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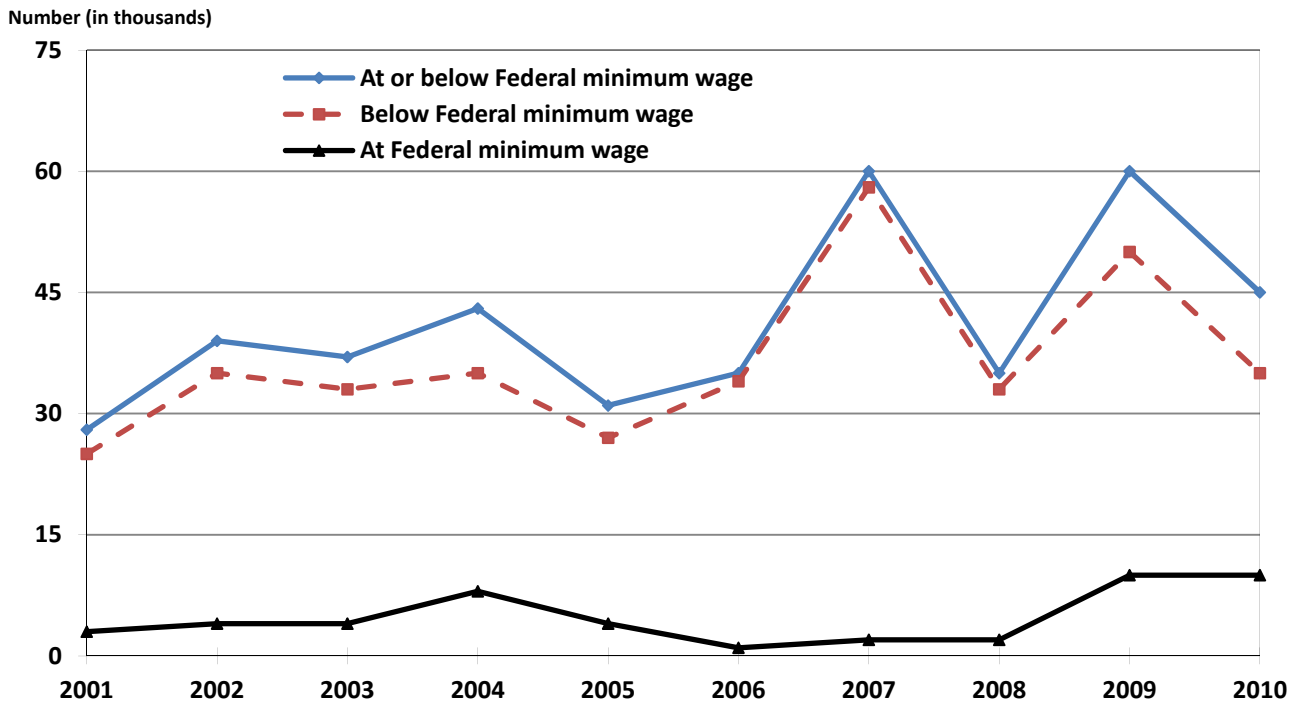
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Technical information: (617) 565-2327 • BlsInfoBoston@bls.gov • www.bls.gov/ro1
Media contact: (617) 565-2326 • consedine.tim@bls.gov

MINIMUM WAGE WORKERS IN MASSACHUSETTS - 2010

Among hourly-paid workers in Massachusetts, 45,000 had earnings at or below the prevailing Federal minimum wage of \$7.25 per hour in 2010, the U.S. Bureau of Labor Statistics reported today. (See chart 1.) Over 1.5 million workers were paid at hourly rates, representing about 53 percent of all Massachusetts wage and salary workers.¹ Regional Commissioner Denis M. McSweeney noted that the number of Massachusetts workers paid *at or below* the Federal minimum wage declined due to a drop in the number of workers paid *below* the minimum wage. Workers paid at or below minimum wage made up 3.0 percent of all hourly-paid workers in Massachusetts.² (See chart 2 and table 1.)

Chart 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in Massachusetts, annual averages, 2001-2010



¹ Data are for wage and salary workers age 16 and over and refer to earnings on a person's sole or principal job. All self-employed persons are excluded whether or not their businesses are incorporated.

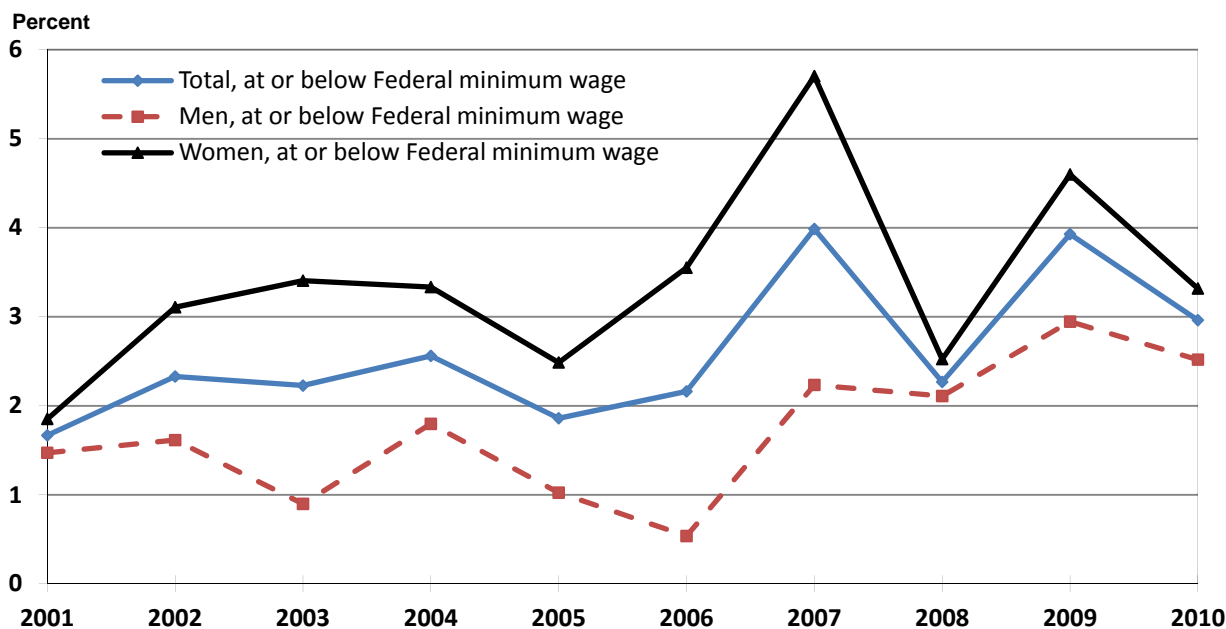
² The presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law.

In the United States, 72.9 million workers were paid at hourly rates in 2010, representing 58.8 percent of all wage and salary workers. Of those paid by the hour, 1.8 million earned exactly the prevailing Federal minimum wage and about 2.5 million additional workers earned wages below the minimum. Together, the nearly 4.4 million workers with wages at or below the Federal minimum made up 6.0 percent of all hourly-paid workers in the nation, up from 4.9 percent in 2009.

From 2001 through 2006, the number of hourly-paid workers at or below the Federal minimum wage in Massachusetts ranged from a low of 28,000 in 2001 to a high of 43,000 in 2004. (See chart 1.) Annual increases in the Federal minimum wage were implemented from 2007 through 2009 and contributed to increased numbers and higher percentages of workers in the State receiving pay at or below the mandated level in two of those three years.

The number of Massachusetts workers with hourly pay at or below the Federal minimum fell by 15,000 in 2010, with women accounting for nearly three-quarters of the drop. The number of men earning at or below the Federal minimum fell by 3,000, a drop of 15 percent from 2009. The number of women earning at or below the Federal minimum fell by 11,000, a drop of nearly 30 percent. As a result, men accounted for about 37 percent of the State’s workers with wages at or below the mandated level in 2010, their third-highest share since 2001. Although the disparity has fluctuated, and was small in 2010, women have consistently had a higher percentage of workers earning at or below the Federal minimum wage than men. (See chart 2.)

Chart 2. Percentage of employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in Massachusetts, by sex, annual averages, 2001-2010

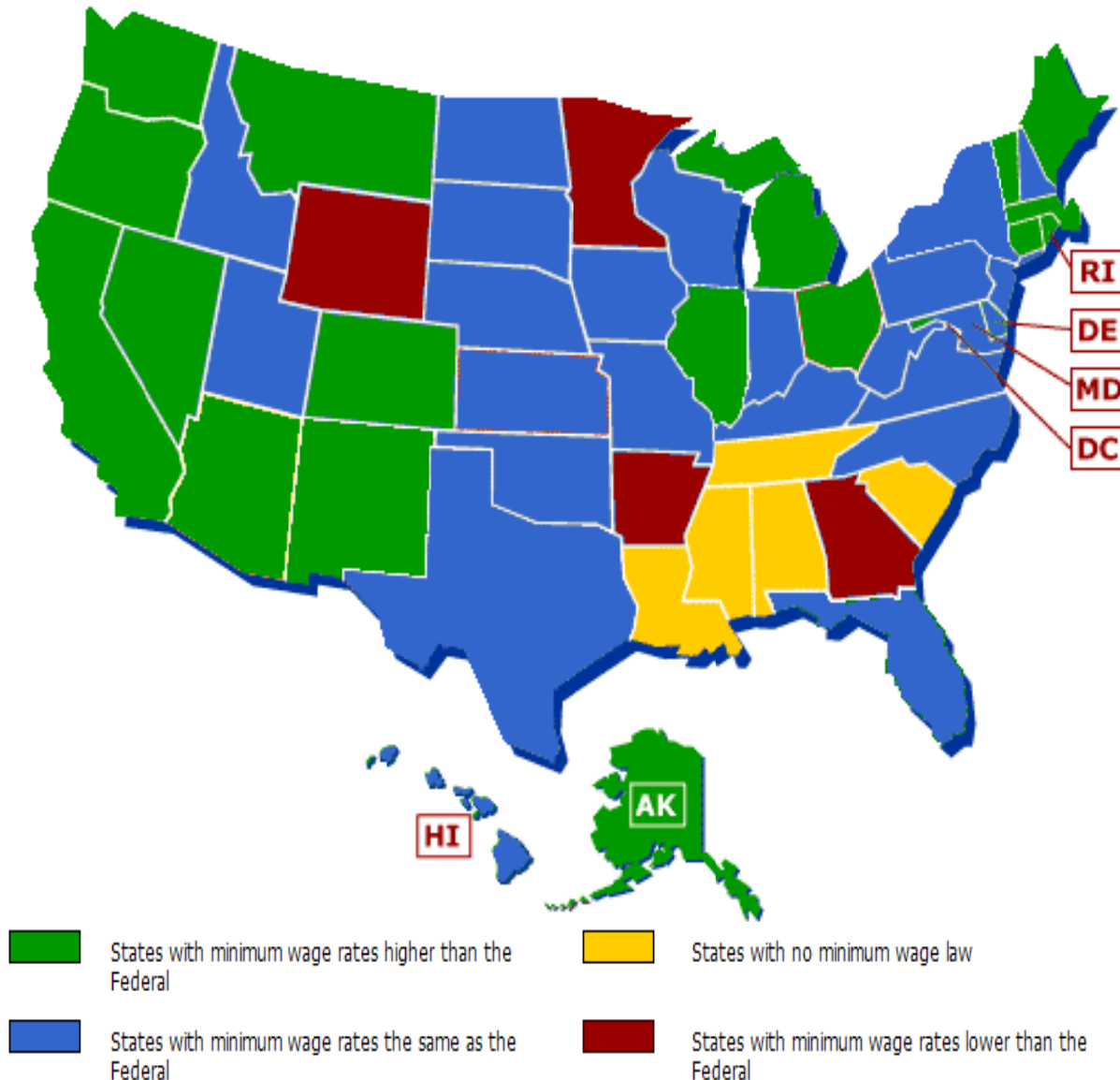


The median hourly earnings for all hourly-paid wage and salary workers in Massachusetts stood at \$14.25 per hour in 2010; nationally, the median was \$12.50.³ For men and for women, the median hourly rates in Massachusetts were \$14.91 and \$13.70, respectively. (See table 1.) Nationally, the median hourly rates were \$13.76 for men and \$11.83 for women.

³ Wage rates in this release use median values. The median is the middle of a distribution: half the values 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.

Massachusetts, at 3.0 percent, was among several States with the lowest proportions of hourly-paid workers earning at or below the Federal minimum wage which included Washington, Oregon, Alaska and California, all at or below 2.0 percent. The States with the highest proportions of hourly-paid workers earning at or below the Federal minimum wage were Mississippi and Texas (9.5 percent each), and Alabama and West Virginia (9.3 percent each). Massachusetts accounted for just 1.0 percent of all U.S. workers paid at or below the Federal minimum wage in 2010, down from 1.7 percent in 2009. It should be noted that as of January 1, 2011, 17 states and the District of Columbia had laws establishing minimum wage standards that exceeded the Federal level of \$7.25 per hour.⁴ (See chart 3.)

Chart 3. Minimum wage laws in the States, January 1, 2011



Source: U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division.

Technical Note

⁴ U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division: www.dol.gov/esa/minwage/america.htm#Consolidated.

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. For technical documentation and related information, including reliability of the CPS estimates, see www.bls.gov/cps/documentation.htm.

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 on April 1, 1990, to \$4.25 on April 1, 1991, to \$4.75 on October 1, 1996, to \$5.15 on September 1, 1997, to \$5.85 on July 24, 2007, to \$6.55 on July 24, 2008, and to \$7.25 on July 24, 2009.

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Table 1. 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 Massachusetts, by sex, annual averages, 2001-2010

Year	Number of workers at or below Federal minimum wage (in thousands)			All hourly-paid workers	
	Total	Below prevailing Federal minimum wage	At prevailing Federal minimum wage	Number of workers (in thousands)	Median earnings (in dollars)
Total					
2001	28	25	3	1,679	\$11.15
2002	39	35	4	1,674	11.42
2003	37	33	4	1,661	11.95
2004	43	35	8	1,679	12.09
2005	31	27	4	1,666	12.58
2006	35	34	1	1,619	12.79
2007	60	58	2	1,505	12.45
2008	35	33	2	1,543	14.10
2009	60	50	10	1,527	14.69
2010	45	35	10	1,519	14.25
Men					
2001	12	10	2	815	\$12.64
2002	13	12	1	805	12.27
2003	7	5	2	779	13.16
2004	14	9	5	779	13.07
2005	8	6	2	781	13.12
2006	4	4	-	745	13.98
2007	16	15	1	716	13.22
2008	15	15	-	711	15.80
2009	20	15	5	679	15.19
2010	17	13	4	675	14.91
Women					
2001	16	15	1	864	\$10.12
2002	27	24	3	869	10.86
2003	30	28	2	881	11.07
2004	30	27	3	900	11.23
2005	22	20	2	885	12.15
2006	31	30	1	873	11.94
2007	45	43	2	789	11.94
2008	21	19	2	832	13.12
2009	39	34	5	848	13.84
2010	28	22	6	844	13.70

Note: Data exclude all self-employed persons whether or not their businesses are incorporated.

- Data not available

Table 2. Employed wage & salary workers paid hourly rates with earnings at or below the Federal minimum wage by State, 2010 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 and over	72,902	4,361	1820	2,541	100.0	100.0	100.0	100.0	6.0	2.5	3.5
Alabama	1,141	106	59	47	1.6	2.4	3.2	1.8	9.3	5.2	4.1
Alaska	208	4	1	3	0.3	0.1	0.1	0.1	1.9	0.5	1.4
Arizona	1,492	83	38	45	2.0	1.9	2.1	1.8	5.6	2.5	3.0
Arkansas	705	56	32	24	1.0	1.3	1.8	0.9	7.9	4.5	3.4
California	8,619	174	55	119	11.8	4.0	3.0	4.7	2.0	0.6	1.4
Colorado	1,135	55	14	41	1.6	1.3	0.8	1.6	4.8	1.2	3.6
Connecticut	866	35	5	30	1.2	0.8	0.3	1.2	4.0	0.6	3.5
Delaware	203	14	6	8	0.3	0.3	0.3	0.3	6.9	3.0	3.9
District of Columbia	97	5	1	4	0.1	0.1	0.1	0.2	5.2	1.0	4.1
Florida	3,778	253	100	153	5.2	5.8	5.5	6.0	6.7	2.6	4.0
Georgia	1,912	163	85	78	2.6	3.7	4.7	3.1	8.5	4.4	4.1
Hawaii	318	15	8	7	0.4	0.3	0.4	0.3	4.7	2.5	2.2
Idaho	396	30	15	15	0.5	0.7	0.8	0.6	7.6	3.8	3.8
Illinois	3,145	126	34	92	4.3	2.9	1.9	3.6	4.0	1.1	2.9
Indiana	1,610	126	60	66	2.2	2.9	3.3	2.6	7.8	3.7	4.1
Iowa	947	61	33	28	1.3	1.4	1.8	1.1	6.4	3.5	3.0
Kansas	771	59	30	29	1.1	1.4	1.6	1.1	7.7	3.9	3.8
Kentucky	1,119	91	43	48	1.5	2.1	2.4	1.9	8.1	3.8	4.3
Louisiana	981	87	29	58	1.3	2.0	1.6	2.3	8.9	3.0	5.9
Maine	369	14	3	11	0.5	0.3	0.2	0.4	3.8	0.8	3.0
Maryland	1,311	77	21	56	1.8	1.8	1.2	2.2	5.9	1.6	4.3
Massachusetts	1,519	45	10	35	2.1	1.0	0.5	1.4	3.0	0.7	2.3
Michigan	2,478	137	30	107	3.4	3.1	1.6	4.2	5.5	1.2	4.3
Minnesota	1,497	90	39	51	2.1	2.1	2.1	2.0	6.0	2.6	3.4
Mississippi	663	63	34	29	0.9	1.4	1.9	1.1	9.5	5.1	4.4
Missouri	1,531	123	55	68	2.1	2.8	3.0	2.7	8.0	3.6	4.4
Montana	255	17	12	5	0.3	0.4	0.7	0.2	6.7	4.7	2.0
Nebraska	536	30	17	13	0.7	0.7	0.9	0.5	5.6	3.2	2.4
Nevada	651	23	10	13	0.9	0.5	0.5	0.5	3.5	1.5	2.0
New Hampshire	356	19	5	14	0.5	0.4	0.3	0.6	5.3	1.4	3.9
New Jersey	1,612	113	31	82	2.2	2.6	1.7	3.2	7.0	1.9	5.1
New Mexico	476	26	6	20	0.7	0.6	0.3	0.8	5.5	1.3	4.2
New York	4,122	264	103	161	5.7	6.1	5.7	6.3	6.4	2.5	3.9
North Carolina	2,121	168	73	95	2.9	3.9	4.0	3.7	7.9	3.4	4.5
North Dakota	200	13	7	6	0.3	0.3	0.4	0.2	6.5	3.5	3.0
Ohio	3,185	172	49	123	4.4	3.9	2.7	4.8	5.4	1.5	3.9
Oklahoma	835	72	39	33	1.1	1.7	2.1	1.3	8.6	4.7	4.0
Oregon	994	16	6	10	1.4	0.4	0.3	0.4	1.6	0.6	1.0
Pennsylvania	3,255	206	91	115	4.5	4.7	5.0	4.5	6.3	2.8	3.5
Rhode Island	294	14	4	10	0.4	0.3	0.2	0.4	4.8	1.4	3.4
South Carolina	1,050	78	32	46	1.4	1.8	1.8	1.8	7.4	3.0	4.4
South Dakota	257	15	7	8	0.4	0.3	0.4	0.3	5.8	2.7	3.1
Tennessee	1,503	124	64	60	2.1	2.8	3.5	2.4	8.3	4.3	4.0
Texas	5,763	550	268	282	7.9	12.6	14.7	11.1	9.5	4.7	4.9
Utah	739	45	21	24	1.0	1.0	1.2	0.9	6.1	2.8	3.2
Vermont	184	6	1	5	0.3	0.1	0.1	0.2	3.3	0.5	2.7
Virginia	1,712	136	53	83	2.3	3.1	2.9	3.3	7.9	3.1	4.8
Washington	1,739	19	7	12	2.4	0.4	0.4	0.5	1.1	0.4	0.7
West Virginia	430	40	23	17	0.6	0.9	1.3	0.7	9.3	5.3	4.0
Wisconsin	1,657	91	44	47	2.3	2.1	2.4	1.8	5.5	2.7	2.8
Wyoming	163	12	6	6	0.2	0.3	0.3	0.2	7.4	3.7	3.7

NOTE: Data exclude all self-employed persons 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 determine clearly 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 the prevailing Federal minimum wage may not in fact be covered by Federal or State minimum wage laws. Also, there are a number of States that have minimum wages that exceed the Federal minimum wage. 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.