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MINIMUM WAGE WORKERS IN PENNSYLVANIA – 2010

In 2010, 206,000 hourly-paid workers in the Commonwealth of Pennsylvania had earnings at or below the Federal minimum wage, the U.S. Bureau of Labor Statistics reported today. (See chart 1.) Nearly 3.3 million workers in Pennsylvania were paid at hourly rates, representing 62 percent of all wage and salary workers¹. Among those paid by the hour, 91,000 earned exactly the prevailing Federal minimum wage of \$7.25 per hour, while 115,000 earned less². Sheila Watkins, the Bureau’s regional commissioner, noted that workers earning the Federal minimum wage or less made up 6.3 percent of all hourly-paid workers in the Commonwealth, up from 4.7 percent in 2009.

Chart 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in the Commonwealth of Pennsylvania, annual averages, 2000-2010



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 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 2010, 72.9 million workers in the United States were paid at hourly rates, representing 58.8 percent of all wage and salary workers. Among 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, these 4.4 million workers with wages at or below the minimum made up 6.0 percent of all hourly-paid workers in the nation.

From 2009 to 2010, 51,000 (32.9 percent) more hourly-paid workers in Pennsylvania earned at or below the Federal minimum wage, with all of the increase occurring among workers paid exactly the Federal minimum wage. (See table A.) The minimum wage in Pennsylvania is equal to the prevailing Federal minimum wage of \$7.25 per hour.

Women accounted for 64 percent (132,000) of the hourly-paid workers who earned the prevailing Federal minimum wage or less in Pennsylvania in 2010, while men accounted for the remainder (74,000). While women accounted for the majority of workers in the Commonwealth who earned at or below the Federal minimum wage, their proportion fell from the 70 percent recorded in 2009.

From 2000 to 2007, the number of hourly-paid workers earning the prevailing Federal minimum wage or less in the Commonwealth trended downward; however, as the Federal minimum wage increased in recent years, the number of Pennsylvania workers in this category grew.

Table A. Employed wage and salary workers¹ paid hourly rates with earnings at or below the prevailing Federal minimum wage in the Commonwealth of Pennsylvania, by sex, annual averages, 2000-2010

Pennsylvania	Number of workers at or below minimum wage (in thousands)			All hourly-paid workers	
	Total	Below minimum wage	At minimum wage	Number of workers (in thousands)	Median earnings (in dollars)
Total, both sexes					
2000	149	95	54	3,312	\$9.84
2001	120	76	44	3,332	10.42
2002	112	86	26	3,399	10.70
2003	91	70	21	3,243	11.00
2004	89	62	27	3,263	11.39
2005	97	72	25	3,340	11.39
2006	96	61	35	3,456	11.97
2007	69	66	3	3,434	12.21
2008	85	79	6	3,457	12.62
2009	155	119	36	3,307	13.08
2010	206	115	91	3,255	13.16
Total, men					
2000	49	25	24	1,635	10.76
2001	24	11	13	1,593	11.78
2002	30	25	5	1,630	12.06
2003	26	18	8	1,553	12.12
2004	17	9	8	1,544	12.79
2005	19	15	4	1,620	12.90
2006	22	12	10	1,679	13.23
2007	20	19	1	1,669	13.98
2008	30	26	4	1,667	13.98
2009	45	27	18	1,568	14.54
2010	74	43	31	1,615	14.93
Total, women					
2000	100	70	30	1,677	8.93
2001	96	65	31	1,739	9.76
2002	82	61	21	1,769	9.77
2003	65	52	13	1,690	10.11
2004	72	53	19	1,719	10.22
2005	78	57	21	1,719	10.15
2006	74	49	25	1,778	10.71
2007	50	47	3	1,765	11.06
2008	54	52	2	1,790	11.75
2009	110	92	18	1,738	12.10
2010	132	72	60	1,640	11.97

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

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 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. 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 at www.bls.gov/opub/mlr/1990/01/rpt1full.pdf.

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; on July 24, 2008, from \$5.85 per hour to \$6.55 per hour; and on July 24, 2009, from \$6.55 per hour to \$7.25 per hour.

For personal assistance or further information on minimum wage workers, as well as other Bureau data, contact the Mid-Atlantic Information Office at 215-597-3282 from 8:30 a.m. to 12:00 p.m. and 1:00 p.m. to 3:30 p.m. ET. Information on the Current Population Survey and other surveys and programs is available on our Web site at www.bls.gov/ro3/. 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, 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	1,820	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.