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Analysis of the Pennsylvania Minimum Wage in 2010

Minimum Wage Advisory Board



pennsylvania

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Preface

The General Assembly of Pennsylvania, in 2006, via Act 2006-112, amended the Minimum Wage Act and raised the state's minimum wage from \$5.15 an hour to \$6.25 on Jan. 1, 2007, and to \$7.15 on July 1, 2007. The minimum wage had last been raised in 1997. Effective July 24, 2009, the federal minimum wage increased from \$6.55 an hour to \$7.25. This change reflects the third and final federal minimum wage increase as amended under the Fair Labor Standards Act (FLSA). As mandated by Act 2006-112 and FLSA, Pennsylvania's minimum wage also increased to \$7.25, which became effective the same date as the federal minimum wage increase under the FLSA.

The amended Minimum Wage Act directs the Pennsylvania Department of Labor & Industry to produce an annual report by March 1 of each year detailing data on the previous calendar year's demographics and any other relevant factors of those workers paid the minimum wage or below. This duty is assigned by the secretary of Labor & Industry to the Center for Workforce Information & Analysis (CWIA).

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Introduction

This report contains statistical information on Pennsylvanians who earn at or below minimum wage, analyzes the demographic characteristics of hourly workers making at or near the minimum wage, details the industry characteristics of those making at or near the minimum wage, discusses the issues of inflation and poverty in relation to the minimum wage and considers other states' minimum wage data. The National Bureau of Economic Research has determined that our national economy was in a recession beginning in December 2007 and ending in June 2009. Therefore, a comparison is made between the years 2009 and 2010 to determine the recession's effect on hourly workers making at or near the minimum wage.

Pennsylvania's minimum wage rose on July 24, 2009 (from \$7.15 to \$7.25). To perform a comparison to 2010, an average of the number of workers who earned \$7.15 or below for the first half of 2009 and the average of the number of workers who earned \$7.25 or below for the second half of 2009 are combined to create an overall annual average. The federal minimum wage was increased from \$6.55 to \$7.25 on July 24, 2009. Since there were two federal minimum wages in 2009 (\$6.55 and \$7.25), the same methodology as mentioned above is used to determine an overall federal annual average for 2009. No minimum wage increases occurred in Pennsylvania in 2010.

The primary data source used for this report is the Current Population Survey (CPS), a nationwide monthly survey of about 50,000 households (approximately 2,000 in Pennsylvania) conducted by the U.S. Bureau of the Census for the U.S. Bureau of Labor Statistics. The CPS is the primary source of information on the labor force characteristics of the civilian noninstitutional population. Respondents are interviewed to obtain information about the employment status of each member of the household 15 years of age or older. This report will focus on those age 16 years and older.

Federal and state law provides for several exemptions and lower minimums to the minimum wage for certain employers. Lower minimums are allowed for tipped employees. In addition, there are exemptions for certain employment classifications (e.g., farm labor, domestic services, etc.). The CPS data lack direct indicators to permit removal from the sample of those individuals affected by these exemptions and lower minimums. The exemption for businesses with fewer than 10 full-time (or equivalent) employees expired on July 1, 2008, and the exemption for those employees under age 20 making a training wage for the first 60 days of employment expired July 24, 2009.

Minimum-wage workers are defined in this report as workers earning the minimum wage or below at their main job, excluding overtime pay, tips and commissions. A portion of workers reported as making at or below the minimum wage actually did receive additional compensation (mainly in the form of tips).

Finally, Pennsylvania's minimum-wage data and its analysis in this report should be used with some caution due to the small size of the CPS sample.

Summary

The purpose of the minimum wage is to set a minimum threshold of wages for workers. To that end, Pennsylvania increased the minimum wage twice in 2007: from \$5.15 an hour to \$6.25 on Jan. 1, and to \$7.15 on July 1. On July 24, 2009, Pennsylvania raised the minimum wage to \$7.25 as amended by the Fair Labor Standards Act (FLSA). This report describes the characteristics of minimum-wage earners and the industries that employ them.

Hourly Worker Population

- In 2010, there were 205,900 Pennsylvania workers making minimum wage or less, or nearly 6 percent of all hourly workers and 4 percent of total employment. In 2009, there were 243,100 workers making minimum wage or less, 37,200 (15 percent) above the 2010 level.
- Pennsylvania employment decreased by 37,000 (1 percent) in 2010 and U.S. employment declined by 815,000 (1 percent). Pennsylvania hourly employment dropped by 52,000 (2 percent) and U.S. hourly employment increased by 291,000 (0.4 percent). However, the proportion of those workers making hourly rates remained essentially the same. In 2010, Pennsylvania had a higher percentage of those workers earning hourly rates than did the U.S., 56 percent versus 52 percent.
- The proportion of those Pennsylvania hourly workers earning up to \$2 or more an hour above the minimum wage (\$9.25 or more) remained the same from 2009 to 2010 at just over 76 percent. Just over 74 percent of hourly workers in the U.S. earned \$9.25 or more in 2010, the same as in 2009.
- The proportion of Pennsylvania hourly workers who earned up to \$1.99 above the minimum wage increased from above 15 percent in 2009 to nearly 17 percent in 2010.
- From 2009 to 2010, the economic recession (which officially began in December 2007 and ended in June 2009), reduced the number of Pennsylvania workers at the minimum wage or below (15 percent) more heavily than total employment (1 percent), and all hourly workers (1 percent).

Worker Characteristics

- Pennsylvania earners at or below the minimum wage in 2010 tended to be from one or more of the following groups:
 - ❑ Female
 - ❑ White
 - ❑ 16- to 24-year-olds
 - ❑ High school graduates or less
 - ❑ Never married
- Females, 16- to 24-year-olds, high school graduates and the never married each comprised a higher proportion of Pennsylvania minimum-wage earners than of all Pennsylvanians.
- Pennsylvania's overall unemployment rate increased from 8.1 percent to 8.9 percent from 2009 to 2010. The unemployment rate among females increased by 1.1 percentage points from 7.1 percent to 8.2 percent. Likewise, the unemployment rate increased among 16- to 24-year-olds by 3.2 percentage points from 12.7 percent to 15.9 percent. For workers with some college education but no degree, the unemployment rate went up by 2.3 percentage points from 9.5 percent to 11.8 percent.
- Workers having no children made up 83 percent of those earning at or below the minimum wage in Pennsylvania.
- Ten percent of minimum-wage workers were single parents, and 7 percent were married with children.
- The household income of those who earn the minimum wage or below varied greatly. Fifty-two percent of these households made less than \$50,000 per year. Thirty-five percent made less than \$30,000 per year. In contrast, 48 percent made \$50,000 or more a year, and 30 percent that made \$75,000 or more per year.
- Pennsylvania workers who earned above the minimum wage were equally male or female, and tended to be from one or more of the following groups:
 - ❑ White
 - ❑ 25- to 54-year-olds
 - ❑ High school graduates
 - ❑ Married

Industry Characteristics

- The industries most likely to employ workers at or below the minimum wage were food services & drinking places, educational services and retail trade. These industries employed 67 percent of all minimum wage earners in 2010. However, nearly all industries contained some minimum wage workers.
- Seventy percent of hourly workers earning at or below the minimum wage worked part time in 2010.
- The industries most likely to employ hourly workers above the minimum wage were manufacturing, retail trade and non-hospital health care services. These industries employed 35 percent of all those making above the minimum wage in 2010.
- Seventy-six percent of hourly workers earning above the minimum wage worked full time in 2010.
- In 2010, 41 percent of Pennsylvanians who earned at or below minimum wage worked in food preparation & serving-related occupations. In addition, minimum wage or below earners were also likely to be employed in sales & related (19 percent), office & administrative support (10 percent), personal care & service (8 percent), and transportation & material moving occupations (7 percent).

Historical Characteristics

- The number of minimum-wage workers increased considerably from 2005 to 2010, as all those earning the previous minimum wage (\$5.15/hour) joined the many workers with slightly higher earnings in seeing their hourly wage pushed upward to the higher \$7.25/hour level by July 2009. This increase may have been due to the higher 2009 minimum wage of \$7.25 being more representative of what employers were actually paying their hourly workers than the minimum wage of 2005. An increase in the number of workers earning minimum wages is consistent with past minimum-wage increases.
- The percentage of minimum-wage workers in food service & drinking places declined from 59 percent to 41 percent 2005. Pennsylvania minimum-wage workers who worked in food preparation & serving related occupations decreased from 2005 to 2010 by 20 percentage points.

Inflation and Poverty

- In 2006, Pennsylvania's minimum wage was at 26 percent of the average wage, an all-time low since this information was first documented (1938). The increase in the minimum wage to \$7.25 in 2009 brought the minimum wage up to 34 percent of the average wage. In 2010, Pennsylvania's minimum wage was at 33 percent of the average wage. This was below the original level set in 1938 of 50 percent of the average wage.
- Inflation negatively affects the minimum wage. Adjusting for projected inflation, the 2010 minimum wage of \$7.25 will be worth \$6.95 in 2011 and \$6.78 in 2012 (in 2010 dollars).
- In 2010, the annual income for an individual working full time in Pennsylvania and making the minimum wage (\$7.25) was \$15,080, or 108 percent of the Federal Poverty Threshold for a two-person household. If the minimum wage remains at \$7.25 per hour, its percent of the poverty threshold for a two-person family will dip below the 100 percent level in 2012.
- The full-time earnings of \$15,080 that the minimum-wage worker received exceeded the 2009 Federal Poverty Threshold for one-person (\$10,991) and two-person households (\$14,051), but fell short of the poverty threshold for three-person households (\$17,163).

Other States

- In 2009, 12 states had higher minimum-wage rates than Pennsylvania. In 2010, 14 states had higher rates. Of those states having higher minimums, the rates ranged from \$7.30 to \$8.55. Seventeen states will have a higher minimum wage than Pennsylvania in 2011. For more information, please see the table on page 42.
- In 2010, 36 states had the same minimum wage as Pennsylvania.
- Of Pennsylvania's neighboring states, Ohio had the highest minimum wage in 2010 (\$7.30). Pennsylvania and its neighboring states (except Ohio) will be at the same minimum wage in 2011 (\$7.25).
- Arizona, Colorado, Florida, Missouri, Montana, Nevada, Ohio, Oregon, Vermont and Washington have their minimum-wage rates tied to the Consumer Price Index to provide automatic increases that keep pace with inflation.

Conclusion

- In 2010, there were 205,900 Pennsylvania workers making minimum wage or less, or nearly 6 percent of all hourly workers and 4 percent of total employment. In 2009, there were 243,100 workers making minimum wage or less, 37,200 (15 percent) above the 2010 level.
- From 2009 to 2010, the economic recession (which officially began in December 2007 and ended in June 2009), decreased the number of Pennsylvania workers at the minimum wage or below (15 percent) more heavily than total employment (1 percent), and all hourly workers (1 percent).
- Pennsylvania earners at or below the minimum wage tended to be from one or more of the following groups: female, white, 16- to 24-year-olds, high school graduates or less or never-married.
- The number of minimum-wage workers increased considerably from 2004 to 2010, as all those earning the previous minimum wage (\$5.15 per hour) joined the many with slightly higher earnings in seeing their hourly wage pushed upward to the higher \$7.25 per hour level by July 2009. This increase may be due to the 2009 minimum wage of \$7.25 becoming more representative of what employers were actually paying their hourly workers than the minimum wage of 2004. An increase in the number of workers earning minimum wage is consistent with past minimum wage increases.
- The industries most likely to employ workers at or below the minimum wage were food services & drinking places and the retail trade. Part-time workers made up the majority of those hourly workers earning the minimum wage.
- Inflation negatively affects the minimum wage. Adjusting for inflation, the 2010 minimum wage of \$7.25 will be worth \$6.95 in 2011 and \$6.78 in 2012.

HOURLY WORKER POPULATION

**Pennsylvania and U.S.
Employed Wage & Salary Workers Paid Hourly Rates
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)**

Total, 16 Years and Over	2009				2010				Percentage Point Change 2009 to 2010	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
Total Employment	139,877		5,817		139,062		5,780.1			
Total Paid an Hourly Rate	72,611	100.0%	3,306.7	100.0%	72,902	100.0%	3,254.9	100.0%		
Less than \$6.54	2,054	2.8%	93.9	2.8%	1,602	2.2%	72.4	2.2%	-0.6%	-0.6%
At \$6.55	289.6	0.4%	4.3	0.1%	7.8	0.0%	0.0	0.0%	-0.4%	-0.1%
\$6.56 – \$7.14	1,652	2.3%	59.8	1.8%	785.3	1.1%	27.4	0.8%	-1.2%	-1.0%
At \$7.15	186.7	0.3%	46.6	1.4%	101.2	0.1%	14.2	0.4%	-0.2%	-1.0%
\$7.16 – \$7.24	77.2	0.1%	7.0	0.2%	44.6	0.1%	1.2	0.0%	0.0%	-0.2%
At \$7.25	1,119	1.5%	53.9	1.6%	1,820	2.5%	90.9	2.8%	1.0%	1.2%
\$7.26 – \$8.24	6,902	9.5%	283.5	8.6%	7,110	9.8%	282.7	8.7%	0.3%	0.1%
\$8.25 – 9.24	6,429	8.9%	224.0	6.8%	7,073	9.7%	264.9	8.1%	0.8%	1.3%
\$9.25 or more	53,902	74.2%	2,534.0	76.6%	54,360	74.6%	2,525	76.9%	0.4%	0.3%

Source: U.S. Census Bureau, Current Population Survey

²PA minimum wages in 2009 – \$7.15 and \$7.25.

Totals may not sum due to rounding.

In 2010, there were 205,900 Pennsylvania workers making minimum wage or less, or 6 percent of all hourly workers and 4 percent of total employment. During 2009, the average number of earners at the minimum wage or below was 243,100 (an average of the number of minimum-wage earners at or below the minimum wage in the first and second halves of 2009, \$7.15 and \$7.25), 37,200 (15 percent) above the 2010 level.

Pennsylvania employment decreased by 37,000 (1 percent) in 2010 while U.S. employment declined by 815,000 (1 percent). Pennsylvania hourly employment decreased by 52,000 (2 percent) while U.S. hourly employment increased by 291,000 (0.4 percent). However, the proportion of those making hourly rates remained essentially the same. In 2010, Pennsylvania had a higher percentage of those earning hourly rates than did the U.S., 56 percent versus 52 percent.

The proportion of Pennsylvania hourly workers earning \$2 or more an hour above the minimum wage (\$9.25 or more) remained the same from 2009 to 2010 at nearly 77 percent. Just over 74 percent of hourly workers in the U.S. earned \$9.25 or more in 2010, the same as in 2009. The proportion of Pennsylvania hourly workers who earned up to \$1.99 above the minimum wage increased from above 15 percent in 2009 to nearly 17 percent in 2010.

From 2009 to 2010, the economic recession (which began in December 2007), decreased the number of Pennsylvania workers at the minimum wage or below (15 percent) more heavily than total employment (1 percent), and all hourly workers (2 percent).

WORKER CHARACTERISTICS

**Pennsylvania and U.S.
Demographic Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)**

Demographic Characteristics	2009				2010				Percentage Point Change 2009 to 2010	
	US ^{1/}	Pct.	PA ^{2/}	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	3,879		243.1		4,360		205.9			
Gender										
Male	1,496	39%	79.6	33%	1,612	37%	73.7	36%	-2%	3%
Female	2,382	61%	163.5	67%	2,748	63%	132.3	64%	2%	-3%
Race										
Black, non-Hispanic	516	13%	18.7	8%	628	14%	15.6	8%	1%	0%
Hispanic	693	18%	13.6	6%	822	19%	7.7	4%	1%	-2%
Other, non-Hispanic	215	6%	8.2	3%	249	6%	8.7	4%	0%	1%
White, non-Hispanic	2,455	63%	202.6	83%	2,662	61%	173.8	84%	-2%	1%
Age										
16-19	914	24%	73.3	30%	994	23%	64.6	31%	-1%	1%
20-24	989	26%	51.3	21%	1,142	26%	49.8	24%	1%	3%
25-34	770	20%	43.6	18%	844	19%	32.9	16%	-1%	-2%
35-44	471	12%	20.1	8%	530	12%	14.2	7%	0%	-1%
45-54	377	10%	24.5	10%	457	10%	17.6	9%	0%	-1%
55-64	218	6%	14.0	6%	227	5%	14.3	7%	-1%	1%
65 and over	139	4%	16.3	7%	167	4%	12.6	6%	0%	-1%
Education										
Less than a high school diploma	1,126	29%	57.0	23%	1,285	29%	64.8	31%	0%	8%
High school graduates, no college	1,216	31%	97.4	40%	1,334	31%	65.7	32%	0%	-8%
Some college, no degree	1,018	26%	52.4	22%	1,155	26%	40.8	20%	0%	-2%
Associate degree	211	5%	17.0	7%	259	6%	13.7	7%	1%	0%
Bachelor's degree or higher	307	8%	19.3	8%	327	7%	20.9	10%	-1%	2%
Marital Status										
Married Spouse Present	944	24%	57.2	24%	1,054	24%	39.0	19%	0%	-5%
Marital Status Other	544	14%	31.3	13%	588	13%	20.7	10%	-1%	-3%
Never Married	2,391	62%	154.6	64%	2,718	62%	146.3	71%	0%	7%

^{1/}US minimum wages in 2009 – \$6.55 and \$7.25.

^{2/}PA minimum wages in 2009 – \$7.15 and \$7.25.

Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

Female workers made up 64 percent of those earning at or below the minimum wage in Pennsylvania in 2010, a decrease of 3 percentage points from 2009.

The majority of Pennsylvania workers making the minimum wage were white (84 percent). Blacks made up the next highest percentage of minimum-wage earners (8 percent), followed by Hispanics (4 percent) and other races (4 percent). Hispanics at or below the minimum wage decreased by 2 percentage points in 2010. White and other races working at or below the minimum wage each increased by 1 percentage point in 2010. Pennsylvania had a smaller proportion of minimum-wage workers who are either black or Hispanic than the nation.

Minimum-wage workers tended to be young, 16- to 24-years-old (55 percent), with the heaviest concentration among 16- to 19-year-olds (31 percent). In 2010, the proportion of those minimum-wage earners age 16- to 24-years-old increased by 5 percentage points, while the proportion of minimum-wage earners age 25- to 34-years-old decreased by 2 percentage points. The state had a higher percentage of older workers (65 and over) earning minimum wage or below than the U.S. as a whole.

Pennsylvania workers with a high school diploma or less made up 63 percent of those earning at or below the minimum wage in 2010, a decrease of 1 percentage point from 2009. Pennsylvania had a slightly larger proportion of workers with college degrees earning at or below the minimum wage than the nation.

Most minimum-wage earners have never been married (71 percent). In 2010, the proportion of Pennsylvania minimum-wage earners with a marital status as Other (divorced, separated, widowed) decreased by 3 percentage points, while those who were married decreased by 5 percentage points.

**Pennsylvania and U.S.
Demographic Characteristics of Hourly Wage & Salary Workers Above the Minimum Wage
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)**

Demographic Characteristics	2009				2010				Percentage Point Change 2009 to 2010	
	US ^{1/}	Pct.	PA ^{2/}	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	68,732		3,063.6		68,452		3,049.0			
Gender										
Male	33,689	49%	1,488.7	49%	33,886	49%	1,541.4	51%	0%	2%
Female	35,043	51%	1,574.9	51%	34,656	51%	1,507.6	49%	0%	-2%
Race										
Black, non-Hispanic	8,430	12%	311.7	10%	8,425	12%	313.2	10%	0%	0%
Hispanic	12,047	18%	157.1	5%	12,155	18%	151.0	5%	1%	0%
Other, non-Hispanic	3,943	6%	68.5	2%	4,124	6%	70.8	2%	0%	0%
White, non-Hispanic	44,312	64%	2,526	83%	43,839	64%	2,514.0	82%	0%	-1%
Age										
16-19	3,484	5%	156.1	5%	2,991	4%	142.1	5%	-1%	0%
20-24	9,002	13%	408.6	13%	8,934	13%	370.5	12%	0%	-1%
25-34	15,593	23%	592.6	19%	15,983	23%	638.5	21%	0%	2%
35-44	14,104	21%	596.6	19%	13,832	20%	567.5	19%	0%	0%
45-54	15,091	22%	742.0	24%	14,859	22%	731.8	24%	0%	0%
55-64	8,933	13%	424.8	14%	9,357	14%	453.4	15%	1%	1%
65 and over	2,526	4%	142.9	5%	2,586	4%	145.2	5%	0%	0%
Education										
Less than a high school diploma	9,086	13%	301.6	10%	8,482	12%	263.6	9%	-1%	-1%
High school graduates, no college	24,476	36%	1,328.5	43%	24,435	36%	1,385.6	45%	0%	2%
Some college, no degree	15,767	23%	523.5	17%	15,459	23%	522.6	17%	0%	0%
Associate degree	7,964	12%	381.8	12%	8,157	12%	353.0	12%	0%	0%
Bachelor's degree or higher	11,439	17%	528.3	17%	12,009	18%	524.2	17%	1%	0%
Marital Status										
Married Spouse Present	33,975	49%	1,554.9	51%	33,465	49%	1,529.8	50%	0%	-1%
Marital Status Other	11,711	17%	448.3	15%	11,807	17%	450.9	15%	0%	0%
Never Married	23,046	34%	1,060.4	35%	23,270	34%	1,068.3	35%	1%	0%

^{1/}US minimum wages in 2009 – \$6.55 and \$7.25.

^{2/}PA minimum wages in 2009 – \$7.15 and \$7.25.

Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

In 2010, male and female workers in Pennsylvania were fairly evenly represented among hourly workers above the minimum wage (51 percent and 49 percent, respectively). On the other hand, earners at or below the minimum wage tended to be female (64 percent).

Blacks made up a greater proportion of earners above the minimum wage (10 percent) than of earners at or below the minimum wage (8 percent). Blacks, Hispanics and other races made up a larger proportion of the nation's above-minimum-wage workers than in Pennsylvania (36 percent versus 17 percent).

The heaviest concentration of workers making above the minimum wage were 24 to 54 years old. This differed from minimum-wage workers, who tended to be younger.

The category of Pennsylvania workers having only a high school diploma accounted for the highest percentage of above-minimum-wage earners (45 percent). Earners above the minimum wage tended to be more educated than workers receiving the minimum wage or less.

Half of all workers earning above the minimum wage were married. On the other hand, earners at or below the minimum wage tended to never have been married (71 percent).

**Pennsylvania and U.S.
Demographic Characteristics of All Employed Individuals
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)**

Demographic Characteristics	2009				2010				Percentage Point Change 2009 to 2010	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	139,877		5,817.4		139,062		5,780.1			
Gender										
Male	73,670	53%	3,029.0	52%	73,359	53%	3,043.4	53%	0%	1%
Female	66,208	47%	2,788.4	48%	65,703	47%	2,736.7	47%	0%	-1%
Race										
Black, non-Hispanic	14,526	10%	453.6	8%	14,419	10%	458.5	8%	0%	0%
Hispanic	19,638	14%	251.4	4%	19,918	14%	235.5	4%	0%	0%
Other, non-Hispanic	8,998	6%	164.6	3%	9,059	7%	166.3	3%	1%	0%
White, non-Hispanic	96,715	69%	4,947.7	85%	95,666	69%	4,919.8	85%	0%	0%
Age										
16-19	4,827	3%	250.7	4%	4,369	3%	216.0	4%	0%	0%
20-24	12,769	9%	574.9	10%	12,699	9%	508.7	9%	0%	-1%
25-34	29,993	21%	1,147.3	20%	30,243	22%	1,191.7	21%	1%	1%
35-44	31,533	23%	1,176.3	20%	30,666	22%	1,154.3	20%	-1%	0%
45-54	33,632	24%	1,464.0	25%	33,156	24%	1,440.4	25%	0%	0%
55-64	21,009	15%	907.0	16%	21,654	16%	965.1	17%	1%	1%
65 and over	6,115	4%	297.1	5%	6,273	4%	304.0	5%	0%	0%
Education										
Less than a high school diploma	13,732	10%	483.5	8%	13,144	9%	443.0	8%	-1%	0%
High school graduates, no college	39,439	28%	2,053.2	35%	39,144	28%	2,054.7	36%	0%	1%
Some college, no degree	27,058	19%	851.7	15%	26,542	19%	821.1	14%	0%	-1%
Associate degree	13,952	10%	589.0	10%	14,057	10%	590.1	10%	0%	0%
Bachelor's degree or higher	45,696	33%	1,840.0	32%	46,174	33%	1,871.2	32%	0%	0%
Marital Status										
Married Spouse Present	79,079	57%	3,326.4	57%	77,618	56%	3,310.2	57%	-1%	0%
Marital Status Other	22,243	16%	776.6	13%	22,425	16%	786.9	14%	0%	1%
Never Married	38,555	28%	1,714.5	29%	39,018	28%	1,683.1	29%	0%	0%

Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

In 2010, males made up a higher proportion of all employed Pennsylvanians than females, 53 percent to 47 percent. This tendency differed from earners at the minimum wage or below, who were apt to be female.

Pennsylvania's racial proportion of all employed individuals was essentially the same as that for minimum wage workers.

The heaviest concentration of the employed was among 25- to 54-year-olds. This differed from minimum wage or below workers, who tended to be 16- to 24-year-olds.

The plurality of Pennsylvania's employed were high school graduates (36 percent), followed by those having a bachelor's degree or higher (32 percent). Fifty-six percent of employed Pennsylvanians had at least attended college compared to 37 percent for minimum-wage earners or below.

Fifty-seven percent of the employed were married. This differed from minimum wage or below earners, who tended to have never been married (71 percent).

**Pennsylvania and U.S.
Demographic Characteristics of All Individuals Age 16 Years and Over
2009 Average Compared to 2010 Average
(Numbers of Individuals in thousands)**

Demographic Characteristics	2009				2010				Percentage Point Change 2009 to 2010	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	235,801		9,838.8		237,827		10,015.0			
Gender										
Male	114,136	48%	4,720.0	48%	115,174	48%	4,808.9	48%	0%	0%
Female	121,665	52%	5,118.8	52%	122,653	52%	5,206.2	52%	0%	0%
Race										
Black, non-Hispanic	27,285	12%	903.8	9%	27,596	12%	947.2	9%	0%	0%
Hispanic	32,887	14%	447.5	5%	33,708	14%	452.9	5%	0%	0%
Other, non-Hispanic	15,261	6%	264.0	3%	15,691	7%	285.1	3%	1%	0%
White, non-Hispanic	160,368	68%	8,223.6	84%	160,833	68%	8,329.8	83%	0%	-1%
Age										
16-19	17,033	7%	712.1	7%	16,892	7%	704.2	7%	0%	0%
20-24	20,530	9%	868.3	9%	21,047	9%	852.7	9%	0%	0%
25-34	40,215	17%	1,491.1	15%	40,964	17%	1,558.5	16%	0%	1%
35-44	40,936	17%	1,520.1	15%	40,107	17%	1,510.2	15%	0%	0%
45-54	44,418	19%	1,865.7	19%	44,271	19%	1,871.8	19%	0%	0%
55-64	34,662	15%	1,489.8	15%	35,812	15%	1,578.8	16%	0%	1%
65 and over	38,008	16%	1,891.7	19%	38,735	16%	1,938.9	19%	0%	0%
Education										
Less than a high school diploma	39,571	17%	1,478.7	15%	39,157	16%	1,479.4	15%	-1%	0%
High school graduates, no college	70,712	30%	3,763.6	38%	71,305	30%	3,830.2	38%	0%	0%
Some college, no degree	44,017	19%	1,409.2	14%	44,150	19%	1,422.0	14%	0%	0%
Associate degree	19,710	8%	809.0	8%	20,161	8%	816.0	8%	0%	0%
Bachelor's degree or higher	61,790	26%	2,378.3	24%	63,054	27%	2,467.4	25%	1%	1%
Marital Status										
Married Spouse Present	122,314	52%	5,027.4	51%	121,258	51%	5,152.1	51%	-1%	0%
Marital Status Other	45,731	19%	1,826	19%	46,643	20%	1,833.0	18%	1%	-1%
Never Married	67,756	29%	2,985.8	30%	69,926	29%	3,030.0	30%	0%	0%

Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

For the following comparisons, please refer to the *Pennsylvania and U.S. Demographic Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below* table on page 16 as well as the 2010 portion of the table above.

In 2010, a higher proportion of minimum-wage earners or below (64 percent) were female than the overall Pennsylvania population (52 percent).

Pennsylvania's racial proportion of minimum-wage workers was mostly the same as the general population.

Sixteen- to 24-year-olds made up a much higher proportion of minimum wage or below earners than the population, 56 percent versus 16 percent.

Minimum-wage earners or below had a higher percentage of those with less than a high school diploma than did the total population, 31 percent versus 15 percent. Conversely, the population had a higher proportion of those with a bachelor's degree or higher than found among minimum-wage earners or below, 25 percent versus 10 percent.

Individuals who had never been married constituted a higher percentage of those earning at the minimum wage or below than they did within the general Pennsylvania population, 71 percent versus 30 percent.

**Pennsylvania and U.S.
Demographic Characteristics of All Unemployed Individuals
2009 Average Compared to 2010 Average
(Numbers of Individuals in thousands)**

Demographic Characteristics	2009						2010						Percentage Point Rate Change 2009 to 2010	
	US	Pct.	Rate ^{1/}	PA	Pct.	Rate ^{1/}	US	Pct.	Rate ^{1/}	PA	Pct.	Rate ^{1/}	US	PA
TOTAL	14,265		9.3%	519.0		8.1%	14,825		9.6%	571.0		8.9%		
Gender														
Male	8,537	60%	10.4%	302.9	58%	9.0%	8,700	59%	10.0%	325.5	57%	9.6%	0%	1%
Female	5,728	40%	8.0%	216.1	42%	7.1%	6,125	41%	8.5%	245.5	43%	8.2%	1%	1%
Race														
Black, non-Hispanic	2,439	17%	14.4%	59.4	11%	11.4%	2,708	18%	15.8%	77.4	14%	14.3%	1%	3%
Hispanic	2,613	18%	11.7%	52.2	10%	17.0%	2,787	19%	12.3%	48.2	8%	16.9%	1%	0%
Other, non-Hispanic	857	6%	8.7%	17.0	3%	9.3%	852	6%	8.6%	17.1	3%	9.3%	0%	0%
White, non-Hispanic	8,356	59%	8.0%	390.4	75%	7.2%	8,478	57%	8.1%	428.2	75%	7.9%	0%	1%
Age														
16-19	961	7%	16.6%	33.1	6%	11.5%	837	6%	16.2%	33.5	6%	13.3%	-1%	2%
20-24	2,180	15%	14.6%	88.3	17%	13.2%	2,256	15%	15.4%	105.2	18%	17.0%	1%	4%
25-34	3,361	24%	10.1%	101.7	20%	8.0%	3,575	24%	10.7%	133.6	23%	10.0%	0%	2%
35-44	2,924	21%	8.5%	109.2	21%	8.4%	2,921	20%	8.9%	97.2	17%	7.7%	0%	-1%
45-54	2,803	20%	7.7%	88.1	17%	5.6%	2,959	20%	8.3%	98.6	17%	6.4%	1%	1%
55-64	1,574	11%	7.0%	78.1	15%	7.8%	1,792	12%	7.7%	79.4	14%	7.5%	1%	0%
65 and over	462	3%	7.0%	20.6	4%	6.4%	485	3%	7.3%	23.4	4%	7.1%	0%	1%
Education														
Less than a H.S. diploma	2,701	19%	16.4%	84.5	16%	14.7%	2,609	18%	16.6%	78.8	14%	15.0%	0%	0%
High-school graduates	5,139	36%	11.5%	235.2	45%	10.2%	5,457	37%	12.2%	255.7	45%	11.0%	1%	1%
Some college, no degree	2,887	20%	9.6%	90.8	18%	9.5%	3,092	21%	10.4%	111.1	19%	11.8%	1%	2%
Associate degree	1,108	8%	7.4%	38.8	7%	6.1%	1,132	8%	7.5%	34.4	6%	5.5%	0%	-1%
Bachelor's degree or higher	2,430	17%	5.0%	69.7	13%	3.6%	2,535	17%	5.2%	91.0	16%	4.6%	0%	1%
Marital Status														
Married Spouse Present	5,498	39%	6.5%	181.4	35%	5.1%	5,706	38%	6.9%	224.3	39%	6.3%	0%	1%
Marital Status Other	2,755	19%	11.0%	98	19%	11.1%	2,917	20%	11.5%	82.1	14%	9.4%	1%	-2%
Never Married	6,011	42%	13.5%	23.6	46%	12.1%	6,202	42%	13.7%	264.6	46%	13.5%	0%	1%

^{1/}Unemployment Rate. Totals may not sum due to rounding.
Source: U.S. Census Bureau, Current Population Survey

The state's overall unemployment rate increased 0.8 percentage points from 8.1 percent to 8.9 percent from 2009 to 2010. It is important to note that the National Bureau of Economic Research determined that our national economy was affected by a recession that began in December 2007 and ended in June 2009.

From 2009 to 2010, the unemployment rates among females and males increased by 1.1 and 0.6, respectively.

The unemployment rate for blacks increased from 11.4 percent to 14.3 percent from 2009 to 2010.

The unemployment rate for 16- to 24-year-olds increased from 12.7 percent to 15.9 percent. The unemployment rate among 25-year-olds and above increased from 7.3 percent to 7.8 percent. The unemployment rate from 2009 to 2010 went up among those with some college, but no degree, from 9.5 percent to 11.8 percent. The unemployment rate also increased among workers with only a high school education, from 10.2 percent to 11.0 percent.

Pennsylvania and U.S.
Family and Household Income Characteristics of Hourly Wage & Salary Workers
At the Minimum Wage or Below
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)

Characteristics	2009				2010				Percentage Point Change 2009 to 2010	
	US ^{1/}	Pct.	PA ^{2/}	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	3,879		243.1		4,360		205.9			
Family Makeup										
No Children (Single or Married)	3,009	78%	194.3	80%	3,334	76%	171.3	83%	-1%	3%
Married Parent	503	13%	25.6	11%	548	13%	14.7	7%	0%	-3%
Single Parent	367	9%	23.2	10%	479	11%	19.9	10%	2%	0%
1 child	202	5%	8.3	3%	277	6%	12.0	6%	1%	2%
2 children	103	3%	10.3	4%	128	3%	5.8	3%	0%	-1%
3 children	44	1%	4.7	2%	60	1%	2.0	1%	0%	-1%
4 or more children	18	0%	0.0	0%	14	0%	0.0	0%	0%	0%
Household Annual Income^{3/}										
\$9,999 or less	-	-	-	-	513	12%	13.9	7%	-	-
\$10,000 to 19,999	-	-	-	-	717	16%	28.6	14%	-	-
\$20,000 to 29,999	-	-	-	-	609	14%	30.4	15%	-	-
\$30,000 to 39,999	-	-	-	-	516	12%	18.2	9%	-	-
\$40,000 to 49,999	-	-	-	-	361	8%	15.1	7%	-	-
\$50,000 to 59,999	-	-	-	-	364	8%	19.8	10%	-	-
\$60,000 To 74,999	-	-	-	-	378	9%	18.0	9%	-	-
\$75,000 To 99,999	-	-	-	-	421	10%	33.3	16%	-	-
\$100,000 To 149,999	-	-	-	-	298	7%	14.3	7%	-	-
\$150,000 and Over	-	-	-	-	183	4%	14.4	7%	-	-

^{2/}PA minimum wages in 2009 – \$7.15 and \$7.25

^{3/}The U.S. Census Bureau changed the Household Annual Income variable in 2010, making it meaningless to compare to 2009 data
 Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

Workers having no children made up 83 percent of those earning at or below the minimum wage in Pennsylvania, an increase of 3 percentage points from 2009. Single parents composed 10 percent of minimum-wage workers, and 7 percent were married with children.

The number of Pennsylvania's minimum-wage workers who were either married with children or single parents decreased by 4 percentage points from 2009 to 2010.

The family makeup characteristics of those earning the minimum wage or below in Pennsylvania shifted toward more households with no children or single-child households.

The household income of those who earn the minimum wage or below varied greatly. Fifty-two percent of these households made less than \$50,000 per year. Thirty-five percent made less than \$30,000 per year. In contrast, 48 percent made \$50,000 or more a year, and 30 percent that made \$75,000 or more per year.

INDUSTRY CHARACTERISTICS

Pennsylvania and U.S.
Industry Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)

Industry	2009				2010				Percentage Point Change 2009 to 2010	
	US ^{1/}	Pct.	PA ^{2/}	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	3,879		243.1		4,360		205.9			
Industry										
Agriculture, Forestry, Fishing & Hunting	49	1%	3.0	1%	31	1%	0.9	0%	-1%	-1%
Mining	1	<1%	0.0	0%	0	0%	0.0	0%	0%	0%
Construction	51	1%	1.2	0%	48	1%	0.0	0%	0%	0%
Manufacturing	121	3%	9.8	4%	160	4%	5.0	2%	1%	-2%
Wholesale Trade	37	1%	1.0	<1%	46	1%	1.4	1%	0%	0%
Retail Trade	618	16%	51.7	21%	768	18%	39.7	19%	2%	-2%
Transportation & Warehousing	53	1%	2.9	1%	55	1%	4.7	2%	0%	1%
Information	44	1%	2.0	1%	56	1%	2.4	1%	0%	0%
Financial & Insurance	46	1%	2.2	1%	76	2%	5.8	3%	1%	2%
Professional & Business Services	155	4%	9.1	4%	188	4%	4.8	2%	0%	-1%
Educational Services	157	4%	13.3	5%	183	4%	14.9	7%	0%	2%
Hospitals	39	1%	0.0	0%	51	1%	2.1	1%	0%	1%
Health Care Services, Except Hospitals	153	4%	13.7	6%	203	5%	5.1	3%	1%	-3%
Social Assistance	94	2%	4.2	2%	146	3%	0.0	0%	1%	-2%
Arts, Entertainment & Recreation	159	4%	13.3	5%	166	4%	7.6	4%	0%	-2%
Accommodation	86	2%	8.2	3%	100	2%	5.3	3%	0%	-1%
Food Services & Drinking Places	1729	45%	90.4	37%	1,775	41%	84.9	41%	-4%	4%
Other Services	228	6%	15.4	6%	254	6%	18.5	9%	0%	3%
Public Administration	59	2%	1.8	1%	54	1%	2.8	1%	0%	1%
Work Status										
Full-time	1,463	38%	70.0	29%	1,720	39%	62.1	30%	2%	1%
Part-time	2,416	62%	173.1	71%	2,640	61%	143.8	70%	-2%	-1%

^{1/}US minimum wages in 2009 – \$6.55 and \$7.25.

^{2/}PA minimum wages in 2009 – \$7.15 and \$7.25.

Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

In Pennsylvania, the industries most likely to employ workers at or below the minimum wage were food services & drinking places, educational services, retail trade and other services. These industries employed 76 percent of all minimum-wage earners in 2010. However, nearly all industries contained some minimum-wage workers. In 2010, the proportion of minimum-wage earners increased 4 percentage points in food services & drinking places. The proportion in retail trade decreased by 2 percentage points.

Pennsylvania was above the national average in the number of part-time hourly workers earning at or below the minimum wage (70 percent versus 61 percent).

**Pennsylvania and U.S.
Industry Characteristics of Hourly Wage & Salary Workers Above the Minimum Wage
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)**

Industry	2009				2010				Percentage Point Change 2009 to 2010	
	US ^{1/}	Pct.	PA ^{2/}	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	68,732		3,063.6		68,542		3,049.0			
Industry (Employment)										
Agriculture, Forestry, Fishing & Hunting	630	1%	12.4	<1%	725	1%	22.8	1%	0%	0%
Mining	396	1%	13.4	<1%	422	1%	16.4	1%	0%	0%
Construction	4,825	7%	218.0	7%	4,495	7%	190.8	6%	0%	-1%
Manufacturing	8,303	12%	410.2	13%	8,266	12%	408.2	13%	0%	0%
Wholesale Trade	1,628	2%	85.5	3%	1,573	2%	89.3	3%	0%	0%
Retail Trade	9,870	14%	390.2	13%	9,814	14%	394.4	13%	0%	0%
Transportation & Warehousing	3,883	6%	193.9	6%	3,873	6%	176.1	6%	0%	-1%
Information	1,383	2%	65.1	2%	1,330	2%	48.8	2%	0%	-3%
Financial & Insurance	3,300	5%	174.9	6%	3,182	5%	143.6	5%	0%	-1%
Professional & Business Services	5,359	8%	203.2	7%	5,639	8%	228.3	7%	0%	1%
Educational Services	4,278	6%	173.5	6%	4,302	6%	170.6	6%	0%	0%
Hospitals	4,211	6%	216.7	7%	4,281	6%	229.3	8%	0%	0%
Health Care Services, Except Hospitals	5,780	8%	305.6	10%	5,991	9%	284.9	9%	0%	-1%
Social Assistance	1,565	2%	82.5	3%	1,621	2%	81.1	3%	0%	0%
Arts, Entertainment & Recreation	1,527	2%	49.1	2%	1,507	2%	49.2	2%	0%	0%
Accommodation	953	1%	30.0	1%	898	1%	31.3	1%	0%	0%
Food Services & Drinking Places	4,735	7%	169.8	6%	4,603	7%	205.2	7%	0%	1%
Other Services	2,836	4%	107.3	4%	2,662	4%	102.8	3%	0%	0%
Public Administration	3,272	5%	162.5	5%	3,358	5%	176.0	6%	0%	1%
Work Status										
Full-time	51,849	75%	2,319.5	76%	51,911	76%	2,326.2	76%	0%	1%
Part-time	16,883	25%	744.1	24%	16,631	24%	722.8	24%	0%	-1%

^{1/}US minimum wages in 2009 – \$6.55 and \$7.25.

^{2/}PA minimum wages in 2009 – \$7.15 and \$7.25.

Totals may not sum due to rounding.

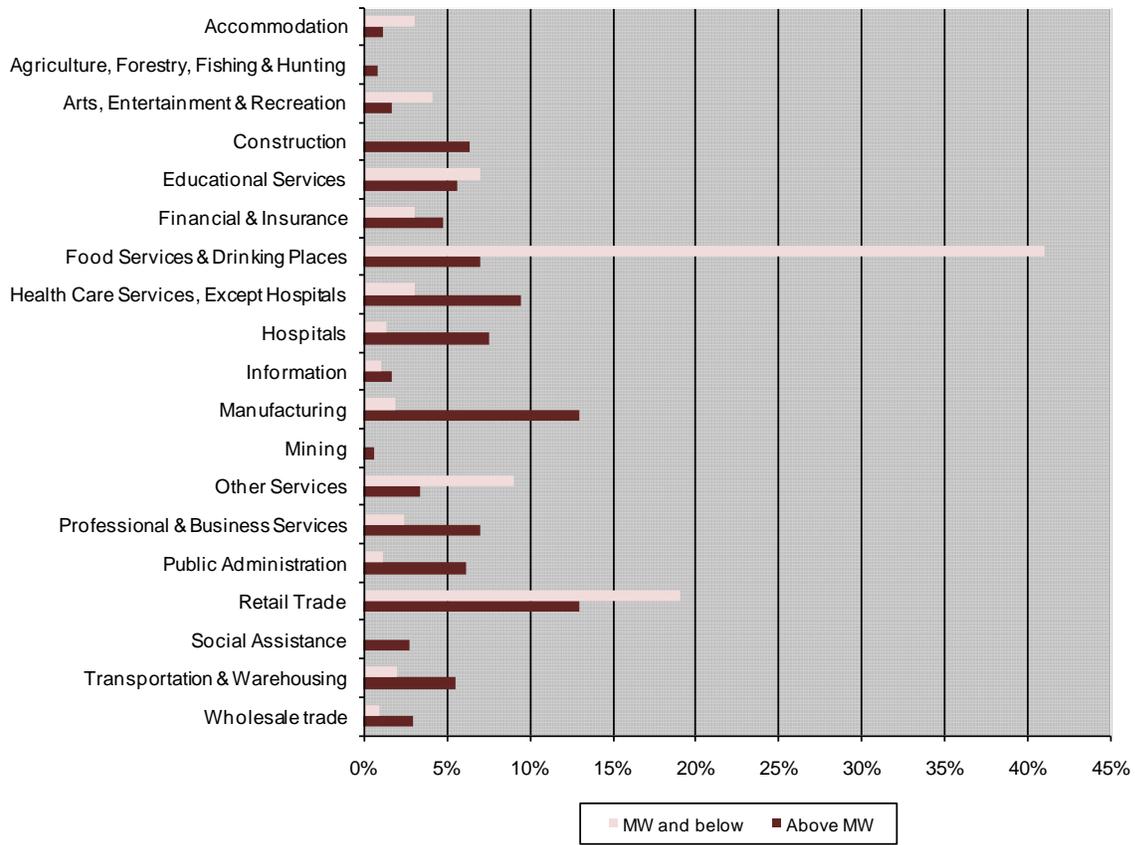
Source: U.S. Census Bureau, Current Population Survey

The Pennsylvania industries most likely to employ hourly workers above the minimum wage were manufacturing, retail trade and non-hospital health care services. These industries employed 35 percent of all those making above the minimum wage in 2010.

The industry distribution of those making above the minimum wage changed little in Pennsylvania and the nation from 2009 to 2010.

In Pennsylvania, 76 percent of hourly workers earning above the minimum wage worked full time in 2010, an increase of 1 percentage point from 2009.

**Pennsylvania
Employed Wage & Salary Workers Paid Hourly Rates
Industry Distribution 2010**



PA minimum wage in 2010 – \$7.25.
Source: U.S. Census Bureau, Current Population Survey

A high proportion of workers who earned at or below the minimum wage worked in food services & drinking places and in the retail trade.

A high proportion of workers who earned above the minimum wage worked in manufacturing, retail trade, health care services, construction, hospitals, public administration and professional & business services.

Pennsylvania and U.S.
Occupational Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
2009 Average Compared to 2010 Average
(Numbers of workers in thousands)

Occupation	2009				2010				Percentage Point Change 2009 to 2010	
	US ^{1/}	Pct.	PA ^{2/}	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	3,879		243.1		4,360		205.9			
Occupation										
Architecture & Engineering	3	0%	0.0	0%	2	0%	0.0	0%	0%	0%
Arts, Design, Entertainment, Sports & Media	14	0%	0.0	0%	21	0%	3.6	2%	0%	2%
Building, Grounds Cleaning, & Maintenance	236	6%	7.1	3%	281	6%	9.0	4%	0%	1%
Business & Financial Operations	9	0%	0.0	0%	19	0%	1.3	1%	0%	1%
Community & Social Service	10	0%	0.0	0%	19	0%	0.0	0%	0%	0%
Computer & Mathematical Science	10	0%	1.2	0%	8	0%	1.3	1%	0%	0%
Construction & Extraction	43	1%	1.2	0%	39	1%	0.9	0%	0%	0%
Education, Training & Library	58	1%	7.1	3%	82	2%	2.1	1%	0%	-2%
Farming, Fishing & forestry	43	1%	3.0	1%	34	1%	0.9	0%	0%	-1%
Food Preparation & Serving Related	1,681	43%	106.5	44%	1,695	39%	85.8	42%	-4%	-2%
Healthcare Practitioner & Technical	23	1%	2.3	1%	32	1%	2.1	1%	0%	0%
Healthcare Support	85	2%	7.4	3%	135	3%	2.9	1%	1%	-2%
Installation, Maintenance & Repair	25	1%	1.1	0%	31	1%	0.0	0%	0%	0%
Legal	2	0%	0.0	0%	3	0%	0.0	0%	0%	0%
Life, Physical & Social Service	2	0%	0.0	0%	5	0%	0.0	0%	0%	0%
Management	25	1%	2.9	1%	34	1%	1.2	1%	0%	-1%
Office & Administrative Support	236	6%	14.5	6%	326	7%	19.8	10%	1%	4%
Personal Care & Service	309	8%	19.1	8%	325	7%	16.2	8%	-1%	0%
Production	134	3%	6.8	3%	171	4%	4.8	2%	0%	0%
Protective Service	81	2%	3.0	1%	76	2%	2.1	1%	0%	0%
Sales & Related	598	15%	42.2	17%	733	17%	38.2	19%	1%	1%
Transportation & Material Moving	251	6%	17.7	7%	292	7%	13.6	7%	0%	-1%

^{1/}US minimum wages in 2009 – \$6.55 and \$7.25.

^{2/}PA minimum wages in 2009 – \$7.15 and \$7.25.

Totals may not sum due to rounding.

Source: U.S. Census Bureau, Current Population Survey

In 2010, a plurality (42 percent) of Pennsylvanians who earned the minimum wage or below worked in food preparation & serving-related occupations. In addition, minimum wage or below earners were also likely to be employed in sales & related occupations (19 percent), office & administrative support (10 percent), personal care & service (8 percent) and transportation & material moving occupations (7 percent).

The percentage of Pennsylvania minimum-wage workers who worked in office & administrative support increased from 2009 to 2010 by 4 percentage points. Minimum-wage earners in food preparation & serving related occupations decreased from 2009 to 2010 by 2 percentage points.

The occupational characteristics of those earning the minimum wage or below in Pennsylvania and the nation were relatively the same.

HISTORICAL CHARACTERISTICS

Pennsylvania
Demographic Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
Annual Average 2005 Compared to Annual Average 2010
(Numbers of workers in thousands)

Demographic Characteristics	2005		2010		Percentage Point Change 2005 to 2010
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	90.1		205.9		
Gender					
Male	17.1	19%	73.7	36%	17%
Female	72.9	81%	132.3	64%	-17%
Race					
Black, non-Hispanic	9.3	10%	15.6	8%	-2%
Hispanic	5.5	6%	7.7	4%	-2%
Other, non-Hispanic	7.0	8%	8.7	4%	-4%
White, non-Hispanic	68.3	76%	173.8	84%	8%
Age					
16-19	19.7	22%	64.6	31%	9%
20-24	31.2	35%	49.8	24%	-11%
25-34	16.4	18%	32.9	16%	-2%
35-44	6.8	8%	14.2	7%	-1%
45-54	8.8	10%	17.6	9%	-1%
55-64	3.7	4%	14.3	7%	3%
65 and over	3.3	4%	12.6	6%	2%
Education					
Less than a high school diploma	14.3	16%	64.8	31%	15%
High school graduates, no college	35.4	39%	65.7	32%	-7%
Some college, no degree	22.4	25%	40.8	20%	-5%
Associate degree	8.4	9%	13.7	7%	-2%
Bachelor's degree or higher	9.5	11%	20.9	10%	-1%
Marital Status					
Married Spouse Present	17.8	20%	39.0	19%	-1%
Marital Status Other	11.3	13%	20.7	10%	-3%
Never Married	60.9	68%	146.3	71%	3%

^{1/}PA minimum wage in 2005 was \$5.15.

^{2/}PA minimum wage for 2010 was \$7.25.

Totals may not sum due to rounding. U.S. Census Bureau, Current Population Survey

The number of minimum-wage workers in Pennsylvania increased considerably from 2005 to 2010: 90,000 to 205,900, as all those earning the previous minimum wage (\$5.15 per hour) joined the many workers with slightly higher earnings in seeing their hourly wage pushed upward to the higher \$7.25 per hour level by July 2009. This increase may have been due to the higher 2009 minimum wage of \$7.25 being more representative of what employers were actually paying their hourly workers than the minimum wage of 2005. An increase in the number of workers earning minimum wages is consistent with past minimum-wage increases.

The percentage of males who are minimum-wage workers increased by 17 percentage points from 2005 to 2010.

Minimum-wage workers classified as white have increased by 8 percentage points since 2005.

The percentage of minimum-wage earners who are younger workers (age 16-24) increased by 1 percentage point since 2005.

Minimum-wage workers with less than a high school diploma increased from 16 percent to 31 percent since 2005.

Pennsylvania
Industry Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
Annual Average 2005 Compared to Annual Average 2010
(Numbers of workers in thousands)

Industry	2005		2010		Percentage Point Change 2005 to 2010
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	90.1		205.9		
Industry (Employment)					
Agriculture, Forestry, Fishing & Hunting	0.0	0%	0.9	0%	0%
Mining	0.0	0%	0.0	0%	0%
Construction	0.0	0%	0.0	0%	0%
Manufacturing	4.4	5%	5.0	2%	-2%
Wholesale Trade	0.9	1%	1.4	1%	0%
Retail Trade	7.0	8%	39.7	19%	11%
Transportation & Warehousing	0.0	0%	4.7	2%	2%
Information	0.0	0%	2.4	1%	1%
Financial & Insurance	0.0	0%	5.8	3%	3%
Professional & Business Services	0.0	0%	4.8	2%	2%
Educational Services	5.9	7%	14.9	7%	1%
Hospitals	3.9	4%	2.1	1%	-3%
Health Care Services, Except Hospitals	0.8	1%	5.1	3%	2%
Social Assistance	0.0	0%	0.0	0%	0%
Arts, Entertainment & Recreation	6.0	7%	7.6	4%	-3%
Accommodation	2.2	2%	5.3	3%	0%
Food Services & Drinking Places	53.3	59%	84.9	41%	-18%
Other Services	4.8	5%	18.5	9%	4%
Public Administration	0.8	1%	2.8	1%	0%
Work Status					
Full-time	37.0	41%	62.1	30%	-11%
Part-time	53.1	59%	143.8	70%	11%

^{1/}PA minimum wage in 2005 was \$5.15.

^{2/}PA minimum wage for 2010 was \$7.25.

Totals may not sum due to rounding. U.S. Census Bureau, Current Population Survey

In 2005, the industries most likely to employ workers at or below the minimum wage were food services & drinking places, retail trade and educational services, nearly the same as in 2010. However, the percentage of minimum-wage workers in food services & drinking places declined from 59 percent to 41 percent 2005, with minimum-wage workers increasingly more likely to be found in retail trade, financial activities, transportation & utilities and other services by 2010.

Fifty-nine percent of those hourly workers earning at or below the minimum wage worked part time in 2005, 11 percentage points fewer than in 2010.

Pennsylvania
Occupational Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
Annual Average 2005 Compared to Annual Average 2010
(Numbers of workers in thousands)

Occupation	2005		2010		Percentage Point Change 2005 to 2010
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	90.1		205.9		
Architecture & Engineering	0.0	0%	0.0	0%	0%
Arts, Design, Entertainment, Sports & Media	1.9	2%	3.6	2%	0%
Building, Grounds Cleaning & Maintenance	3.9	4%	9.0	4%	0%
Business & Financial Operations	0.0	0%	1.3	1%	1%
Community & Social Service	0.0	0%	0.0	0%	0%
Computer & Mathematical Science	0.0	0%	1.3	1%	1%
Construction & Extraction	0.0	0%	0.9	0%	0%
Education, Training & Library	1.0	1%	2.1	1%	0%
Farming, Fishing & forestry	0.0	0%	0.9	0%	0%
Food Preparation & Serving Related	55.3	61%	85.8	42%	-20%
Healthcare Practitioner & Technical	0.0	0%	2.1	1%	1%
Healthcare Support	2.5	3%	2.9	1%	-1%
Installation, Maintenance & Repair	0.0	0%	0.0	0%	0%
Legal	0.0	0%	0.0	0%	0%
Life, Physical & Social Service	0.0	0%	0.0	0%	0%
Management	0.0	0%	1.2	1%	1%
Office & Administrative Support	5.1	6%	19.8	10%	4%
Personal Care & Service	1.1	1%	16.2	8%	7%
Production	5.5	6%	4.8	2%	-4%
Protective Service	1.6	2%	2.1	1%	-1%
Sales & Related	9.3	10%	38.2	19%	8%
Transportation & Material Moving	3.0	3%	13.6	7%	3%

^{1/}PA minimum wage in 2005 was \$5.15

^{2/}PA minimum wage for 2010 was \$7.25.

Totals may not sum due to rounding. U.S. Census Bureau, Current Population Survey

In 2005, a majority (61 percent) of Pennsylvanians who earned the minimum wage or below worked in food preparation & serving-related occupations. In addition, minimum wage or below earners were also likely to be employed in sales & related (10 percent), production (6 percent), and office & administrative support (6 percent) occupations.

Pennsylvania minimum-wage earners who worked in food preparation & serving-related occupations decreased from 2005 to 2010 by 20 percentage points. Minimum-wage earners in sales & related occupations and personal care & service occupations increased from 2005 to 2010 by 8 percentage points and 7 percentage points, respectively.

Pennsylvania
Additional Characteristics Summary of Workers at the Minimum Wage or Below
Annual Average 2005 Compared to Annual Average 2010
(Numbers of workers in thousands)

Characteristic	2005		2010		Percentage Point Change 2005 to 2010
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	90.1		205.9		
Family Makeup					
No Children (Single or Married)	62.6	69.5%	171.3	83%	14%
Married Parent	6.7	7.4%	14.7	7%	0%
Single Parent	20.8	23.1%	19.9	10%	-13%
1 child	10.6	11.8%	12.0	6%	-6%
2 children	9.3	10.4%	5.8	3%	-8%
3 children	0.8	0.9%	2.0	1%	0%
4 or more children	0.0	0.0%	0.0	0%	0%
Household Income^{3/}					
\$9,999 or less	-	-	13.9	7%	-
\$10,000 to 19,999	-	-	28.6	14%	-
\$20,000 to 29,999	-	-	30.4	15%	-
\$30,000 to 39,999	-	-	18.2	9%	-
\$40,000 to 49,999	-	-	15.1	7%	-
\$50,000 to 59,999	-	-	19.8	10%	-
\$60,000 To 74,999	-	-	18.0	9%	-
\$75,000 To 99,999	-	-	33.3	16%	-
\$100,000 To 149,999	-	-	14.3	7%	-
\$150,000 and Over	-	-	14.4	7%	-

^{1/}PA minimum wage in 2005 was \$5.15

^{2/}PA minimum wage for 2010 was \$7.25.

^{3/}The U.S. Census Bureau changed the Household Annual Income variable in 2010, making it meaningless to compare to 2005 data.

Totals may not sum due to rounding. U.S. Census Bureau, Current Population Survey

Workers having no children made up 83 percent of those earning at or below the minimum wage in Pennsylvania in 2010, an increase of 14 percentage points from 2005.

The percentage of minimum-wage workers who were single parents dropped from 23.1 percent to 10.0 percent from 2005 to 2010.

INFLATION AND POVERTY



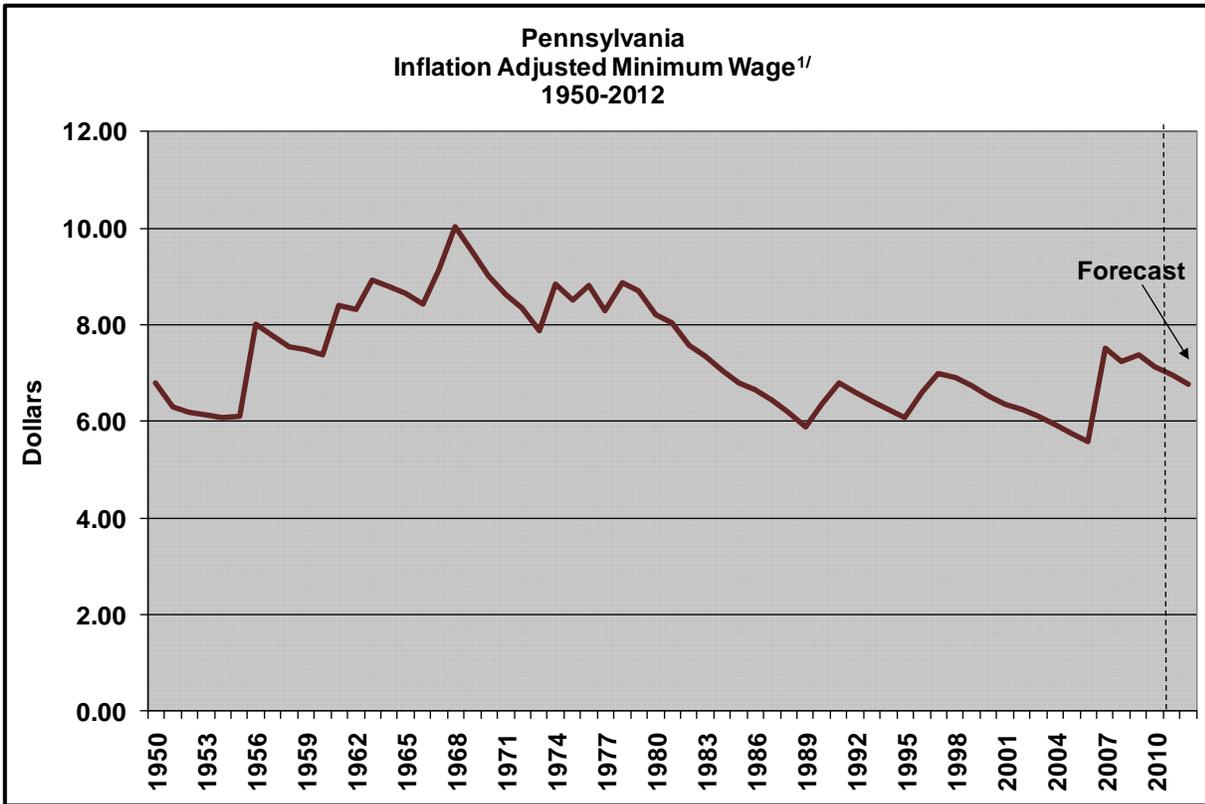
Average Wage forecast based on ten-year average
 The minimum wage in 2010 was \$7.25.

The original level of the minimum wage was set in 1938 at 50 percent of the average manufacturing wage (now calculated using the statewide average wage instead due to the decline in manufacturing). In 1969, a gradual decline in the minimum wage as a percent of the average wage began.

In 2006, Pennsylvania's minimum wage was 26 percent of the average wage, an all-time low since this information was first documented (1938).

The increase in the minimum wage to \$7.25 in July 2009 brought the minimum wage up to 34 percent of the average wage. In 2010, Pennsylvania's minimum wage was at 33 percent of the average wage, 17 percentage points below the original level of 50 percent of the average wage

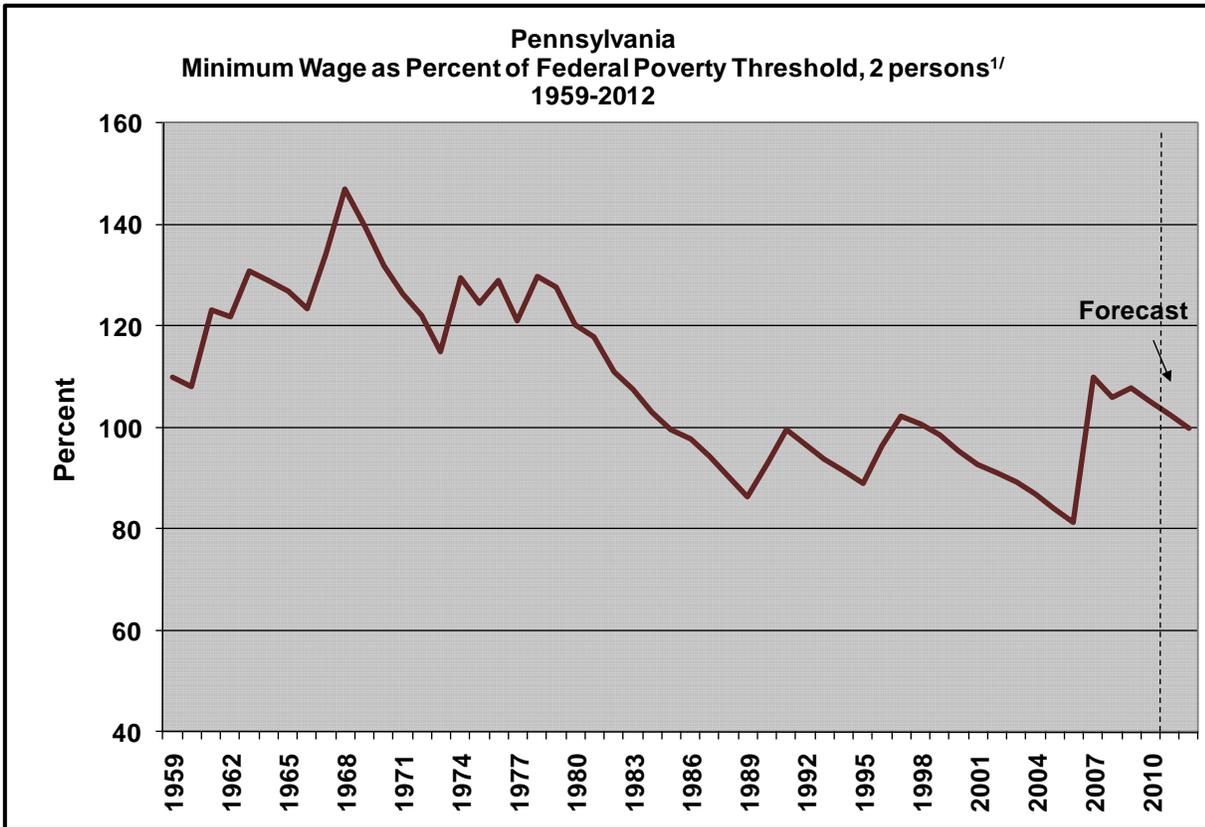
In order to be at 50 percent of the average wage and to counter the effects of inflation (inflation forecast based on its 10-year average), the minimum wage in 2010 needed to be \$11.05, would need to be \$11.43 in 2011 and \$11.83 in 2012.



^{1/}Indexed to 2010 dollars
 Inflation forecast based on 10-year average applied to the minimum wage
 The minimum wage in 2010 was \$7.25.

Inflation negatively affects the minimum wage. Adjusting for projected inflation, the 2010 minimum wage of \$7.25 was worth \$7.13. It will be worth \$6.95 in 2011 and \$6.78 in 2012.

In 1968, the year in which the purchasing power of the minimum wage began to decline, the current nominal minimum wage of \$7.25 was equivalent to \$9.86. Pennsylvania's minimum wage (and the federal minimum wage) remained unchanged from September 1997 to the end of 2006, while prices rose considerably. In 2006, the purchasing power of the minimum wage was less than at any time since the 1950s.

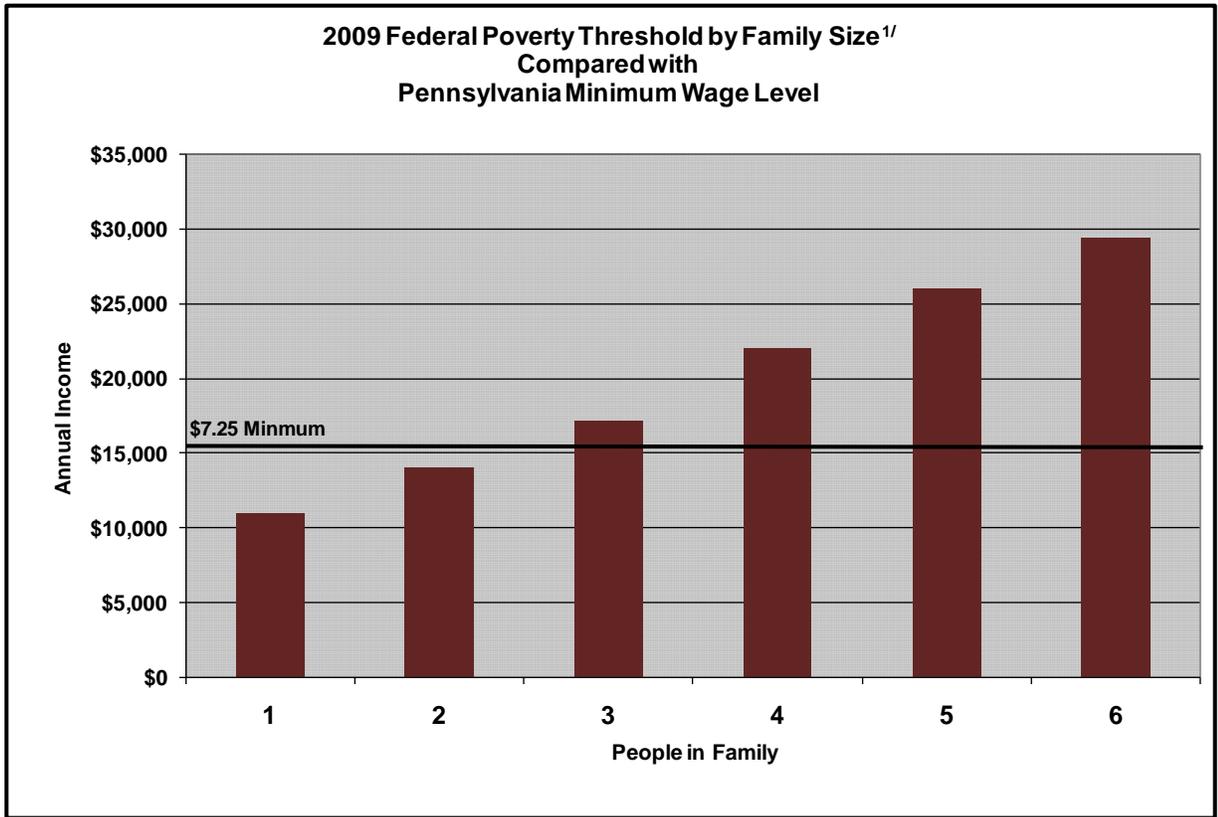


^{1/} Average-weighted threshold
 Inflation forecast based on 10-year average applied to the poverty threshold
 Source: U.S. Census Bureau

In 2006, the Federal Poverty Threshold for a two-person household was \$13,167, and the annual income for an individual working full time at the minimum wage (then \$5.15) was \$10,710, or 81 percent of the poverty threshold, an all-time low.

In 2010, the annual income for an individual in Pennsylvania making the minimum wage (\$7.25) was \$15,080, or 108 percent of the 2009 Federal Poverty Threshold for a two-person household (\$13,991).

If the minimum wage remains unchanged at \$7.25, its percent of the Federal Poverty Threshold for a two-person household will dip below the 100 percent level in 2012 (assuming full-time employment).



^{1/}Average-weighted threshold
Source: U.S. Census Bureau

A person working full time at \$7.25 per hour earned \$15,080 per year. This income exceeded the 2009 Federal Poverty Threshold for one-person (\$10,956) and two-person households (\$13,991). However, it fell short of the poverty threshold for three-person households (\$17,098).

Therefore, a single parent with two children, working full time at \$7.25, would earn wages below the poverty threshold. However, a two-parent family with two children, with both parents working full time at the minimum wage would earn \$30,160, and would exceed the poverty threshold for a four-person household (\$21,954).

OTHER STATES

Minimum Wage Rates by State

Area	2007	2008	2009	2010	2011
Federal ^{2/}	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Alabama	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Alaska	\$7.15	\$7.15	\$7.25	\$7.75	\$7.75
Arizona ^{1/}	\$6.75	\$6.90	\$7.25	\$7.25	\$7.35
Arkansas	\$6.25	\$6.55	\$7.25	\$7.25	\$7.25
California	\$7.50	\$8.00	\$8.00	\$8.00	\$8.00
Colorado ^{1/}	\$6.85	\$7.02	\$7.28	\$7.25	\$7.36
Connecticut	\$7.65	\$7.65	\$8.00	\$8.25	\$8.25
Delaware	\$6.65	\$7.15	\$7.25	\$7.25	\$7.25
Florida ^{1/}	\$6.67	\$6.79	\$7.25	\$7.25	\$7.25
Georgia	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Hawaii	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25
Idaho	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Illinois	\$6.50	\$7.50	\$7.75	\$8.00	\$8.25
Indiana	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Iowa	\$5.85	\$7.25	\$7.25	\$7.25	\$7.25
Kansas	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Kentucky	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Louisiana	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Maine	\$6.75	\$7.00	\$7.25	\$7.50	\$7.50
Maryland	\$6.15	\$6.55	\$7.25	\$7.25	\$7.25
Massachusetts	\$7.50	\$8.00	\$8.00	\$8.00	\$8.00
Michigan	\$6.95	\$7.15	\$7.40	\$7.40	\$7.40
Minnesota	\$6.15	\$6.55	\$7.25	\$7.25	\$7.25
Mississippi	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Missouri ^{1/}	\$6.50	\$6.65	\$7.25	\$7.25	\$7.25

Area	2007	2008	2009	2010	2011
Federal ^{2/}	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Montana ^{1/}	\$6.15	\$6.55	\$7.25	\$7.25	\$7.35
Nebraska	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Nevada ^{1/}	\$6.15	\$6.55	\$7.25	\$7.55	\$8.25
New Hampshire	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
New Jersey	\$7.15	\$7.15	\$7.25	\$7.25	\$7.25
New Mexico	\$5.85	\$6.55	\$7.50	\$7.50	\$7.50
New York	\$7.15	\$7.15	\$7.25	\$7.25	\$7.25
North Carolina	\$6.15	\$6.55	\$7.25	\$7.25	\$7.25
North Dakota	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Ohio ^{1/}	\$6.85	\$7.00	\$7.30	\$7.30	\$7.40
Oklahoma	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Oregon ^{1/}	\$7.80	\$7.95	\$8.40	\$8.40	\$8.50
Pennsylvania ^{2/}	\$7.15	\$7.15	\$7.25	\$7.25	\$7.25
Rhode Island	\$7.40	\$7.40	\$7.40	\$7.40	\$7.40
South Carolina	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
South Dakota	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Tennessee	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Texas	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Utah	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Vermont ^{1/}	\$7.53	\$7.68	\$8.06	\$8.06	\$8.15
Virginia	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Washington ^{1/}	\$7.93	\$8.07	\$8.55	\$8.55	\$8.67
West Virginia	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Wisconsin	\$6.50	\$6.55	\$7.25	\$7.25	\$7.25
Wyoming	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25

^{1/}Minimum wage tied to inflation rate – Consumer Price Index (CPI)

^{2/}Pennsylvania and Federal Minimum Wages set at end of year

Data accurate as of January 05, 2011

Source: U.S. Department of Labor

In 2009, 12 states had higher minimum-wage rates than Pennsylvania. In 2010, 14 states had higher rates. Of those states having higher minimums, the rates ranged from \$7.30 to \$8.55. Seventeen states will have a higher minimum wage than Pennsylvania in 2011.

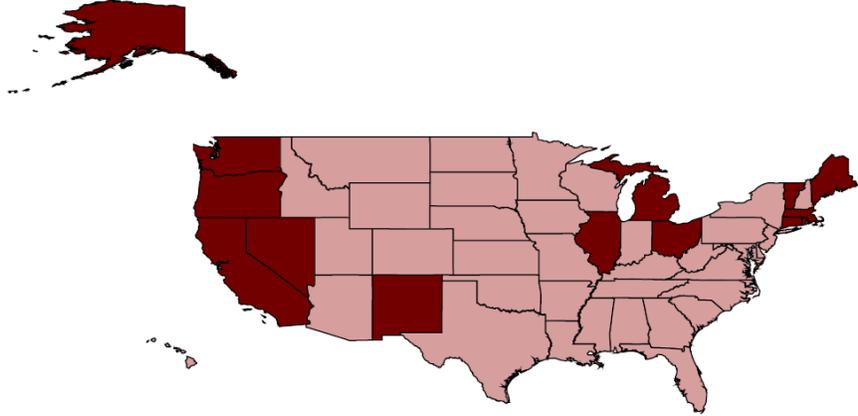
Thirty-eight states were at the federal minimum wage (\$7.25) in 2009. In 2010, 36 states were at the federal minimum wage (\$7.25). In 2011, 33 states will be at the federal minimum wage (\$7.25).

In 2010, 36 states had the same minimum wage as Pennsylvania.

Of Pennsylvania's neighboring states, Ohio had the highest minimum wage (\$7.30) in 2010. Pennsylvania and its neighboring states (shaded above), except Ohio, will be at the same minimum wage (\$7.25) in 2011.

Arizona, Colorado, Florida, Missouri, Montana, Nevada, Ohio, Oregon, Vermont and Washington have their minimum wage rates tied to the Consumer Price Index (CPI) to provide automatic increases that keep pace with inflation. Due to a decrease in the cost of living in 2009, states whose minimum wage rate was tied to the CPI did not increase their rates in 2010. These rates will increase in 2011.

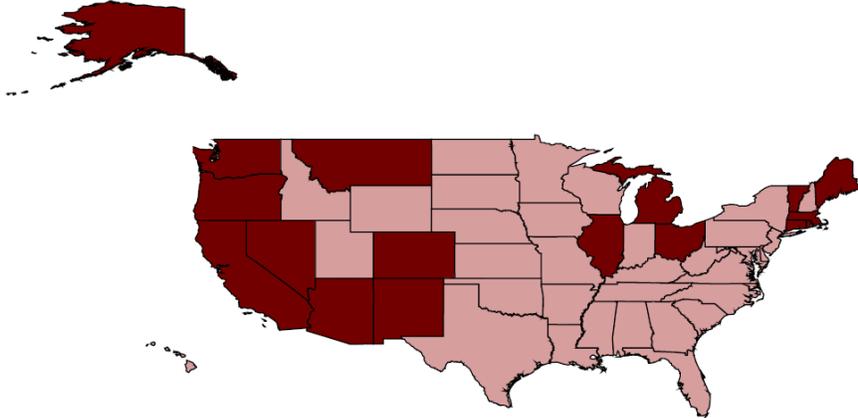
2010 Pennsylvania and Other States Minimum Wage Comparison



Same as PA's minimum wage
Higher than PA's minimum wage
Note: PA's minimum wage= \$7.25

As of 2/10/2011

2011 Pennsylvania and Other States Minimum Wage Comparison



Same as PA's minimum wage
Higher than PA's minimum wage
Note: PA's minimum wage= \$7.25

As of 2/10/2011

APPENDIX

Terms, Definitions and Sources

- Bureau of Labor Statistics (BLS) – The Bureau of Labor Statistics, in the U.S. Department of Labor, is the principal fact-finding agency for the Federal Government in the broad field of labor economics and statistics.
- Census Bureau – The Census Bureau, in the U.S. Department of Commerce, collects general information from individuals and establishments in order to compile statistics.
- Census – A census is an enumeration of all the people of a nation or a registration region, a systematic and complete count of all who are living in specified places, usually on a specific date. Like most modern democracies, the United States conducts a complete enumeration every 10 years, under the auspices of the Census Bureau, which publishes detailed reports.
- Current Employment Statistics (CES) – Each month the Current Employment Statistics program surveys about 200,000 national businesses and government agencies in order to provide detailed industry data on employment, hours and earnings of workers on non-farm payrolls. This is a collaborative effort between BLS and the states.
- Consumer Price Index (CPI) – Monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services. BLS produces the CPI.
- Cost of Living Adjustment (COLA) – Adjustment of wages designed to offset changes in the cost of living, usually as measured by the Consumer Price Index.
- Current Population Survey (CPS) – The Current Population Survey (CPS) is a statistical survey conducted by the Census Bureau on behalf of the Bureau of Labor Statistics (BLS). The BLS uses the data to provide a monthly report on the national employment situation. This report provides estimates of the number of unemployed people in the United States.
- Employed – Employed persons are all persons who, during the week that includes the 12th day of the month, (a) did any work as paid employees, worked in their own businesses or professions or on their own farm, or worked 15 hours or more as unpaid workers in enterprises operated by members of their families, or (b) were not working but who had jobs from which they were temporarily absent. Each employed person is counted only once, even if the person holds more than one job.
- Fair Minimum Wage Act of 2007 – The act amends the Fair Labor Standards Act of 1938 to increase the federal minimum wage by \$2.10 over two years – from \$5.15 to \$7.25 an hour. On July 24, 2007, the minimum wage increased

from \$5.15 to \$5.85. On July 24, 2008, the minimum wage increased from \$5.85 to \$6.55. On July 24, 2009, the final increase occurred, from \$6.55 to \$7.25.

- Federal Poverty Threshold – The set minimum amount of income that a family needs for food, clothing, transportation, shelter and other necessities as determined by the Census Bureau. Poverty thresholds vary according to family size. The number is adjusted for inflation and reported annually.
- Fair Labor Standards Act (FLSA) – Passed by the U.S. Congress in 1938 to establish minimum living standards for workers engaged directly or indirectly in interstate commerce, including those involved in production of goods bound for such commerce. A major provision of the act was establishment of a minimum wage, overtime pay, recordkeeping and child labor standards affecting full-time and part-time workers in the private sector and in the federal, state and local governments.
- Inflation – Inflation is a real process of continuously rising prices or, equivalently, of a continuously falling value of money. The consumer price index is the standard used to measure inflation. Changes in the CPI are the measurements of inflation.
- Minimum Wage – Minimum wage is the lowest lawful level at which workers may be compensated by their employers and is established by the FLSA at the federal level, and by the Minimum Wage Act in Pennsylvania.
- National Bureau of Economic Research (NBER) – The NBER is the nation's leading nonprofit economic research organization. Due to its work on national accounts and business cycles, the NBER is well-known for providing start and end dates for recessions in the United States.
- Quarterly Census of Employment and Wages (QCEW) – QCEW is a comprehensive tabulation of employment and wage information for workers covered by Pennsylvania unemployment insurance laws. QCEW covers approximately 98 percent of total employment. The data is generally available nine to 12 months after a quarter ends.
- Unemployed – Unemployed persons are persons aged 16 years and older who had no employment during the reference week (the week containing the 12th day of the month), were available for work (except for temporary illness), and had made specific efforts to find employment sometime during the four-week period ending with the reference week. Persons who were waiting to be recalled to jobs from which they had been laid off need not to have been looking for work to be classified as unemployed.

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