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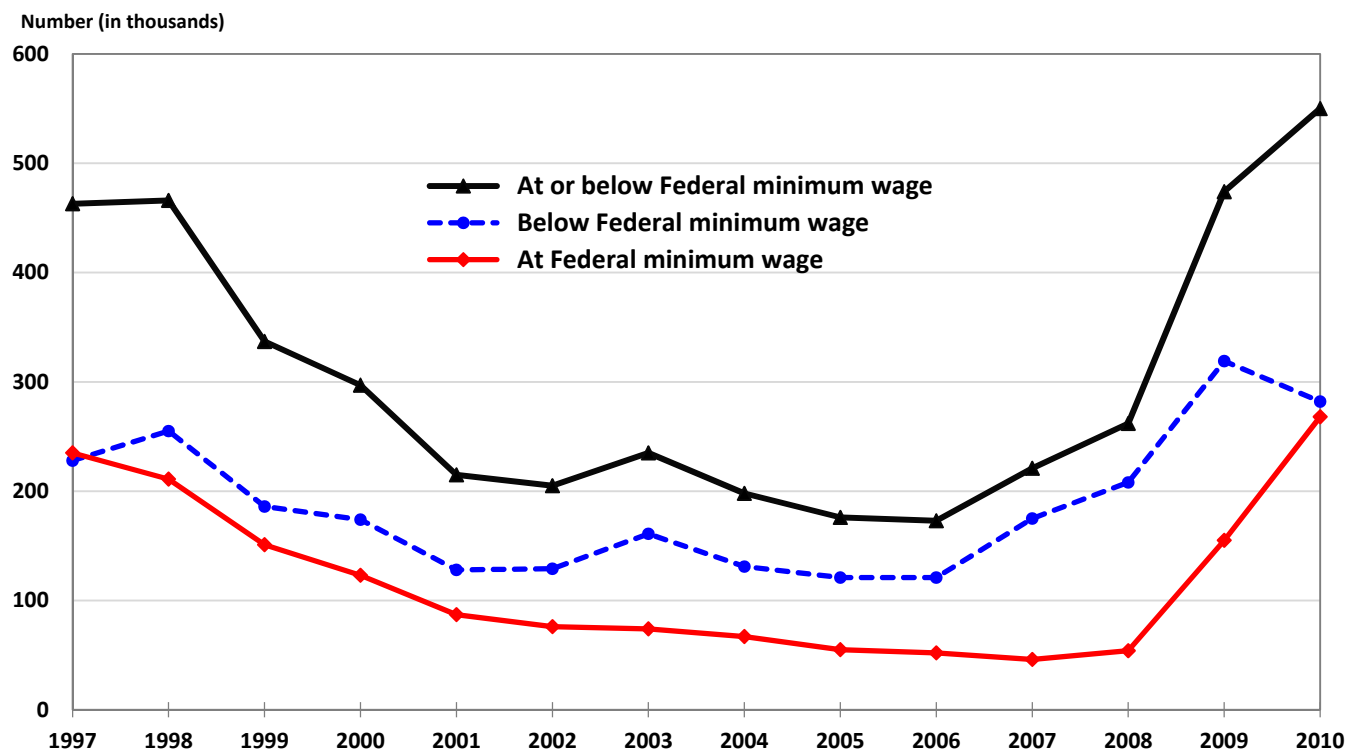
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MINIMUM WAGE WORKERS IN TEXAS - 2010

Among hourly-paid workers in Texas, 550,000 had earnings at or below the prevailing Federal minimum wage of \$7.25 per hour in 2010, according to the U.S. Bureau of Labor Statistics. (See chart 1.) Nearly 5.8 million workers were paid at hourly rates, representing 55.7 percent of all Texas wage and salary workers.¹ Regional Commissioner Stanley W. Suchman noted that the number of Texans paid *at or below* the Federal minimum wage increased as the number of workers earning the exact Federal minimum wage rose, while the number of Texans paid below the minimum wage declined. Combined, these workers accounted for 9.5 percent of all hourly-paid workers in Texas.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 Texas, annual averages, 1997-2010



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.

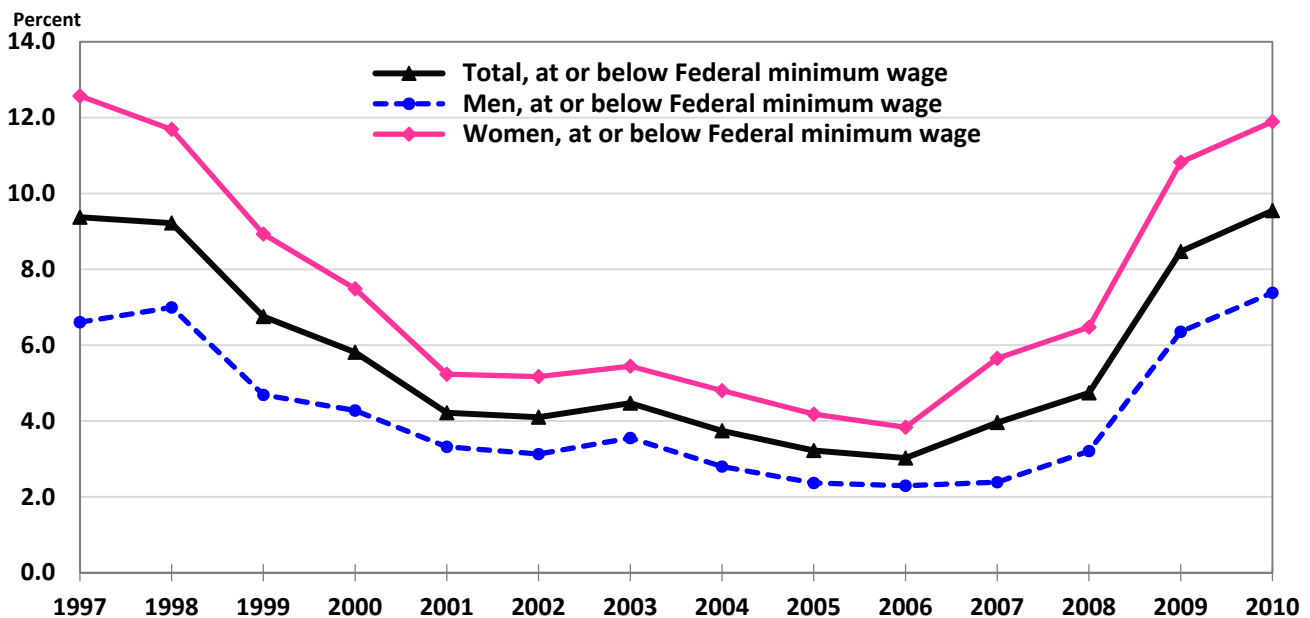
² The presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law.

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.

With the exception of 2003, the number of hourly-paid workers at or below the Federal minimum wage declined steadily in Texas from 1998 to 2006. (See chart 1.) However, annual increases in the Federal minimum wage from 2007 through 2009 contributed to increased numbers and higher percentages of workers in the State receiving pay at or below the mandated level. Although the Federal minimum wage was unchanged in 2010, the number of workers with pay at or below the minimum wage increased in both the State and the nation.

The number of Texas workers with hourly pay at or below the Federal minimum rose by 76,000 in 2010, with men and women accounting for nearly equal portions of the rise. The number of men earning at or below the Federal minimum wage rose by 36,000, an increase of almost 20 percent from 2009. The number of women earning at or below the Federal minimum rose by 39,000, an increase of less than 14 percent. As a result, men accounted for nearly 41 percent of the State’s workers with wages at or below the mandated level in 2010, their highest share since 2003. However, women continued to have a higher percentage of workers earning at or below the Federal minimum wage than men, 11.9 percent compared to 7.4 percent. (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 Texas, by sex, annual averages, 1997-2010

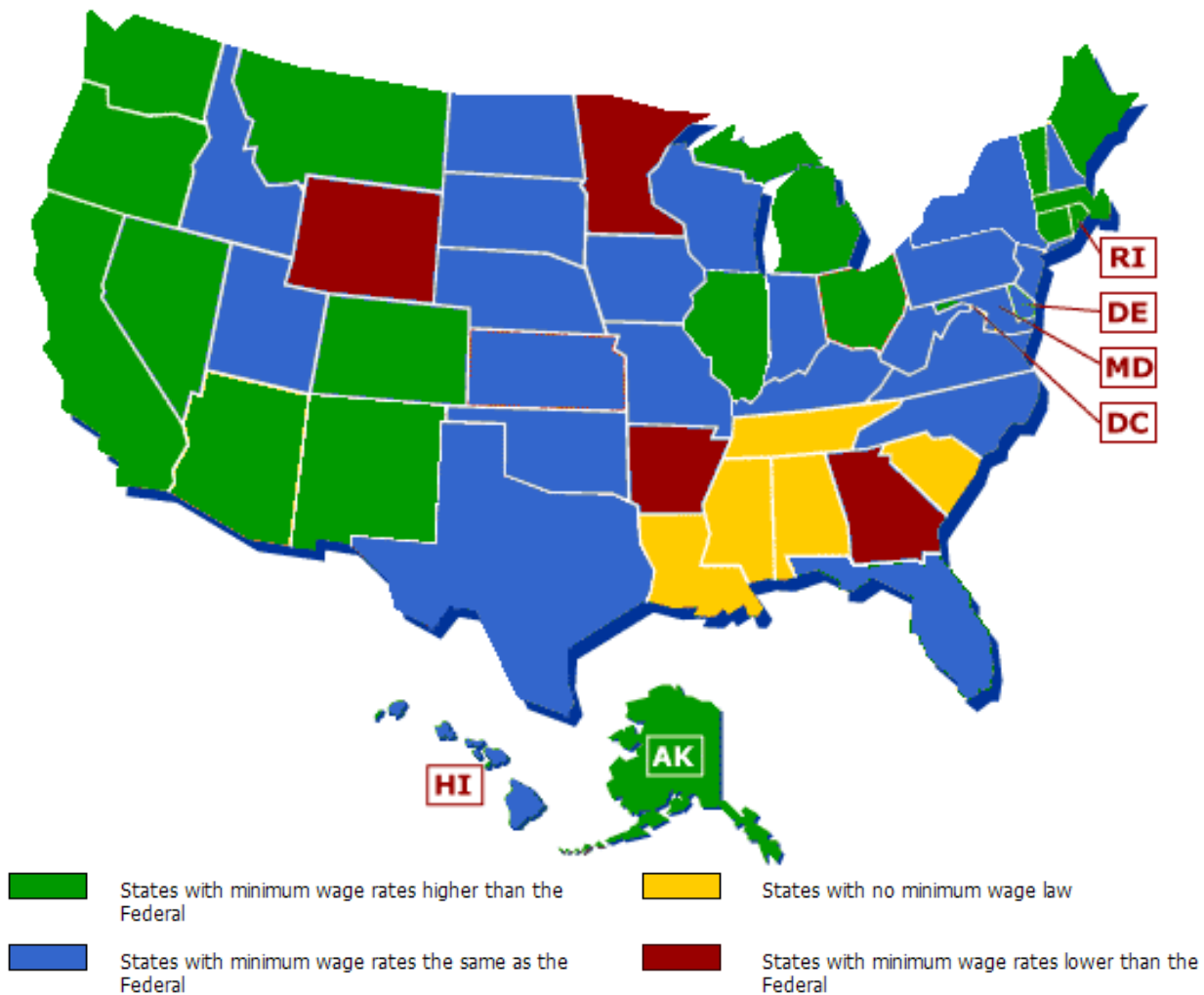


The median hourly earnings for all hourly-paid wage and salary workers in Texas stood at \$11.20 per hour in 2010; nationally, the median was \$12.50.³ For men and for women, the median hourly rates in Texas were \$12.13 and \$10.24, respectively. (See table 1.) Nationally, the median hourly rates were \$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.

Texas, at 9.5 percent, tied with Mississippi for the highest proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage among the 50 states and the District of Columbia in 2010. Alabama and West Virginia followed, each at 9.3 percent. Washington, Oregon, Alaska, and California had the lowest percentage of workers earning at or below the Federal minimum wage (2 percent or less). Texas accounted for 12.6 percent of all U.S. workers paid at or below the Federal minimum wage in 2010, down from 13.3 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; on January 1, 2010, that number stood at 14.⁴ (See table 2 and 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.

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

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. 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 Texas, by sex, annual averages, 1997-2010

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					
1997	463	228	235	4,941	7.94
1998	466	255	211	5,055	8.23
1999	337	186	151	4,990	8.54
2000	297	174	123	5,112	9.01
2001	215	128	87	5,101	9.48
2002	205	129	76	5,002	9.76
2003	235	161	74	5,258	9.82
2004	198	131	67	5,293	9.95
2005	176	121	55	5,467	10.04
2006	173	121	52	5,724	10.22
2007	221	175	46	5,585	10.54
2008	262	208	54	5,527	11.00
2009	474	319	155	5,596	11.34
2010	550	282	268	5,763	11.20
Men					
1997	174	86	88	2,634	8.78
1998	186	108	78	2,660	8.97
1999	120	68	52	2,560	9.35
2000	114	70	44	2,667	9.83
2001	90	50	40	2,712	10.11
2002	82	61	21	2,623	10.11
2003	96	70	26	2,704	10.18
2004	77	48	29	2,753	10.41
2005	67	48	19	2,835	10.87
2006	69	47	22	3,011	11.18
2007	69	53	16	2,895	11.54
2008	94	78	16	2,932	11.99
2009	187	137	50	2,944	12.10
2010	223	118	105	3,022	12.13
Women					
1997	290	143	147	2,307	7.07
1998	280	147	133	2,395	7.50
1999	217	118	99	2,430	7.84
2000	183	104	79	2,445	8.18
2001	125	78	47	2,389	8.55
2002	123	68	55	2,379	8.90
2003	139	91	48	2,553	8.95
2004	122	84	38	2,541	9.33
2005	110	73	37	2,632	9.24
2006	104	74	30	2,713	9.80
2007	152	122	30	2,690	9.86
2008	168	130	38	2,595	10.02
2009	287	182	105	2,652	10.15
2010	326	163	163	2,741	10.24

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

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.