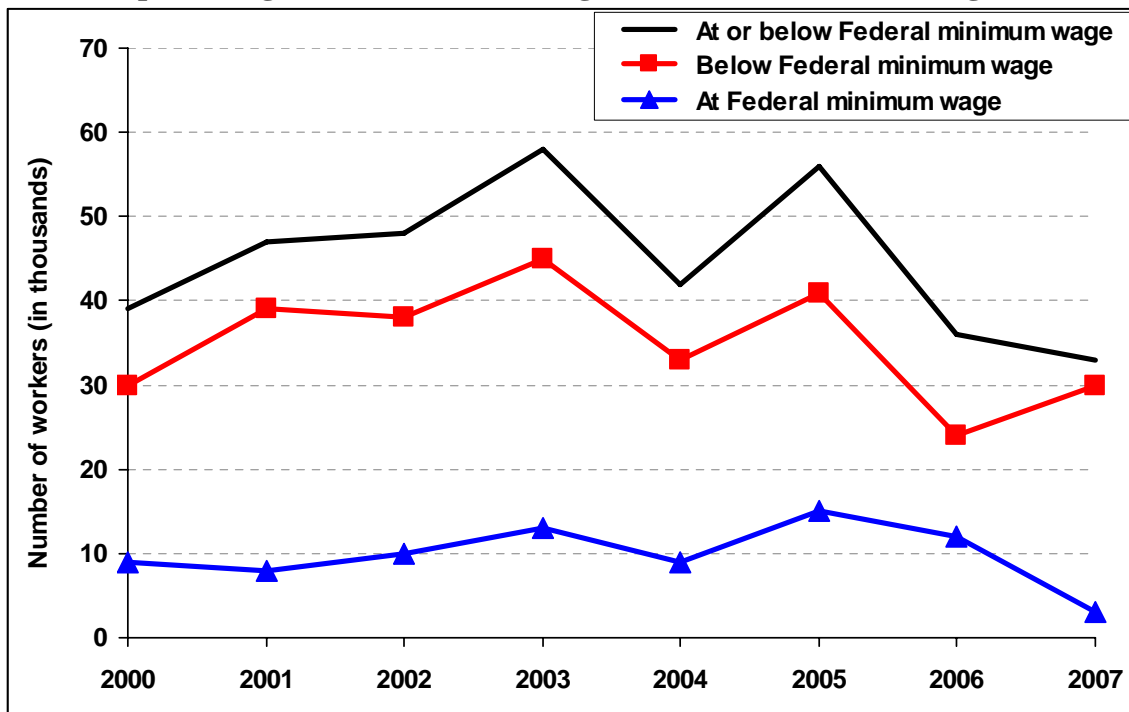
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MINIMUM WAGE WORKERS IN MISSOURI: 2007

In 2007, 33,000 hourly-paid workers in Missouri had earnings at or below the prevailing Federal minimum wage¹, according to the U.S. Department of Labor's Bureau of Labor Statistics. (See chart A.) Regional Commissioner Stanley W. Suchman noted that workers paid at or below the Federal minimum wage accounted for 2.1 percent of the 1.6 million hourly-paid wage and salary workers in Missouri². Fifteen States had a lower percentage of workers in this pay range than did Missouri. (See table 1.)

Chart A. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in Missouri, annual averages, 2000-07



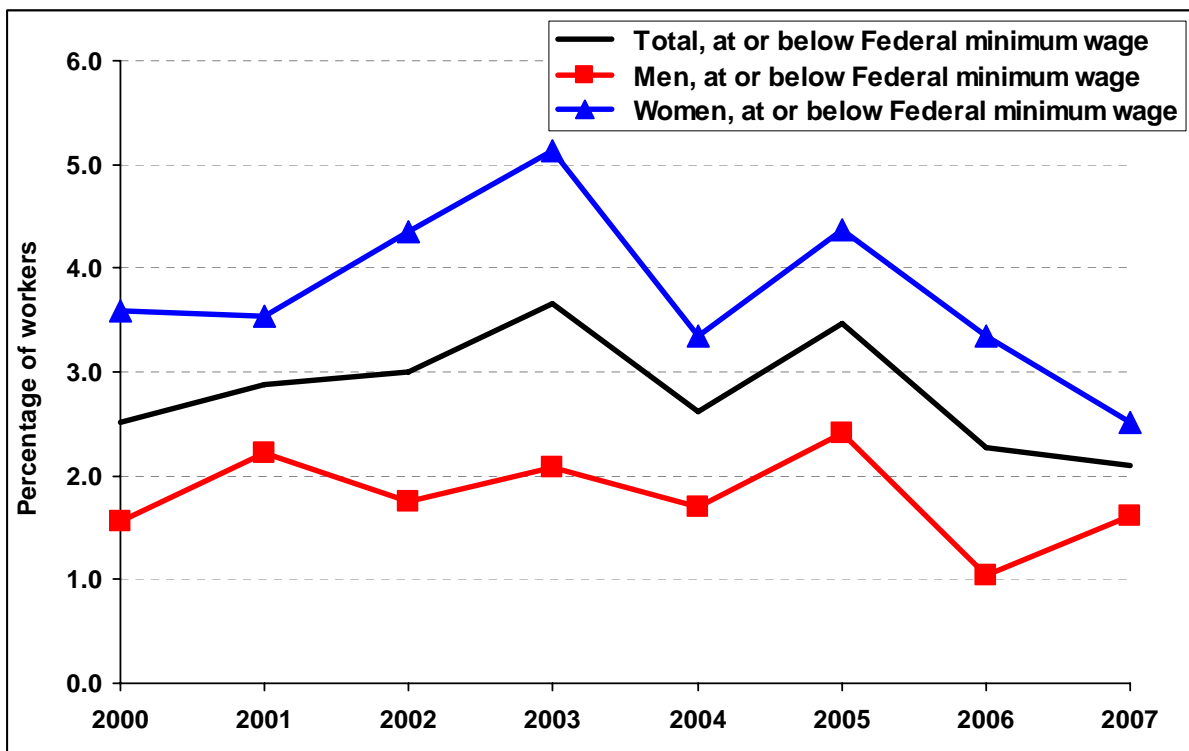
¹ On July 24, 2007, the Federal minimum wage increased to \$5.85 per hour from \$5.15 per hour. Data in this report reflect the average number of workers earning the prevailing Federal minimum wage or less for the year—those who earned \$5.15 or less from January 2007 through July 2007 and those who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

² Data are for wage and salary workers, excluding the incorporated self-employed, and refer to earnings on a person's sole or principal job.

According to 2007 Current Population Survey (CPS) estimates, 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 minimum³. Together, these 1.7 million workers with wages at or below the Federal minimum made up 2.3 percent of all hourly-paid workers in the nation.

The number of hourly-paid workers in Missouri earning the prevailing Federal minimum wage or less was 33,000 in 2007, down from a peak of 58,000 in 2003. Women accounted for 64 percent (21,000) of the hourly-paid workers who earned the prevailing Federal minimum wage or less in Missouri in 2007, while men accounted for the remainder (12,000). In 2007, 2.5 percent of all women workers were earning at or below the Federal minimum, down considerably from a peak of 5.1 percent in 2003. In comparison, only 1.6 percent of male workers earned at or below the Federal minimum wage in 2007, compared with 2.1 percent in 2003. (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 Missouri, by sex, annual averages, 2000-07



³ 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 in the law.

Overall, Missouri wage and salary workers that received hourly rates⁴ had median hourly earnings of \$11.79 in 2007; nationally, the median was \$11.95. The wage differential between men and women in Missouri was greater than the national average, with 2007 median hourly rates for men and for women in the State at \$13.45 and \$10.50, respectively. (See table A.) For the United States as a whole, the comparable figures were \$12.95 for men and \$10.98 for women.

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 Missouri, annual averages, 2000-07

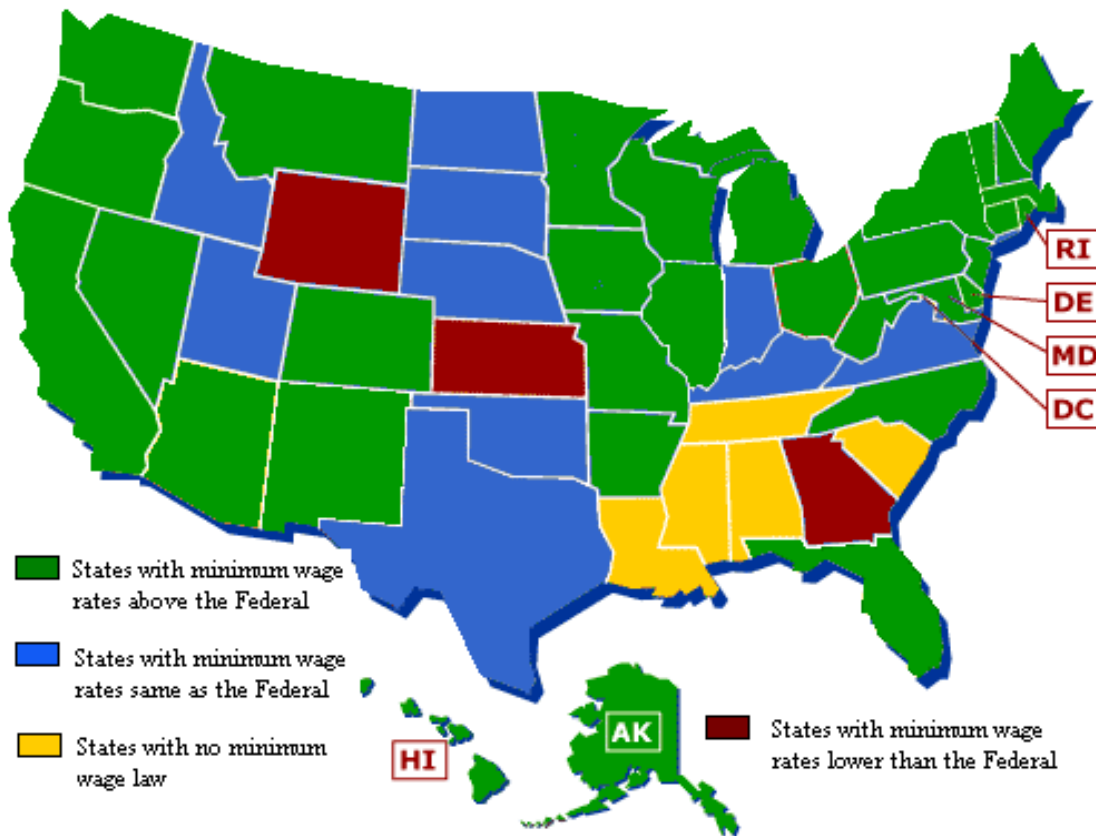
Missouri	At or below Federal minimum wage (number of workers in thousands)			All hourly-paid workers	
	Total	Below Prevailing	At Prevailing	Number of workers (in thousands)	Median earnings (in dollars)
Total					
2000	39	30	9	1,547	\$10.32
2001	47	39	8	1,629	10.62
2002	48	38	10	1,602	10.81
2003	58	45	13	1,586	11.20
2004	42	33	9	1,601	11.05
2005	56	41	15	1,613	11.15
2006	36	24	12	1,581	11.58
2007	33	30	3	1,577	11.79
Men					
2000	12	7	5	767	\$11.92
2001	18	16	2	811	12.24
2002	14	10	4	799	12.56
2003	16	13	3	769	12.39
2004	13	11	2	765	12.77
2005	19	9	10	789	12.78
2006	8	6	2	772	13.00
2007	12	11	1	742	13.45
Women					
2000	28	23	5	779	\$9.19
2001	29	23	6	818	9.74
2002	35	28	7	803	9.78
2003	42	32	10	817	10.28
2004	28	22	6	836	10.09
2005	36	31	5	823	10.06
2006	27	17	10	808	10.42
2007	21	19	2	835	10.50

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

⁴Wage 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.

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, 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 hour⁵. (See table 1 and chart C.)

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



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

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

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).

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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

State	Number of workers (in thousands)				Percent distribution			Percent of workers paid hourly rates			
	Total paid hourly rates	At or below minimum wage			Total paid hourly rates	At or below minimum wage			At or below minimum wage		
		Total	At minimum wage	Below minimum wage		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	1.2	0.8	-	1.0	1.5	-	1.5
Delaware	234	5	-	5	0.3	0.3	-	0.3	2.1	-	2.1
District of Columbia	109	3	1	2	0.1	0.2	0.4	0.1	2.8	0.9	1.8
Florida	4,261	114	15	99	5.6	6.6	5.6	6.8	2.7	0.4	2.3
Georgia	2,216	70	11	59	2.9	4.0	4.1	4.0	3.2	0.5	2.7
Hawaii	338	4	-	4	0.4	0.2	-	0.3	1.2	-	1.2
Idaho	424	12	4	8	0.6	0.7	1.5	0.5	2.8	0.9	1.9
Illinois	3,335	74	3	71	4.4	4.3	1.1	4.9	2.2	0.1	2.1
Indiana	1,826	36	7	29	2.4	2.1	2.6	2.0	2.0	0.4	1.6
Iowa	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	-	9	0.5	0.5	-	0.6	2.3	-	2.3
Maryland	1,317	27	2	25	1.7	1.6	0.7	1.7	2.1	0.2	1.9
Massachusetts	1,505	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	4,078	88	7	81	5.4	5.1	2.6	5.5	2.2	0.2	2.0
North Carolina	2,156	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	0.1	2.2
Oklahoma	849	25	10	15	1.1	1.4	3.7	1.0	2.9	1.2	1.8
Oregon	1,050	9	2	7	1.4	0.5	0.7	0.5	0.9	0.2	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	1,178	47	10	37	1.6	2.7	3.7	2.5	4.0	0.8	3.1
South Dakota	241	6	1	5	0.3	0.3	0.4	0.3	2.5	0.4	2.1
Tennessee	1,602	39	10	29	2.1	2.3	3.7	2.0	2.4	0.6	1.8
Texas	5,585	221	46	175	7.4	12.8	17.2	12.0	4.0	0.8	3.1
Utah	748	11	1	10	1.0	0.6	0.4	0.7	1.5	0.1	1.3
Vermont	181	4	-	4	0.2	0.2	-	0.3	2.2	-	2.2
Virginia	1,761	46	5	41	2.3	2.7	1.9	2.8	2.6	0.3	2.3
Washington	1,844	17	3	14	2.4	1.0	1.1	1.0	0.9	0.2	0.8
West Virginia	478	16	9	7	0.6	0.9	3.4	0.5	3.3	1.9	1.5
Wisconsin	1,730	32	4	28	2.3	1.9	1.5	1.9	1.8	0.2	1.6
Wyoming	164	4	1	3	0.2	0.2	0.4	0.2	2.4	0.6	1.8

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.