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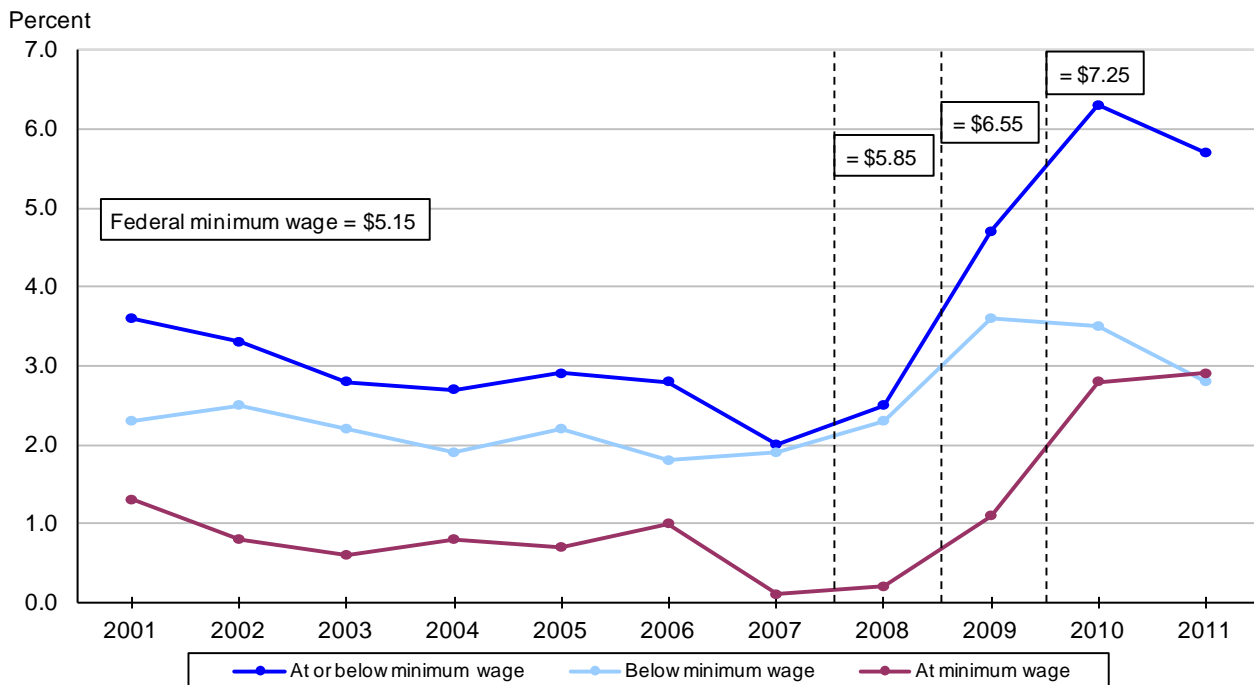
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MINIMUM WAGE WORKERS IN PENNSYLVANIA – 2011

Of the 3.4 million workers paid hourly rates in the Commonwealth of Pennsylvania in 2011, 97,000 earned exactly the prevailing Federal minimum wage of \$7.25 per hour, while 96,000 earned less, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau’s regional commissioner, noted that the 193,000 workers earning the Federal minimum wage or less made up 5.7 percent of all hourly-paid workers in the Commonwealth. Nationwide, those earning the Federal minimum or less accounted for 5.2 percent of the hourly-paid workforce. (The Pennsylvania minimum wage is equal to the prevailing Federal minimum wage.)

In 2007, 69,000 hourly-paid workers earned the prevailing Federal minimum wage or less in the Commonwealth—the lowest level since data were first available in 1998—accounting for 2.0 percent of all workers paid an hourly wage. (See chart 1.) It was also in 2007 that the Federal minimum wage began increasing after holding steady for nearly a decade. The initial result was that more Pennsylvania workers fell into this category, peaking at 206,000 in 2010.

Chart 1. Percentage of hourly-paid wage and salary workers with earnings at or below the prevailing Federal minimum wage in Pennsylvania, annual averages, 2001-2011



Source: U.S. Bureau of Labor Statistics

Over the year, the portion of hourly-paid workers in Pennsylvania who earned at or below the Federal minimum wage declined from 6.3 to 5.7 percent. The percentage of workers earning less than the Federal minimum fell 0.7 percentage point in 2011, while the share earning exactly the minimum wage was little changed. As a result, 2011 was the first year that the percentage of workers with earnings at the Federal minimum rate exceeded the portion with wages below the minimum.

Of the 193,000 workers earning the prevailing Federal minimum wage or less in Pennsylvania in 2011, 135,000, or 70 percent, were women. These women represented 8.0 percent of all women paid hourly rates in the Commonwealth. Men accounted for 58,000, or 30 percent, of all Pennsylvania workers earning the prevailing minimum or less; they made up just 3.4 percent of all men who were paid hourly rates. (See table A.)

Overall, employed wage and salary workers earning hourly rates in the Commonwealth had median hourly earnings of \$13.49 in 2011; nationally, the median was \$12.71. The median hourly rates for men and women in Pennsylvania in 2011 were \$14.92 and \$12.31, respectively. For the nation, the comparable figures were \$13.80 per hour for men and \$11.98 per hour for women.

Table A. Employed wage and salary workers¹ paid hourly rates with earnings at or below the prevailing Federal minimum wage in Pennsylvania, by sex, annual averages

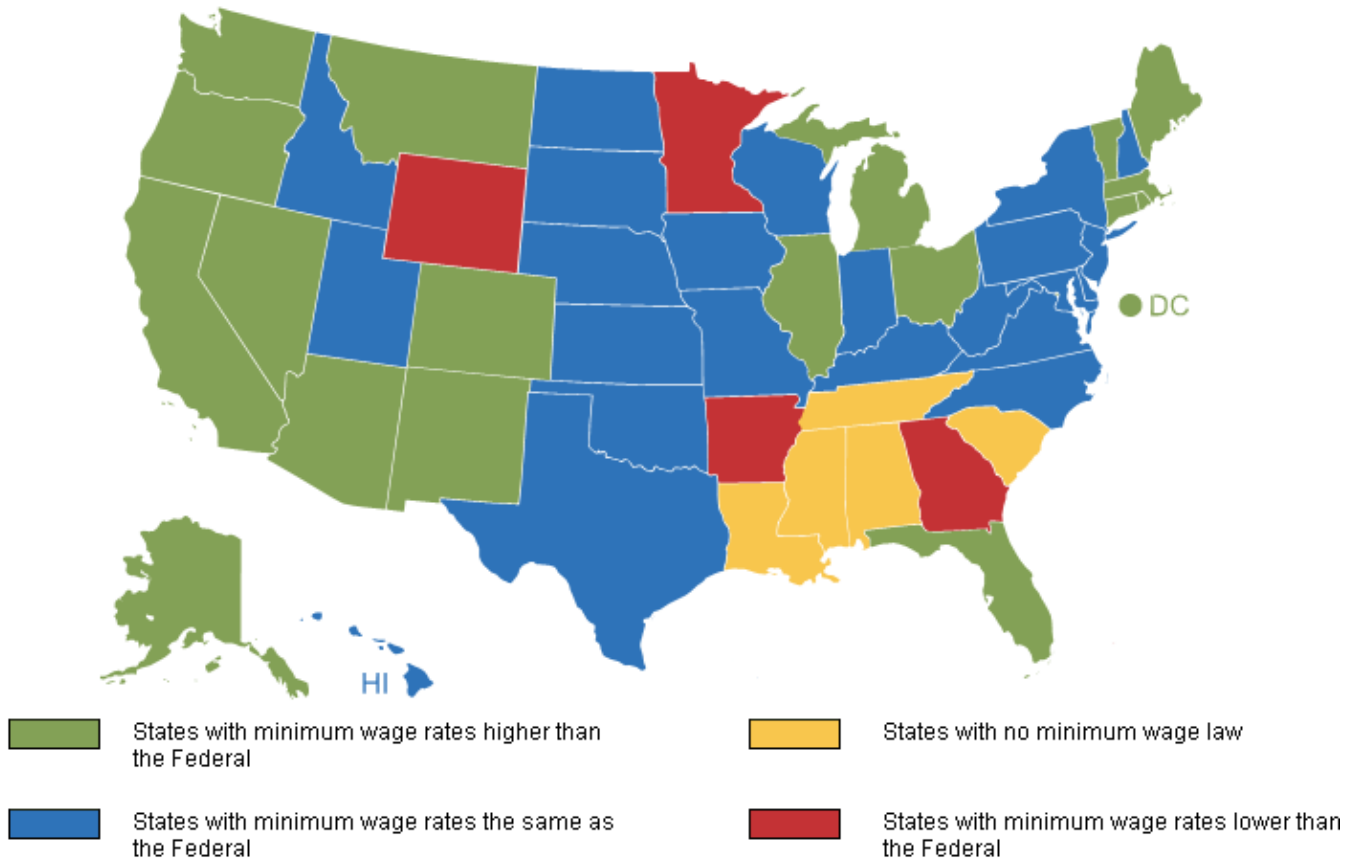
Pennsylvania	Number of workers (in thousands)				Percent of workers paid hourly rates			Median earnings (in dollars)
	Total paid hourly rates	At or below minimum wage			At or below minimum wage			
		Total ²	At minimum wage	Below minimum wage	Total ²	At minimum wage	Below minimum wage	
Total, both								
2001	3,332	120	44	76	3.6	1.3	2.3	10.42
2002	3,399	112	26	86	3.3	0.8	2.5	10.70
2003	3,243	91	21	70	2.8	0.6	2.2	11.00
2004	3,263	89	27	62	2.7	0.8	1.9	11.39
2005	3,340	97	25	72	2.9	0.7	2.2	11.39
2006	3,456	96	35	61	2.8	1.0	1.8	11.97
2007	3,434	69	3	66	2.0	0.1	1.9	12.21
2008	3,457	85	6	79	2.5	0.2	2.3	12.62
2009	3,307	155	36	119	4.7	1.1	3.6	13.08
2010	3,255	206	91	115	6.3	2.8	3.5	13.16
2011	3,400	193	97	96	5.7	2.9	2.8	13.49
Total, men								
2001	1,593	24	13	11	1.5	0.8	0.7	11.78
2002	1,630	30	5	25	1.8	0.3	1.5	12.06
2003	1,553	26	8	18	1.7	0.5	1.2	12.12
2004	1,544	17	8	9	1.1	0.5	0.6	12.79
2005	1,620	19	4	15	1.2	0.2	0.9	12.90
2006	1,679	22	10	12	1.3	0.6	0.7	13.23
2007	1,669	20	1	19	1.2	0.1	1.1	13.98
2008	1,667	30	4	26	1.8	0.2	1.6	13.98
2009	1,568	45	18	27	2.9	1.1	1.7	14.54
2010	1,615	74	31	43	4.6	1.9	2.7	14.93
2011	1,718	58	28	30	3.4	1.6	1.7	14.92
Total, women								
2001	1,739	96	31	65	5.5	1.8	3.7	9.76
2002	1,769	82	21	61	4.6	1.2	3.4	9.77
2003	1,690	65	13	52	3.8	0.8	3.1	10.11
2004	1,719	72	19	53	4.2	1.1	3.1	10.22
2005	1,719	78	21	57	4.5	1.2	3.3	10.15
2006	1,778	74	25	49	4.2	1.4	2.8	10.71
2007	1,765	50	3	47	2.8	0.2	2.7	11.06
2008	1,790	54	2	52	3.0	0.1	2.9	11.75
2009	1,738	110	18	92	6.3	1.0	5.3	12.10
2010	1,640	132	60	72	8.0	3.7	4.4	11.97
2011	1,683	135	69	66	8.0	4.1	3.9	12.31

¹ All self-employed persons are excluded, whether or not their businesses are incorporated.

² Data may not add to totals due to rounding.

In 2011, Pennsylvania’s proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage ranked near the middle among the 50 states and the District of Columbia in 2011. Georgia had the highest proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage, 9.6 percent, followed by Mississippi at 8.5 percent and Texas at 8.0 percent. Other states with shares of 7.0 percent or higher were Louisiana, West Virginia, South Carolina, Missouri, Virginia, and Kansas. The states with the lowest percentage of workers earning the Federal minimum or below included Oregon, California, Washington, and Alaska, all less than 2.0 percent. It should be noted that, as of January 1, 2012, 18 states and the District of Columbia had laws establishing minimum wage standards that exceeded the federal level of \$7.25 per hour. (See table 1 and chart 2.)

Chart 2. Minimum wage laws in the States, January 1, 2012



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

Technical Note

The Bureau of Labor Statistics' data on minimum wage earners are derived from the Current Population Survey (CPS). This survey is conducted monthly for the Bureau of Labor Statistics by the U.S. Census Bureau, using a national sample of about 60,000 households, with coverage in all 50 states and the District of Columbia. The earnings data are collected from one-fourth of the CPS monthly sample. Data in this summary are annual averages.

Statistics based on the CPS data are subject to both sampling and nonsampling error. The differences among data for the states reflect, in part, variations in the occupation, industry, and age composition of each state's labor force. In addition, sampling error for the state estimates is considerably larger than it is for the national data.

Minimum wage worker 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.

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; on July 24, 2008, to \$6.55 per hour; and on July 24, 2009, to \$7.25 per hour.

The principal definitions used in connection with the earnings series in this release are described below:

Median hourly earnings. The median is the amount which divides a given earnings distribution into two equal groups, one having earnings above the median and the other having earnings below the median. The median is less sensitive to extreme wages than the mean; this makes it a better measure for highly skewed distributions.

Wage and salary workers. Workers age 16 and over who receive wages, salaries, commissions, tips, payment in kind, or piece rates. Data refer to earnings on a person's sole or principal job. The group includes employees in both the private and public sectors but, for the purposes of the earnings series, excludes all self-employed persons, regardless of whether or not their businesses are incorporated.

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.

Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage by State, 2011 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 ¹	At minimum wage	Below minimum wage		Total ¹	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Total, 16 years and over	73,926	3,829	1,677	2,152	100.0	100.0	100.0	100.0	5.2	2.3	2.9
Alabama	1,147	74	43	31	1.6	1.9	2.6	1.4	6.5	3.7	2.7
Alaska	212	4	1	3	0.3	0.1	0.1	0.1	1.9	0.5	1.4
Arizona	1,517	85	20	65	2.1	2.2	1.2	3.0	5.6	1.3	4.3
Arkansas	746	49	33	16	1.0	1.3	2.0	0.7	6.6	4.4	2.1
California	8,706	139	53	86	11.8	3.6	3.2	4.0	1.6	0.6	1.0
Colorado	1,222	49	9	40	1.7	1.3	0.5	1.9	4.0	0.7	3.3
Connecticut	870	25	4	21	1.2	0.7	0.2	1.0	2.9	0.5	2.4
Delaware	213	11	3	8	0.3	0.3	0.2	0.4	5.2	1.4	3.8
District of Columbia	94	4	1	3	0.1	0.1	0.1	0.1	4.3	1.1	3.2
Florida	3,891	246	73	173	5.3	6.4	4.4	8.0	6.3	1.9	4.4
Georgia	2,041	196	105	91	2.8	5.1	6.3	4.2	9.6	5.1	4.5
Hawaii	321	15	8	7	0.4	0.4	0.5	0.3	4.7	2.5	2.2
Idaho	379	19	12	7	0.5	0.5	0.7	0.3	5.0	3.2	1.8
Illinois	3,095	109	29	80	4.2	2.8	1.7	3.7	3.5	0.9	2.6
Indiana	1,730	108	54	54	2.3	2.8	3.2	2.5	6.2	3.1	3.1
Iowa	941	53	28	25	1.3	1.4	1.7	1.2	5.6	3.0	2.7
Kansas	802	56	27	29	1.1	1.5	1.6	1.3	7.0	3.4	3.6
Kentucky	1,077	63	30	33	1.5	1.6	1.8	1.5	5.8	2.8	3.1
Louisiana	1,011	75	33	42	1.4	2.0	2.0	2.0	7.4	3.3	4.2
Maine	381	14	3	11	0.5	0.4	0.2	0.5	3.7	0.8	2.9
Maryland	1,274	65	27	38	1.7	1.7	1.6	1.8	5.1	2.1	3.0
Massachusetts	1,539	60	11	49	2.1	1.6	0.7	2.3	3.9	0.7	3.2
Michigan	2,550	117	29	88	3.4	3.1	1.7	4.1	4.6	1.1	3.5
Minnesota	1,544	78	47	31	2.1	2.0	2.8	1.4	5.1	3.0	2.0
Mississippi	686	58	37	21	0.9	1.5	2.2	1.0	8.5	5.4	3.1
Missouri	1,543	109	54	55	2.1	2.8	3.2	2.6	7.1	3.5	3.6
Montana	271	10	6	4	0.4	0.3	0.4	0.2	3.7	2.2	1.5
Nebraska	532	29	15	14	0.7	0.8	0.9	0.7	5.5	2.8	2.6
Nevada	670	22	9	13	0.9	0.6	0.5	0.6	3.3	1.3	1.9
New Hampshire	368	14	4	10	0.5	0.4	0.2	0.5	3.8	1.1	2.7
New Jersey	1,795	99	41	58	2.4	2.6	2.4	2.7	5.5	2.3	3.2
New Mexico	459	20	6	14	0.6	0.5	0.4	0.7	4.4	1.3	3.1
New York	3,930	199	91	108	5.3	5.2	5.4	5.0	5.1	2.3	2.7
North Carolina	2,055	140	65	75	2.8	3.7	3.9	3.5	6.8	3.2	3.6
North Dakota	208	11	6	5	0.3	0.3	0.4	0.2	5.3	2.9	2.4
Ohio	3,224	150	27	123	4.4	3.9	1.6	5.7	4.7	0.8	3.8
Oklahoma	828	56	36	20	1.1	1.5	2.1	0.9	6.8	4.3	2.4
Oregon	1,010	12	4	8	1.4	0.3	0.2	0.4	1.2	0.4	0.8
Pennsylvania	3,400	193	97	96	4.6	5.0	5.8	4.5	5.7	2.9	2.8
Rhode Island	289	11	3	8	0.4	0.3	0.2	0.4	3.8	1.0	2.8
South Carolina	1,078	79	42	37	1.5	2.1	2.5	1.7	7.3	3.9	3.4
South Dakota	253	13	7	6	0.3	0.3	0.4	0.3	5.1	2.8	2.4
Tennessee	1,455	101	48	53	2.0	2.6	2.9	2.5	6.9	3.3	3.6
Texas	5,896	473	259	214	8.0	12.4	15.4	9.9	8.0	4.4	3.6
Utah	765	35	15	20	1.0	0.9	0.9	0.9	4.6	2.0	2.6
Vermont	182	4	1	3	0.2	0.1	0.1	0.1	2.2	0.5	1.6
Virginia	1,697	121	57	64	2.3	3.2	3.4	3.0	7.1	3.4	3.8
Washington	1,686	31	6	25	2.3	0.8	0.4	1.2	1.8	0.4	1.5
West Virginia	462	34	20	14	0.6	0.9	1.2	0.7	7.4	4.3	3.0
Wisconsin	1,711	78	32	46	2.3	2.0	1.9	2.1	4.6	1.9	2.7
Wyoming	167	10	5	5	0.2	0.3	0.3	0.2	6.0	3.0	3.0

¹ Data may not add to totals due to rounding.

NOTE: Data exclude all self-employed persons whether or not their businesses are incorporated. It is not possible to 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 the prevailing Federal minimum wage or less 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.