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Analysis of the Pennsylvania Minimum Wage in 2009

Minimum Wage Advisory Board



pennsylvania

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Preface

The General Assembly of Pennsylvania, in 2006, via Senate Bill No. 1090, amended the Minimum Wage Act and raised the state's minimum wage from \$5.15 an hour to \$6.25 on January 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 Senate Bill No. 1090, 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 Department of Labor & Industry to produce an annual report by March 1st 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. A comparison is made between the years 2008 and 2009. The National Bureau of Economic Research has determined that our national economy is in an ongoing recession, which began in December 2007. Therefore, a comparison is made between the years 2008 and 2009 to determine the impact of the recession on hourly workers making at or near the minimum wage.

No minimum wage increases occurred in Pennsylvania in 2008. However, a minimum wage increase occurred on July 24, 2009 (from \$7.15 to \$7.25). Therefore, to perform a comparison to 2008, 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 \$5.85 to \$6.55 on July 24, 2008, and was increased again to \$7.25 on July 24, 2009. Since there were two federal minimum wages in both 2008 (\$5.85 and \$6.55) and 2009 (\$6.55 and \$7.25), the same methodology as mentioned above is used to determine an overall annual average for both years.

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 Bureau of the Census for the 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 aged 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, businesses with less than 10 full-time (or equivalent) employees, and those employees under age 20 making a training wage for the first 60 days of employment. 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.

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 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 January 1st, and to \$7.15 on July 1st. 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 2009, there were 243,100 Pennsylvania workers making minimum wage or less, or nearly 7 percent of all hourly workers and 4 percent of total employment. In 2008, there were 262,600 workers making minimum wage or less, 19,500 (7 percent) above the 2009 level.
- Pennsylvania employment decreased by 251,000 (4 percent) in 2009 while U.S. employment declined by 5.5 million (4 percent). Pennsylvania hourly employment decreased by 150,000 (4 percent) and U.S. hourly employment fell by 2.7 million (4 percent). However, the proportion of those workers making hourly rates remained essentially the same. In 2009, Pennsylvania had a higher percentage of those workers earning hourly rates than did the U.S., 57 percent versus 52 percent.
- Pennsylvania and U.S. employment decreased in the second half of 2009 while the number of those making hourly rates increased. In addition, the proportion of those workers making hourly rates increased from 56 percent to 57 percent in Pennsylvania, while that for the U.S. remained essentially the same.
- The proportion of those Pennsylvania hourly workers earning up to \$2.00 or more an hour above the minimum wage also increased in the second half of 2009 by over 2 percentage points. Thus, the effect of increasing the minimum wage in 2009 likely contributed to the increase in average wages of all hourly workers.
- From 2008 to 2009, the economic recession (which began in December 2007), decreased the number of Pennsylvania workers at the minimum wage or below more heavily (-7 percent) than total employment (-4 percent), and all hourly workers (-4 percent).

Worker Characteristics

- Pennsylvania earners at or below the minimum wage in 2009 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, those with less than a high school diploma, and the never married comprised a higher proportion of Pennsylvania minimum wage earners than of all Pennsylvanians.
- Pennsylvania's overall unemployment rate increased from 5.4 percent to 8.2 percent from 2008 to 2009. The unemployment rate among females increased by 2.0 percentage points from 5.2 percent to 7.2. Likewise, the unemployment rate increased among 16- to 24-year-olds six-tenths of a percentage point from 12.0 percent to 12.6 percent. For workers with less than a high school diploma, the unemployment rate went up 3.6 percentage points from 11.5 percent to 15.1 percent.
- Workers having no children made up 80 percent of those earning at or below the minimum wage in Pennsylvania.
- Ten percent of minimum wage workers were single parents, and 10 percent were married with children.
- The household income of those who earned the minimum wage or below varied greatly. At least 43 percent of these households made less than \$50,000 per year, with at least 26 percent making less than \$30,000 per year. In contrast, at least 40 percent made \$50,000 or more a year, with at least 21 percent making \$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
 - ❑ 45- to 54-year-olds
 - ❑ High school graduates
 - ❑ Married

Industry Characteristics

- The industries most likely to employ workers at or below the minimum wage were leisure and hospitality, and retail trade. These industries employed 67 percent of all minimum wage earners in 2009. However, nearly all industries contained some minimum wage workers.
- Seventy-one percent of hourly workers earning at or below the minimum wage worked part-time in 2009.
- The industries most likely to employ hourly workers above the minimum wage were manufacturing, retail trade and health care services. These industries employed 36 percent of all those making above the minimum wage in 2009.
- Seventy-six percent of hourly workers earning above the minimum wage worked full-time in 2009.
- In 2009, forty-four percent of Pennsylvanians who earned the minimum wage or below worked in food preparation and serving-related occupations. In addition, minimum wage or below earners were also likely to be employed in sales and related (17 percent), personal care and service (8 percent), transportation and material moving (7 percent), and office and administrative support (6 percent).

Historical Characteristics

- The number of minimum wage workers increased considerably from 2004 to 2009, as all those earning the previous minimum wage (\$5.15/hour) joined the many with slightly higher earnings in seeing their hourly wage pushed upward to the higher \$7.25/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.
- The percentage of minimum wage workers in leisure and hospitality, mainly in food service and drinking places, declined by 25 percentage points since 2004. Pennsylvania minimum wage workers who worked in food service and preparation and serving related occupations decreased from 2004 to 2009 by 23 percentage points.
- At least 38 percent of minimum wage earner households made less than \$50,000 per year in 2004, 5 percentage points fewer than in 2009.

Inflation and Poverty

- In 2006, Pennsylvania's minimum wage was at 26 percent of the average wage, an all-time low since this information started being documented (1938). The increase in the minimum wage to \$7.25 in 2009 brought the minimum wage up to 33 percent of the average wage. This was below the original level set in 1938 of 50 percent of the average wage.
- Inflation negatively impacts the minimum wage. Adjusting for projected inflation, the 2009 minimum wage of \$7.25 will be worth \$7.10 in 2010 and \$6.90 in 2011 (in 2009 dollars).
- In 2009, the annual income for an individual in Pennsylvania 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 (assuming full-time employment).
- A person working full-time at \$7.25 per hour earned \$15,080 per year. This exceeded the 2008 Federal Poverty Threshold for one-person (\$10,991) and two-person households (\$14,051). However, it fell short of the poverty threshold for three-person households (\$17,163).

Other States

- In 2008, thirteen states had higher minimum wage rates than Pennsylvania. In 2009, fourteen states had higher rates. Of those states with higher minimums, the rates ranged from \$7.28 to \$8.55. Fourteen states will have a higher minimum wage than Pennsylvania in 2010. Please see the table on page 45.
- In 2009, thirty-six states had the same minimum wage as Pennsylvania, with no states having lower minimum wage rates.
- Of Pennsylvania's neighboring states, Ohio had the highest minimum wage in 2009 (\$7.30). Pennsylvania and its neighboring states (except for Ohio) will be at the same minimum wage in 2010 (\$7.25).
- Arizona, Colorado, Florida, Missouri, Montana, Nevada, 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 2009, there were 243,100 Pennsylvania workers making minimum wage or less, or nearly 7 percent of all hourly workers and 4 percent of total employment. In 2008, there were 262,600 workers making minimum wage or less, 19,500 (7 percent) above the 2009 level.
- From 2008 to 2009, the economic recession which began in December 2007, decreased the number of Pennsylvania workers at the minimum wage or below more heavily (-7 percent) than total employment (-4 percent) and all hourly workers (-4 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 2009, as all those earning the previous minimum wage (\$5.15/hour) joined the many with slightly higher earnings in seeing their hourly wage pushed upward to the higher \$7.25/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.
- The industries most likely to employ workers at or below the minimum wage were leisure and hospitality, and retail trade. Part-time workers made up the majority of those hourly workers earning the minimum wage.
- Inflation negatively impacts the minimum wage. Adjusting for inflation, the 2009 minimum wage of \$7.25 will be worth \$7.10 in 2010 and \$6.90 in 2011.

HOURLY WORKER POPULATION

Pennsylvania and US Employed Wage & Salary Workers Paid Hourly Rates 2008 Average Compared to 2009 Average (Numbers of workers in thousands)										
Total, 16 Years and Over	2008				2009				Percentage Point Change 2008 to 2009	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
Total Employment	145,362		6,068		139,877		5,817			
Total Paid an Hourly Rate	75,305	100.0%	3,457	100.0%	72,611	100.0%	3,307	100.0%		
Less than \$5.85	1,479	2.0%	68.6	2.0%	1,326	1.8%	65.0	2.0%	-0.2%	0.0%
At \$5.85	104	0.1%	2.2	0.1%	11	0.0%	0.0	0.0%	-0.1%	-0.1%
\$5.86 - \$6.54	1,538	2.0%	37.0	1.1%	716	1.0%	29.0	0.9%	-1.0%	-0.2%
At \$6.55	203	0.3%	6.8	0.2%	290	0.4%	4.3	0.1%	0.1%	-0.1%
\$6.56 - \$7.14	2,422	3.2%	90.5	2.6%	1,652	2.3%	59.8	1.8%	-0.9%	-0.8%
At \$7.15	241	0.3%	57.6	1.7%	187	0.3%	46.6	1.4%	0.0%	-0.3%
\$7.16 - \$7.24	99	0.1%	5.0	0.1%	77	0.1%	7.0	0.2%	0.0%	0.1%
\$7.25	560	0.7%	41.4	1.2%	1,119	1.5%	53.9	1.6%	0.8%	0.4%
\$7.26 - \$8.24	6,862	9.1%	293.9	8.5%	6,902	9.5%	283.5	8.6%	0.4%	0.1%
\$8.25 - \$9.24	6,513	8.6%	245.5	7.1%	6,429	8.9%	224.0	6.8%	0.3%	-0.3%
\$9.25 or more	55,284	73.4%	2608	75.5%	53,902	74.2%	2,534.0	76.6%	0.8%	1.1%

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

In 2009, there were 243,100 Pennsylvania workers making minimum wage or less (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), or 7 percent of all hourly workers and 4 percent of total employment. The data for these calculations is in the table on page 15. During 2008, the average number of earners at the minimum wage or below was 262,600 (\$7.15 and below), 19,500 (7 percent) above the 2009 level.

Pennsylvania employment decreased by 251,000 (4 percent) in 2009 while U.S. employment declined by 5.5 million (4 percent). Pennsylvania hourly employment decreased by 150,000 (4 percent) while U.S. hourly employment fell by 2.7 million (4 percent). However, the proportion of those making hourly rates remained essentially the same. In 2009, Pennsylvania had a higher percentage of those earning hourly rates than did the U.S., 57 percent versus 52 percent.

The proportion of Pennsylvania hourly workers earning \$2.00 or more an hour above the minimum wage (\$9.25 or more) increased from 2008 to 2009 by 1 percentage point to over 76 percent. In comparison, just over 74 percent of hourly workers in the U.S. earned \$9.25 or more, an increase of nearly 1 percentage point from 2008 to 2009. The proportion of Pennsylvania hourly workers who earned up to \$1.99 above the minimum wage remained essentially unchanged from 2008 to 2009.

From 2008 to 2009, the economic recession (which began in December 2007), decreased the number of Pennsylvania workers at the minimum wage or below (-7 percent) more heavily than total employment (-4 percent), and all hourly workers (-4 percent).

**Pennsylvania and US
Employed Wage & Salary Workers Paid Hourly Rates
1st Half ^{1/} 2009 Average Compared to 2nd Half ^{2/} 2009 Average
(Numbers of workers in thousands)**

Total, 16 Years and Over	1st Half 2009 ^{1/}				2nd Half 2009 ^{2/}				Percentage Point Change 1 st to 2 nd 2009	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
Total Employment	140,358		5,814		139,397		5,820			
Total Paid an Hourly Rate	72,403	100.0%	3,273	100.0%	72,818	100.0%	3,341	100.0%		
Less than \$5.85	1,305	1.8%	71.1	2.2%	1,348	1.9%	59.0	1.8%	0.1%	-0.4%
At \$5.85	21	0.0%	0.0	0.0%	1	0.0%	0.0	0.0%	0.0%	0.0%
\$5.86 - \$6.54	921	1.3%	36.2	1.1%	510	0.7%	21.6	0.6%	-0.6%	-0.5%
At \$6.55	453	0.6%	6.5	0.2%	127	0.2%	2.0	0.1%	-0.4%	-0.1%
\$6.56 - \$7.14	2,056	2.8%	80.6	2.5%	1,248	1.7%	39.0	1.2%	-1.1%	-1.3%
At \$7.15	244	0.3%	64.2	2.0%	129	0.2%	29.0	0.9%	-0.1%	-1.1%
\$7.16 - \$7.24	99	0.1%	9.8	0.3%	56	0.1%	4.3	0.1%	0.0%	-0.2%
\$7.25	600	0.8%	35.0	0.1%	1,638	2.2%	72.8	2.2%	1.4%	1.1%
\$7.26 - \$8.24	6,684	9.2%	268.4	8.2%	7,119	9.8%	298.5	8.9%	0.6%	0.7%
\$8.25 - \$9.24	6,316	8.7%	223.9	6.8%	6,542	9.0%	224.0	6.7%	0.3%	-0.1%
\$9.25 or more	53,704	74.2%	2,477	75.7%	54,100	74.3%	2,591	77.5%	0.1%	1.8%

^{1/} Average of January to June 2009. ^{2/} Average of July to December 2009.

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

In the first half of 2009, there were 258,600 Pennsylvania workers making minimum wage or less (\$7.15 and below), or 8 percent of hourly workers and over 4 percent of total employment. Of those, 64,200 worked at the minimum wage while 194,400 worked for less. By comparison, nearly 4 percent of hourly workers in the U.S. earned at or below the federal minimum wage (\$6.55) or 2 percent of total employment.

In the second half of 2009, there were 227,700 Pennsylvania workers making minimum wage or less (\$7.25 and below), or 7 percent of hourly workers and nearly 4 percent of total employment. Of those, 72,800 worked at the minimum while 154,900 worked for less. By comparison, 7 percent of hourly workers in the U.S. earned at or below the federal minimum wage (\$7.25) or nearly 4 percent of total employment.

Pennsylvania employment increased slightly (less than 1 percent) in the second half of 2009 while U.S. employment decreased. Both Pennsylvania and U.S. hourly employment increased in the second half of 2009. In addition, the proportion of those workers making hourly rates increased from 56 percent to 57 percent in Pennsylvania, while the U.S. remained essentially the same. The proportion of those Pennsylvania hourly workers earning up to \$2.00 or more an hour above the minimum wage also increased in the second half of 2009 by over 2 percentage points. Thus, the effect of increasing the minimum wage in 2009 likely contributed to the increase in average wages of all hourly workers.

WORKER CHARACTERISTICS

Pennsylvania and US Demographic Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below 2008 Average Compared to 2009 Average (Numbers of workers in thousands)										
Demographic Characteristics	2008				2009				Percentage Point Change 2008 to 2009	
	US ^{1/}	Pct.	PA	Pct.	US ^{2/}	Pct.	PA ^{3/}	Pct.	US	PA
TOTAL	2,379		262.6		3,879		243.1			
Gender										
Male	792	33%	105.6	40%	1,496	39%	79.6	33%	6%	-7%
Female	1,586	67%	157.0	60%	2,382	61%	163.5	67%	-6%	7%
Race										
Black, non-Hispanic	315	13%	17.0	7%	516	13%	18.7	8%	0%	1%
Hispanic	355	15%	11.1	4%	693	18%	13.6	6%	3%	2%
Other, non-Hispanic	128	5%	11.4	4%	215	6%	8.2	3%	1%	-1%
White, non-Hispanic	1,581	67%	223.0	85%	2,455	63%	202.6	83%	-4%	-2%
Age										
16-19	604	25%	82.2	31%	914	24%	73.3	30%	-1%	-1%
20-24	605	25%	61.0	23%	989	26%	51.3	21%	1%	-2%
25-34	507	21%	41.6	16%	770	20%	43.6	18%	-1%	2%
35-44	260	11%	23.9	9%	472	12%	20.1	8%	1%	-1%
45-54	212	9%	22.6	9%	377	10%	24.5	10%	1%	1%
55-64	115	5%	17.2	7%	218	6%	14.0	6%	1%	-1%
65 and over	77	3%	14.1	5%	139	4%	16.3	7%	1%	2%
Education										
Less than a high school diploma	638	27%	74.7	28%	1,126	29%	57.0	23%	2%	-5%
High school graduates, no college	764	32%	94.2	36%	1,216	31%	97.4	40%	-1%	4%
Some college, no degree	660	28%	58.9	22%	1,018	26%	52.4	22%	-2%	0%
Associate degree	125	5%	19.5	7%	211	5%	17.0	7%	0%	0%
Bachelor's degree or higher	192	8%	15.3	6%	307	8%	19.3	8%	0%	2%
Marital Status										
Married Spouse Present	569	24%	44.4	17%	944	24%	57.2	23%	0%	6%
Marital Status Other	321	14%	46.6	18%	544	14%	31.3	13%	0%	-5%
Never Married	1,489	63%	171.6	65%	2,391	62%	154.6	64%	-1%	-1%

^{1/} US minimum wages in 2008 - \$5.85 and \$6.55.

^{2/} US minimum wages in 2009 - \$6.55 and \$7.25.

^{3/} 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 67 percent of those earning at or below the minimum wage in Pennsylvania in 2009, an increase of 7 percentage points from 2008.

The majority of Pennsylvania workers making the minimum wage were White (83 percent). Blacks made up the next highest percentage of minimum wage earners (8 percent), followed by Hispanics (6 percent) and other races (3 percent). Hispanics increased by 2 percentage points in 2009 while Whites decreased by 2 percentage points. 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 34-years-old (69 percent), with the heaviest concentration among 16- to 19-year-olds (30 percent). In 2009, the proportion of those minimum wage earners age 16- to 24-years-old decreased by 3 percentage points while the proportion of minimum wage earners age 25- to 34-years old increased 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 2009, a decrease of 1 percentage point from 2008. The nation had a larger proportion of college-educated workers earning at or below the minimum wage than Pennsylvania.

Most minimum wage earners have never been married (64 percent). In 2009, the proportion of those minimum wage earners with a marital status as Other (divorced, separated, widowed) decreased by 5 percentage points while those who were married increased by 6 percentage points.

Pennsylvania and US
Demographic Characteristics of Hourly Wage & Salary Workers Above the Minimum Wage
2008 Average Compared 2009 Average
(Numbers of workers in thousands)

Demographic Characteristics	2008				2009				Percentage Point Change 2008 to 2009	
	US ^{1/}	Pct.	PA	Pct.	US ^{2/}	Pct.	PA ^{3/}	Pct.	US	PA
TOTAL	72,927		3,195		68,732		3,064			
Gender										
Male	36,541	50%	1,562	49%	33,689	49%	1,489	49%	-1%	0%
Female	36,385	50%	1,633	51%	35,043	51%	1,575	51%	1%	0%
Race										
Black, non-Hispanic	9,186	13%	315.8	10%	8,430	12%	311.7	10%	-1%	0%
Hispanic	12,715	17%	151.3	5%	12,047	18%	157.1	5%	1%	0%
Other, non-Hispanic	4,257	6%	66.8	2%	3,943	6%	68.5	2%	0%	0%
White, non-Hispanic	46,769	64%	2,661	83%	44,312	65%	2,526	83%	1%	0%
Age										
16-19	4,534	6%	166.7	5%	3,484	5%	156.1	5%	-1%	0%
20-24	9,937	14%	383.4	12%	9,002	13%	408.6	13%	-1%	1%
25-34	16,386	23%	608.1	19%	15,593	23%	592.6	19%	0%	0%
35-44	15,219	21%	657.5	21%	14,104	21%	596.6	20%	0%	-1%
45-54	15,413	21%	775.6	24%	15,091	22%	742.0	24%	1%	0%
55-64	8,872	12%	452.1	14%	8,933	13%	424.8	14%	1%	0%
65 and over	2,566	4%	151.2	5%	2,526	4%	142.9	5%	0%	0%
Education										
Less than a high school diploma	10,614	15%	318.6	10%	9,086	13%	301.6	10%	-2%	0%
High school graduates, no college	26,399	36%	1,499	47%	24,476	36%	1,329	43%	0%	-4%
Some college, no degree	16,607	23%	529.5	17%	15,767	23%	523.5	17%	0%	0%
Associate degree	7,876	11%	371.6	12%	7,964	12%	381.8	13%	1%	1%
Bachelor's degree or higher	11,431	16%	475.9	15%	11,439	17%	528.3	17%	1%	2%
Marital Status										
Married Spouse Present	35,214	48%	1,586	50%	33,975	49%	1,555	51%	1%	1%
Marital Status Other	12,411	17%	522.5	16%	11,711	17%	448.3	15%	0%	-1%
Never Married	25,302	35%	1,087	34%	23,046	34%	1,060	35%	-1%	1%

^{1/} US minimum wages in 2008 - \$5.85 and \$6.55.

^{2/} US minimum wages in 2009 - \$6.55 and \$7.25.

^{3/} 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 2009, male and female workers were evenly represented among hourly workers above the minimum wage. On the other hand, earners at or below the minimum wage tended to be female.

Blacks made up a higher proportion of earners above the minimum wage than of earners at or below the minimum wage. 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 35- to 54-years-old. This differed from minimum wage workers, who tended to be younger.

Pennsylvania workers having a high school diploma accounted for the highest percentage of above minimum wage earners (43 percent). Earners above the minimum wage tended to be more educated than workers receiving the minimum wage or less.

Fifty-one percent of 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.

**Pennsylvania and US
Demographic Characteristics of All Employed Individuals
2008 Average Compared 2009 Average
(Numbers of workers in thousands)**

Demographic Characteristics	2008				2009				Percentage Point Change 2008 to 2009	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	145,362		6,068		139,877		5,817			
Gender										
Male	77,486	53%	3,168	52%	73,670	53%	3,029	52%	0%	0%
Female	67,876	47%	2,901	48%	66,208	47%	2,788	48%	0%	0%
Race										
Black, non-Hispanic	15,378	11%	511.5	8%	14,526	10%	453.6	8%	-1%	0%
Hispanic	20,264	14%	225.5	4%	19,638	14%	251.4	4%	0%	0%
Other, non-Hispanic	9,458	7%	155.9	3%	8,998	6%	164.6	3%	-1%	0%
White, non-Hispanic	100,262	69%	5,176	85%	96,715	69%	4,948	85%	0%	0%
Age										
16-19	5,557	4%	269.2	5%	4,827	4%	250.7	4%	0%	-1%
20-24	13,633	9%	563.9	9%	12,770	9%	574.9	10%	0%	1%
25-34	31,402	22%	1,161	19%	29,993	21%	1,147	20%	-1%	1%
35-44	33,430	23%	1,316	22%	31,533	23%	1,176	20%	0%	-2%
45-54	34,532	24%	1,559	26%	33,632	24%	1,464	25%	0%	-1%
55-64	20,847	14%	913.3	15%	21,009	15%	907.0	16%	1%	1%
65 and over	5,962	4%	286.4	5%	6,115	4%	297.1	5%	0%	0%
Education										
Less than a high school diploma	15,049	10%	497.3	8%	13,732	10%	483.5	8%	0%	0%
High school graduates, no college	41,662	29%	2,258	37%	39,439	28%	2,053	35%	-1%	-2%
Some college, no degree	28,285	19%	857.0	14%	27,059	19%	851.7	15%	0%	1%
Associate degree	14,103	10%	627.0	10%	13,952	10%	589.0	10%	0%	0%
Bachelor's degree or higher	46,265	32%	1,830	30%	45,696	33%	1,840	32%	1%	2%
Marital Status										
Married Spouse Present	81,573	56%	3,389	56%	79,079	57%	3,326	57%	1%	1%
Marital Status Other	23,228	16%	896.9	15%	22,243	16%	776.6	13%	0%	-2%
Never Married	40,562	28%	1,782	29%	38,556	28%	1,715	30%	0%	1%

Totals may not sum due to rounding.

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

In 2009, males made up a higher proportion of all employed Pennsylvanians than females, 52 percent to 48 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 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 (35 percent), followed by those having a bachelor's degree or higher (32 percent). Fifty-seven percent of employed Pennsylvanians had at least some college compared to 37 percent for minimum wage earners or below.

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

Pennsylvania and US Demographic Characteristics of All Individuals Age 16 Years and Over 2008 Average Compared 2009 Average (Numbers in thousands)										
Demographic Characteristics	2008				2009				Percentage Point Change 2008 to 2009	
	US	Pct.	PA	Pct.	US	Pct.	PA	Pct.	US	PA
TOTAL	233,788		9,824		235,801		9,847			
Gender										
Male	113,113	48%	4,704	48%	114,136	48%	4,719	48%	0%	0%
Female	120,675	52%	5,119	52%	121,665	52%	5,128	52%	0%	0%
Race										
Black, non-Hispanic	26,899	12%	922.8	9%	27,277	12%	910.9	9%	0%	0%
Hispanic	32,141	14%	387.1	4%	32,891	14%	436.6	4%	0%	0%
Other, non-Hispanic	15,073	6%	245.6	3%	15,277	7%	264.6	3%	1%	0%
White, non-Hispanic	159,676	68%	8,268	84%	160,356	68%	8,235	84%	0%	0%
Age										
16-19	17,075	7%	710.5	7%	17,043	7%	708.2	7%	0%	0%
20-24	20,409	9%	850.0	9%	20,524	9%	871.2	9%	0%	0%
25-34	39,993	17%	1,445	15%	40,280	17%	1,469	15%	0%	0%
35-44	41,699	18%	1,622	17%	40,920	17%	1,539	16%	-1%	-1%
45-54	43,996	19%	1,933	20%	44,369	19%	1,859	19%	0%	-1%
55-64	33,494	14%	1,448	15%	34,670	15%	1,489	15%	1%	0%
65 and over	37,122	16%	1,815	19%	37,995	16%	1,911	19%	0%	0%
Education										
Less than a high school diploma	39,773	17%	1,430	15%	39,602	17%	1,484	15%	0%	0%
High school graduates, no college	70,364	30%	3,852	39%	70,700	30%	3,798	39%	0%	0%
Some college, no degree	43,734	19%	1,380	14%	43,949	19%	1,398	14%	0%	0%
Associate degree	19,074	8%	788.3	8%	19,733	8%	805.8	8%	0%	0%
Bachelor's degree or higher	60,844	26%	2,374	24%	61,816	26%	2,361	24%	0%	0%
Marital Status										
Married Spouse Present	122,340	52%	5,045	51%	122,435	52%	5,054	51%	0%	0%
Marital Status Other	45,177	19%	1,888	19%	45,768	19%	1,831	19%	0%	0%
Never Married	66,271	28%	2,891	29%	67,598	29%	2,962	30%	1%	1%

Totals may not sum due to rounding.

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

For the following comparisons please refer to the table Pennsylvania Demographic Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below on page 18 as well as the 2009 portion of the table above.

In 2009, a higher proportion of minimum wage earners or below (67 percent) was female than was 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, 51 percent versus 16 percent.

Minimum wage earners or below had a higher percentage of those with less than a high school diploma than had the population, 23 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, 24 percent versus 8 percent.

Never married individuals comprised a higher percentage of those earning at the minimum wage or below than they did within the general Pennsylvania population, 64 percent versus 30 percent.

Pennsylvania and US
Demographic Characteristics of All Unemployed Individuals
2008 Average Compared 2009 Average
(Numbers in thousands)

Demographic Characteristics	2008						2009						Percentage Point Rate Change 2008 to 2009	
	US	Pct.	Rate ^{1/}	PA	Pct.	Rate ^{1/}	US	Pct.	Rate ^{1/}	PA	Pct.	Rate ^{1/}	US	PA
TOTAL	8,924		5.8%	344.0		5.4%	14,221			527.0		8.2%	-5.8%	2.8%
Gender														
Male	5,063	57%	6.1%	185.3	54%	5.5%	8,472	60%	10.3%	307.5	58%	9.1%	4.2%	3.6%
Female	3,861	43%	5.4%	158.7	46%	5.2%	5,749	40%	8.0%	219.5	42%	7.2%	2.6%	2.0%
Race														
Black, non-Hispanic	1,718	19%	10.2%	54.6	16%	9.7%	2,431	17%	14.3%	57.1	11%	11.2%	4.1%	1.5%
Hispanic	1,672	19%	7.6%	31.2	9%	12.2%	2,634	19%	11.8%	53.1	10%	16.8%	4.2%	4.6%
Other, non-Hispanic	492	6%	4.9%	9.3	3%	5.6%	843	6%	8.5%	15.1	3%	8.1%	3.6%	2.5%
White, non-Hispanic	5,042	56%	4.8%	248.9	72%	4.6%	8,313	59%	7.9%	401.7	76%	7.4%	3.1%	2.8%
Age														
16-19	859	10%	13.4%	51.8	15%	16.2%	963	7%	16.5%	32.3	6%	11.1%	3.1%	-5.1%
20-24	1,547	17%	10.2%	61.6	18%	9.9%	2,187	15%	14.6%	89.0	17%	13.3%	4.4%	3.4%
25-34	2,053	23%	6.1%	71.5	21%	5.8%	3,362	24%	10.1%	108.2	21%	8.5%	4.0%	2.7%
35-44	1,736	20%	4.9%	61.8	18%	4.5%	2,915	21%	8.5%	109.3	21%	8.4%	3.6%	3.9%
45-54	1,570	18%	4.3%	59.2	17%	3.7%	2,768	20%	7.6%	90.1	17%	5.8%	3.3%	2.1%
55-64	870	10%	4.0%	23.0	7%	2.5%	1,568	11%	6.9%	79.2	15%	7.9%	2.9%	5.4%
65 and over	290	3%	4.6%	15.0	4%	5.0%	458	3%	7.0%	19.0	4%	6.1%	2.4%	1.1%
Education														
Less than a H.S. diploma	1,873	21%	11.1%	64.3	19%	11.5%	2,683	19%	16.3%	88.1	17%	15.1%	5.2%	3.6%
High-school graduates	3,227	36%	7.2%	150.6	44%	6.3%	5,134	36%	11.5%	238.5	45%	10.2%	4.3%	3.9%
Some college, no degree	1,833	21%	6.1%	51.8	15%	5.7%	2,863	20%	9.6%	92.0	17%	9.7%	3.5%	4.0%
Associate degree	594	7%	4.0%	23.3	7%	3.6%	1,100	8%	7.3%	38.2	7%	6.1%	3.3%	2.5%
Bachelor's degree or higher	1,397	16%	2.9%	54.0	16%	2.9%	2,441	17%	5.1%	70.5	13%	3.7%	2.2%	0.8%
Marital Status														
Married Spouse Present	3,156	35%	3.7%	97.2	28%	2.8%	5,465	38%	6.5%	190.0	36%	5.4%	2.8%	2.6%
Marital Status Other	1,713	19%	6.9%	59.7	17%	6.3%	2,739	19%	10.9%	96.1	18%	11.1%	4.0%	4.8%
Never Married	4,055	45%	9.1%	187.1	54%	9.5%	6,017	42%	13.5%	240.9	46%	12.1%	4.4%	2.6%

^{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 2.8 percentage points from 5.4 percent to 8.2 percent from 2008 to 2009. (It is important to note that the National Bureau of Economic Research has determined our national economy is in an ongoing recession, which began in December 2007.)

Recall that minimum wage workers tended to be female, or 16- to 24-years-old, or having less than a high school diploma.

The unemployment rate among females increased by 2.0 percentage points while the unemployment rate among males increased by 3.6 percentage points from 2008 to 2009.

The unemployment rate increased among 16- to 24-year-olds from 12.0 percent to 12.6 percent. However, the unemployment rate decreased notably among 16- to 19-year-olds by 5.1 percentage points most likely due to them dropping out of the labor force because of the low availability of jobs. The unemployment rate among 25-year-olds and above increased from 4.2 percent to 7.5 percent. (The data for these calculations are not shown.)

The unemployment rate from 2008 to 2009 went up among those with less than a high school diploma, from 11.5 percent to 15.1 percent.

Pennsylvania and US Family and Household Income Characteristics of Hourly Wage & Salary Workers At the Minimum Wage or Below 2008 Average Compared 2009 Average (Numbers of workers in thousands)										
Characteristics	2008				2009				Percentage Point Change 2008 to 2009	
	US ^{1/}	Pct.	PA	Pct.	US ^{2/}	Pct.	PA ^{3/}	Pct.	US	PA
TOTAL	2,379		262.6		3,879		243.1			
Family Makeup										
No Children (Single or Married)	1,831	78%	221.3	84%	3,009	78%	194.3	80%	0%	-4%
Married Parent	314	13%	19.4	7%	503	13%	25.6	10%	0%	3%
Single Parent	234	10%	21.9	8%	367	10%	23.2	10%	0%	2%
1 child	123	5%	13.6	5%	202	5%	8.3	3%	0%	-2%
2 children	67	3%	6.4	2%	103	3%	10.3	4%	0%	2%
3 children	33	1%	1.9	1%	44	1%	4.7	2%	0%	1%
4 or more children	11	0%	0.0	0%	18	1%	0.0	0%	1%	0%
Household Annual Income										
Refused or Don't Know	412	17%	44.6	17%	604	16%	39.5	16%	-1%	-1%
\$9,999 or less	180	8%	14.0	5%	353	9%	11.7	5%	1%	0%
\$10,000 to 19,999	280	12%	28.7	11%	532	14%	25.8	11%	2%	0%
\$20,000 to 29,999	278	12%	26.4	10%	505	13%	25.5	10%	1%	0%
\$30,000 to 39,999	256	11%	27.1	10%	419	11%	21.0	9%	0%	-1%
\$40,000 to 49,999	169	7%	15.1	6%	245	6%	19.5	8%	-1%	2%
\$50,000 to 59,999	178	8%	28.0	11%	240	6%	20.4	8%	-2%	-3%
\$60,000 To 74,999	181	8%	21.3	8%	304	8%	28.0	11%	0%	3%
\$75,000 To 99,999	195	8%	20.7	8%	310	8%	24.4	10%	0%	2%
\$100,000 To 149,999	163	7%	25.7	10%	245	6%	19.0	8%	-1%	-2%
\$150,000 and Over	86	4%	11.1	4%	122	3%	8.5	3%	-1%	-1%

^{1/} US minimum wages in 2008 - \$5.85 and \$6.55.

^{2/} US minimum wages in 2009 - \$6.55 and \$7.25.

^{3/} 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

Workers having no children made up 80 percent of those earning at or below the minimum wage in Pennsylvania, a decline of 4 percentage points from 2008.

Ten percent of minimum wage workers were single parents, and 10 percent were married with children.

The number of Pennsylvania's minimum wage workers who were either married with children or single parents increased by 5 percentage points from 2008 to 2009.

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

The household income of those who earn the minimum wage or below varied greatly. At least 43 percent of these households made less than \$50,000 per year, with at least 26 percent that made less than \$30,000 per year. In contrast, at least 40 percent made \$50,000 or more a year, with at least 21 percent that made \$75,000 or more per year.

A higher proportion of the nation's minimum wage workers had household earnings less than \$50,000 per year than what was found for Pennsylvania, 53 percent versus 43 percent.

INDUSTRY CHARACTERISTICS

Pennsylvania and US
Industry Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
2008 Average Compared 2009 Average
(Numbers of workers in thousands)

Industry	2008				2009				Percentage Point Change 2008 to 2009	
	US ^{1/}	Pct.	PA	Pct.	US ^{2/}	Pct.	PA ^{3/}	Pct.	US	PA
TOTAL	2,379		262.6		3,879		243.1			
Industry										
Agriculture, forestry, fishing, and hunting	15	1%	4.4	2%	49	1%	3.0	1%	0%	-1%
Mining	3	<1%	0.0	0%	1	0%	0.0	0%	<1%	0%
Construction	35	2%	3.3	1%	51	1%	1.2	1%	-1%	0%
Manufacturing	70	3%	7.1	3%	122	3%	9.8	4%	0%	1%
Wholesale trade	13	1%	1.0	<1%	37	1%	1.0	<1%	0%	0%
Retail trade	304	13%	70.0	27%	618	16%	51.7	21%	3%	-6%
Transportation and utilities	45	2%	4.9	2%	53	1%	2.9	1%	-1%	-1%
Information	23	1%	1.0	<1%	44	1%	2.0	1%	0%	-3%
Financial activities	35	2%	4.0	2%	46	1%	2.2	1%	-1%	-1%
Professional and business services	64	3%	15.3	6%	155	4%	9.1	4%	1%	-2%
Educational services	95	4%	15.9	6%	157	4%	13.3	6%	0%	0%
Hospitals	34	1%	2.8	1%	39	1%	0.0	0%	0%	-1%
Health care services, except hospitals	83	4%	7.6	3%	153	4%	13.7	6%	0%	3%
Social assistance	76	3%	9.1	3%	94	2%	4.2	2%	-1%	-1%
Arts, entertainment, and recreation	90	4%	7.5	3%	159	4%	13.3	6%	0%	3%
Accommodation	50	2%	2.9	1%	86	2%	8.2	3%	0%	2%
Food services and drinking places	1,179	50%	90.2	34%	1,729	45%	90.4	37%	-5%	3%
Other services	129	5%	13.1	5%	228	6%	15.4	6%	1%	1%
Public administration	37	2%	2.9	1%	59	2%	1.8	1%	0%	1%
Work Status										
Full-time	989	42%	80.0	31%	1,463	38%	70.0	29%	-4%	-2%
Part-time	1,390	58%	182.6	69%	2,416	62%	173.1	71%	4%	2%

^{1/} US minimum wages in 2008 - \$5.85 and \$6.55.

^{2/} US minimum wages in 2009 - \$6.55 and \$7.25.

^{3/} 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 industries most likely to employ workers at or below the minimum wage were leisure and hospitality (consisting of arts, entertainment, and recreation; accommodation; and food services and drinking places), and retail trade. These industries employed 67 percent of all minimum wage earners in 2009. However, nearly all industries contained some minimum wage workers. In 2009, the proportion of minimum wage earners increased by 8 percentage points in leisure and hospitality, while the proportion in retail trade decreased by 6 percentage points.

Seventy-one percent of those hourly workers earning at or below the minimum wage worked part-time in 2009, an increase of 2 percentage points from 2008. Pennsylvania differed from the nation in the proportion of minimum wage earners who were part-time workers (71 percent versus 62 percent).

Pennsylvania and US
Industry Characteristics of Hourly Wage & Salary Workers Above the Minimum Wage
2008 Average Compared 2009 Average
(Numbers of workers in thousands)

Industry	2008				2009				Percentage Point Change 2008 to 2009	
	US ^{1/}	Pct.	PA	Pct.	US ^{2/}	Pct.	PA ^{3/}	Pct.	US	PA
TOTAL	72,927		3,195		68,732		3,064			
Industry (Employment)										
Agriculture, forestry, fishing, and hunting	718	1%	21.7	1%	630	1%	12.4	<1%	0%	<1%
Mining	469	1%	17.7	1%	396	1%	13.4	<1%	0%	<1%
Construction	5,642	8%	200.6	6%	4,825	7%	218.0	7%	-1%	1%
Manufacturing	9,555	13%	498.2	16%	8,303	12%	410.2	13%	-1%	-3%
Wholesale trade	1,744	2%	90.7	3%	1,628	2%	85.5	3%	0%	0%
Retail trade	10,457	14%	429.4	13%	9,870	14%	390.2	13%	0%	0%
Transportation and utilities	4,185	6%	197.6	6%	3,883	6%	193.9	6%	0%	0%
Information	1,578	2%	70.2	2%	1,383	2%	65.1	2%	0%	0%
Financial activities	3,411	5%	149.8	5%	3,300	5%	174.9	6%	0%	1%
Professional and business services	5,791	8%	233.6	7%	5,359	8%	203.2	6%	0%	-1%
Educational services	4,267	6%	164.4	5%	4,278	6%	173.5	6%	0%	1%
Hospitals	4,307	6%	239.2	7%	4,211	6%	216.7	7%	0%	0%
Health care services, except hospitals	5,531	8%	318.1	10%	5,780	8%	305.6	10%	0%	0%
Social assistance	1,525	2%	76.9	2%	1,565	2%	82.5	3%	0%	1%
Arts, entertainment, and recreation	1,542	2%	53.8	2%	1,527	2%	49.1	2%	0%	0%
Accommodation	1,007	1%	20.2	1%	953	1%	30.0	1%	0%	0%
Food services and drinking places	5,057	7%	155.4	5%	4,735	7%	169.8	6%	0%	1%
Other services	2,877	4%	123.6	4%	2,836	4%	107.3	4%	0%	0%
Public administration	3,263	5%	133.7	4%	3,272	5%	162.5	5%	0%	1%
Work Status										
Full-time	56,678	78%	2,501	78%	51,849	76%	2,320	76%	-2%	-2%
Part-time	16,249	22%	693.3	22%	16,883	24%	744.1	24%	2%	2%

^{1/} US minimum wages in 2008 - \$5.85 and \$6.55.

^{2/} US minimum wages in 2009 - \$6.55 and \$7.25.

^{3/} PA minimum wages in 2009 - \$7.15 and \$7.25.

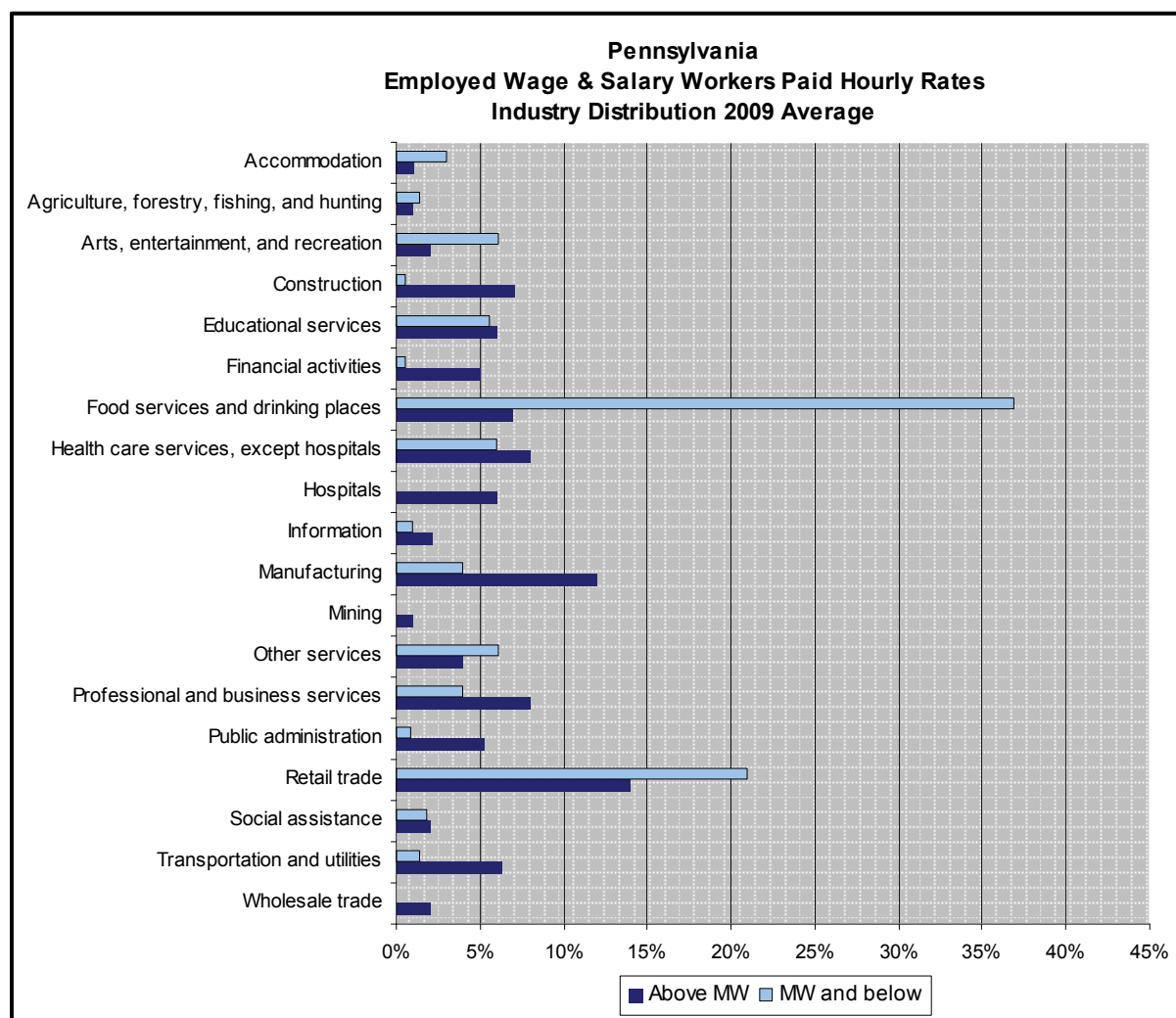
Totals may not sum due to rounding.

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 36 percent of all those making above the minimum wage in 2009.

The industry distribution of those making above the minimum wage was little changed in Pennsylvania and the nation from 2008 to 2009.

Seventy-six percent of hourly workers earning above the minimum wage worked full-time in 2009, a decrease of 2 percentage points from 2008.



PA minimum wages in 2009 - \$7.15 and \$7.25.

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

A high proportion of workers who earn at or below the minimum wage worked in leisure and hospitality (consisting of arts, entertainment, and recreation; accommodation; and food services and drinking places) and retail trade.

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

Pennsylvania and US
Occupational Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
2008 Average Compared 2009 Average
(Numbers of workers in thousands)

Occupation	2008				2009				Percentage Point Change 2008 to 2009	
	US ^{1/}	Pct.	PA	Pct.	US ^{2/}	Pct.	PA ^{3/}	Pct.	US	PA
TOTAL	2,379		262.6		3,879		243.1			
Occupation										
Architecture and engineering	3	<1%	2.2	1%	3	<1%	0.0	0%	<1%	-1%
Arts, design, entertainment, sports, media	12	<1%	0.0	0%	14	<1%	0.0	0%	<1%	0%
Building, grounds cleaning, maintenance	116	5%	14.7	6%	236	6%	7.1	3%	1%	-3%
Business and financial operations	16	1%	1.0	<1%	9	<1%	0.0	0%	<1%	0%
Community and social service	4	<1%	0.0	0%	10	<1%	0.0	0%	<1%	0%
Computer and mathematical science	3	<1%	0.0	0%	10	<1%	1.2	1%	<1%	1%
Construction and extraction	35	1%	3.3	1%	43	1%	1.2	1%	0%	0%
Education, training, and library	42	2%	1.1	<1%	58	2%	7.1	3%	0%	-2%
Farming, fishing, and forestry	16	1%	5.3	2%	43	1%	3.0	1%	0%	-1%
Food preparation and serving related	1,212	51%	102.2	39%	1,681	43%	106.5	44%	-8%	5%
Healthcare practitioner and technical	17	1%	2.1	1%	23	1%	2.3	1%	0%	0%
Healthcare support	60	3%	5.8	2%	85	2%	7.4	3%	-1%	1%
Installation, maintenance, and repair	14	1%	0.0	0%	25	1%	1.1	1%	0%	1%
Legal	2	<1%	1.5	1%	2	<1%	0.0	0%	<1%	-1%
Life, physical, and social service	2	<1%	0.0	0%	2	<1%	0.0	0%	<1%	0%
Management	16	1%	0.0	0%	25	1%	2.9	1%	0%	1%
Office and administrative support	148	6%	27.6	11%	236	6%	14.5	6%	0%	-5%
Personal care and service	174	7%	15.1	6%	309	8%	19.1	8%	1%	2%
Production	47	2%	8.3	3%	134	4%	6.8	3%	2%	0%
Protective service	49	2%	3.6	1%	81	2%	3.0	1%	0%	0%
Sales and related	267	11%	53.9	21%	598	15%	42.2	17%	4%	-4%
Transportation and material moving	124	5%	14.9	6%	251	7%	17.7	7%	2%	1%

^{1/}US minimum wages in 2008 - \$5.85 and \$6.55.

^{2/}US minimum wages in 2009 - \$6.55 and \$7.25.

^{3/}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 2009, forty-four percent of Pennsylvanians who earned the minimum wage or below worked in food preparation and serving-related occupations. In addition, minimum wage or below earners were also likely to be employed in sales and related (17 percent), personal care and service (8 percent), transportation and material moving (7 percent), and office and administrative support (6 percent).

The percentage of Pennsylvania minimum wage workers who worked in office and administrative support, and sales and related occupations decreased from 2008 to 2009 by 5 percentage points and by 4 percentage points, respectively. Minimum wage earners in food preparation and serving related occupations increased from 2008 to 2009 by 5 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 2004 Compared to Annual Average 2009
(Numbers of workers in thousands)

Demographic Characteristics	2004		2009		Percentage Point Change 2004 to 2009
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	81.0		243.1		
Gender					
Male	14.7	18%	79.6	33%	15%
Female	66.3	82%	163.5	67%	-15%
Race					
Black, non-Hispanic	7.3	9%	18.7	8%	-1%
Hispanic	1.5	2%	13.6	6%	4%
Other, non-Hispanic	0.6	1%	8.2	3%	2%
White, non-Hispanic	71.6	88%	202.6	83%	-5%
Age					
16-19	27.4	34%	73.3	30%	-4%
20-24	18.3	23%	51.3	21%	-2%
25-34	12.5	16%	43.6	18%	2%
35-44	9.2	11%	20.1	8%	-3%
45-54	5.5	7%	24.5	10%	3%
55-64	6.6	8%	14.0	6%	-2%
65 and over	1.4	2%	16.3	7%	5%
Education					
Less than a high school diploma	22.1	27%	57.0	23%	-4%
High school graduates, no college	31.6	39%	97.4	40%	1%
Some college, no degree	17.4	22%	52.4	22%	0%
Associate degree	2.2	3%	17.0	7%	4%
Bachelor's degree or higher	7.7	10%	19.3	8%	-2%
Marital Status					
Married Spouse Present	17.7	22%	57.2	23%	1%
Marital Status Other	10.9	14%	31.3	13%	-1%
Never Married	52.4	65%	154.6	64%	-1%

^{1/}PA minimum wage in 2004 was \$5.15.

^{2/}PA minimum wage from January to June 2009 - \$7.15, and from July to December 2009 - \$7.25.

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

The number of minimum wage workers increased considerably from 2004 to 2009, 81,000 to 243,100, as all those earning the previous minimum wage (\$5.15/hour) joined the many with slightly higher earnings in seeing their hourly wage pushed upward to the higher \$7.25/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.

The percentage of males who were minimum wage workers increased by 15 percentage points from 2004 to 2009.

Minimum wage workers who were White have declined by 5 percentage points since 2004.

The percentage of minimum wage earners who were younger workers (age 16-24) declined by 6 percentage points since 2004.

Minimum wage workers with less than a high school diploma have fallen by 4 percentage points since 2004.

The marital status of minimum wage workers remained mostly unchanged from 2004 to 2009.

Pennsylvania Industry Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below Annual Average 2004 Compared to Annual Average 2009 (Numbers of workers in thousands)					
Industry	2004		2009		Percentage Point Change 2004 to 2009
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	81.0		243.1		
Industry (Employment)					
Agriculture, forestry, fishing, and hunting	0.0	0%	3.0	1%	1%
Mining	0.0	0%	0.0	0%	0%
Construction	0.8	1%	1.2	1%	0%
Manufacturing	0.9	1%	9.8	4%	3%
Wholesale trade	0.8	1%	1.0	<1%	<1%
Retail trade	11.9	15%	51.7	21%	6%
Transportation and utilities	0.0	0%	2.9	1%	1%
Information	0.0	0%	2.0	1%	1%
Financial activities	0.7	1%	2.2	1%	0%
Professional and business services	2.0	3%	9.1	4%	1%
Educational services	2.6	3%	13.3	6%	3%
Hospitals	0.0	0%	0.0	0%	0%
Health care services, except hospitals	1.9	2%	13.7	6%	4%
Social assistance	0.0	0%	4.2	2%	2%
Arts, entertainment, and recreation	4.6	6%	13.3	6%	0%
Accommodation	2.1	3%	8.2	3%	0%
Food services and drinking places	50.3	62%	90.4	37%	-25%
Other services	1.5	2%	15.4	6%	4%
Public administration	1.0	1%	1.8	1%	0%
Work Status					
Full-time	28.6	35%	70.0	29%	-6%
Part-time	52.4	65%	173.1	71%	6%

^{1/}PA minimum wage in 2004 was \$5.15.

^{2/}PA minimum wage from January to June 2009 - \$7.15, and from July to December 2009 - \$7.25.

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

In 2004, the industries most likely to employ workers at or below the minimum wage were leisure and hospitality (consisting of arts, entertainment, and recreation; accommodation; and food services and drinking places), and retail trade, nearly the same as in 2009. However, the percentage of minimum wage workers in leisure and hospitality, mainly in food service and drinking places, declined by 25 percentage points since 2004, with minimum wage workers increasingly more likely to be found in retail trade, health care services, other services and manufacturing by 2009.

Sixty-five percent of those hourly workers earning at or below the minimum wage worked part-time in 2004, six percentage points fewer than in 2009.

Pennsylvania
Occupational Characteristics of Hourly Wage & Salary Workers at the Minimum Wage or Below
Annual Average 2004 Compared to Annual Average 2009
(Numbers of workers in thousands)

Occupation	2004		2009		Percentage Point Change 2004 to 2009
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	81.0		243.1		
Architecture and engineering	0.0	0%	0.0	0%	0%
Arts, design, entertainment, sports, media	0.0	0%	0.0	0%	0%
Building, grounds cleaning, maintenance	2.1	3%	7.1	3%	0%
Business and financial operations	0.0	0%	0.0	0%	0%
Community and social service	0.0	0%	0.0	0%	0%
Computer and mathematical science	0.0	0%	1.2	1%	1%
Construction and extraction	0.8	1%	1.2	1%	0%
Education, training, and library	0.0	0%	7.1	3%	3%
Farming, fishing, and forestry	0.0	0%	3.0	1%	1%
Food preparation and serving related	54.4	67%	106.5	44%	-23%
Healthcare practitioner and technical	0.0	0%	2.3	1%	1%
Healthcare support	1.9	2%	7.4	3%	1%
Installation, maintenance, and repair	0.0	0%	1.1	1%	1%
Legal	0.0	0%	0.0	0%	0%
Life, physical, and social service	0.0	0%	0.0	0%	0%
Management	0.0	0%	2.9	1%	1%
Office and administrative support	4.9	6%	14.5	6%	0%
Personal care and service	4.7	6%	19.1	8%	2%
Production	0.9	1%	6.8	3%	2%
Protective service	0.0	0%	3.0	1%	1%
Sales and related	10.6	13%	42.2	17%	4%
Transportation and material moving	0.8	1%	17.7	7%	6%

^{1/}PA minimum wage in 2004 was \$5.15

^{2/}PA minimum wage from January to June 2009 - \$7.15, and from July to December 2009 - \$7.25.

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

In 2004, sixty-seven percent of Pennsylvanians who earned the minimum wage or below worked in food preparation and serving-related occupations. In addition, minimum wage or below earners were also likely to be employed in sales and related (13 percent), personal care and service (6 percent), and office and administrative support (6 percent).

Pennsylvania minimum wage workers who worked in food preparation and serving related occupations decreased from 2004 to 2009 by 23 percentage points. Minimum wage earners in transportation and material moving, and sales and related occupations increased from 2004 to 2009 by 6 percentage points and 4 percentage points, respectively.

Pennsylvania Additional Characteristics Summary of Workers at the Minimum Wage or Below Annual Average 2004 Compared to Annual Average 2009 (Numbers of workers in thousands)					
Characteristic	2004		2009		Percentage Point Change 2004 to 2009
	PA ^{1/}	Pct.	PA ^{2/}	Pct.	
TOTAL	81.0		243.1		
Family Makeup					
No Children (Single or Married)	61.4	76%	194.3	80%	4%
Married Parent	9.1	11%	25.6	10%	-1%
Single Parent	10.5	13%	23.2	10%	-3%
1 child	5.2	6%	8.3	3%	-3%
2 children	1.9	2%	10.3	4%	2%
3 children	2.7	3%	4.7	2%	-1%
4 or more children	0.7	1%	0.0	0%	-1%
Household Income					
Refused or Don't Know	15.6	19%	39.5	16%	-3%
\$9,999 or less	4.0	5%	11.7	5%	0%
\$10,000 to 19,999	11.3	14%	25.8	11%	-3%
\$20,000 to 29,999	6.2	8%	25.5	10%	2%
\$30,000 to 39,999	4.6	6%	21.0	9%	3%
\$40,000 to 49,999	5.2	6%	19.5	8%	2%
\$50,000 to 59,999	9.5	12%	20.4	8%	-4%
\$60,000 To 74,999	6.9	9%	28.0	11%	2%
\$75,000 To 99,999	2.3	3%	24.4	10%	7%
\$100,000 To 149,999	11.2	14%	19.0	8%	-6%
\$150,000 and Over	4.2	5%	8.5	3%	-2%

^{1/}PA minimum wage in 2004 was \$5.15

^{2/}PA minimum wage from January to June 2009 - \$7.15, and from July to December 2009 - \$7.25.

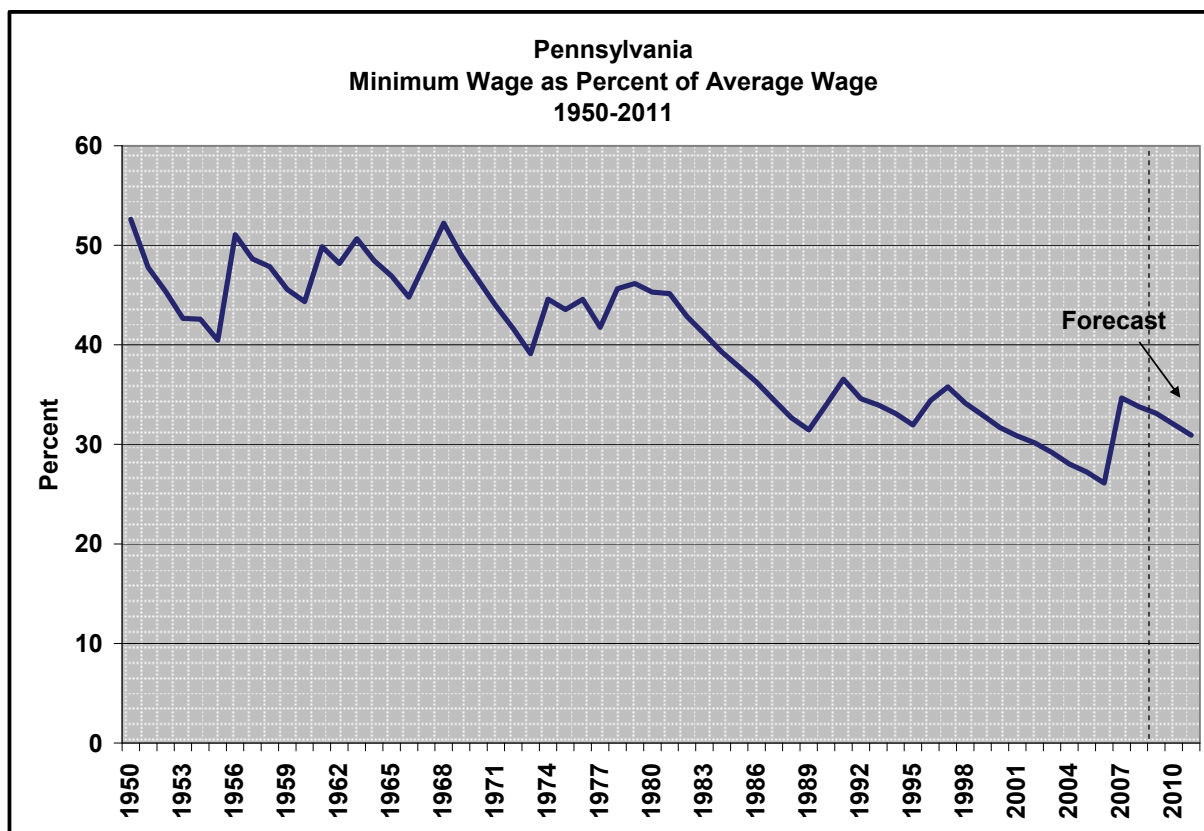
Totals may not sum due to rounding. U.S. Census Bureau, Current Population Survey

Workers having no children made up 80 percent of those earning at or below the minimum wage in Pennsylvania, an increase of 4 percentage points from 2004.

The percentage of minimum wage workers who were single parents dropped from 13 percent to 10 percent from 2004 to 2009.

At least 39 percent of minimum wage earner households made less than \$50,000 per year in 2004, four percentage points fewer than in 2009. In contrast, at least 43 percent made \$50,000 or more a year in 2004, 3 percentage points more than in 2009.

INFLATION AND POVERTY



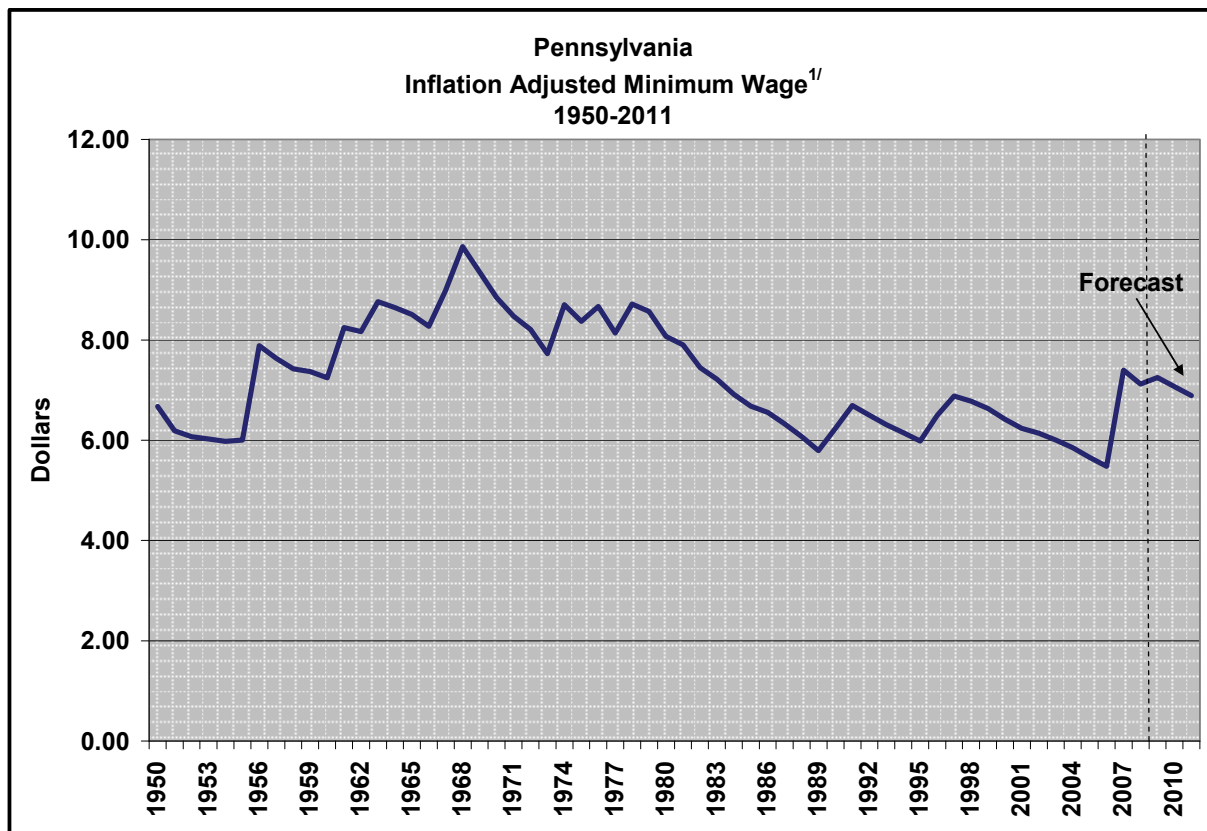
Average Wage forecast based on ten-year average
The minimum wage in 2009 is \$7.25.

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 started being documented (1938).

The increase in the minimum wage to \$7.25 in 2009 brought the minimum wage up to 33 percent of the average wage. This was 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 2009 needed to be \$10.95, and would need to be \$11.35 in 2010, and \$11.70 in 2011.



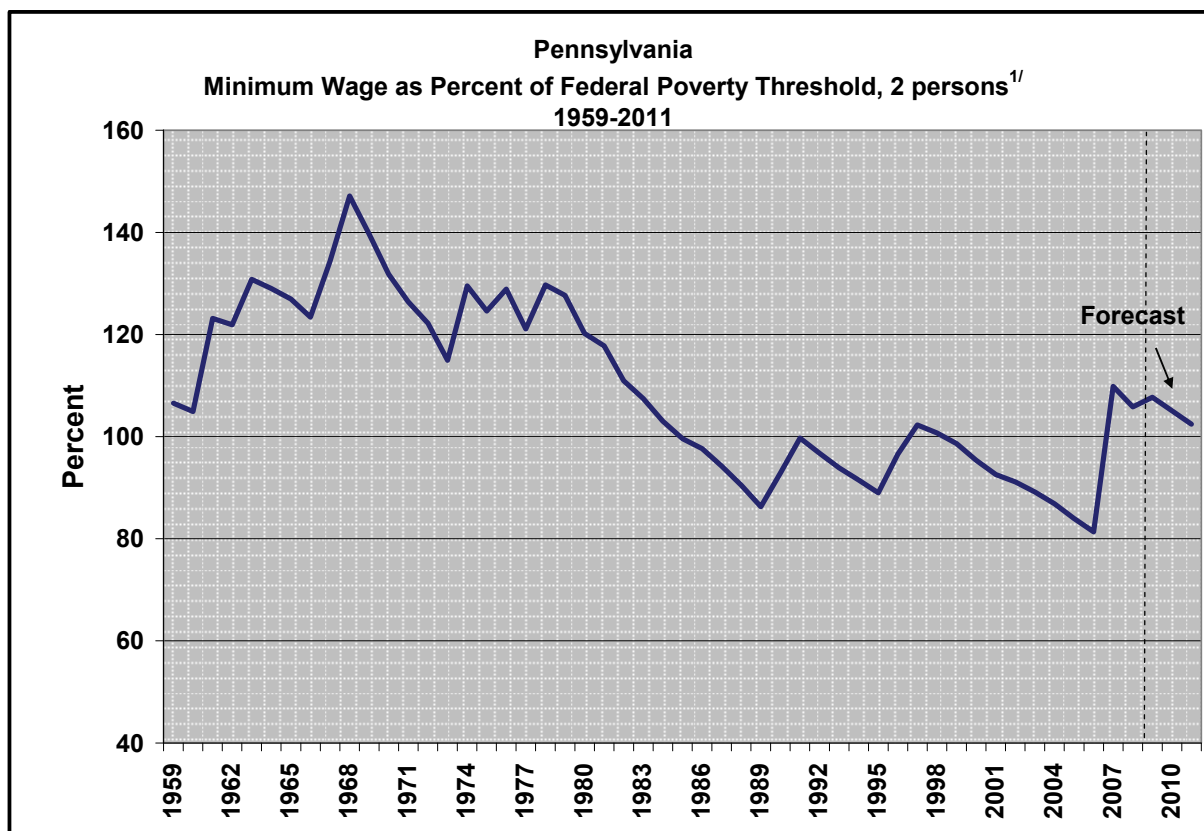
^{1/}Indexed to 2009

Inflation forecast based on 10-year average applied to the minimum wage

The minimum wage in 2009 is \$7.25.

Inflation negatively impacts the minimum wage. Adjusting for projected inflation, the 2009 minimum wage of \$7.25 will be worth \$7.10 in 2010 and \$6.90 in 2011 (in 2009 dollars).

In 2009 dollars, the current minimum wage of \$7.25 was equivalent to \$10.00 in 1968, the start of the decline in the purchasing power of the minimum wage. 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.

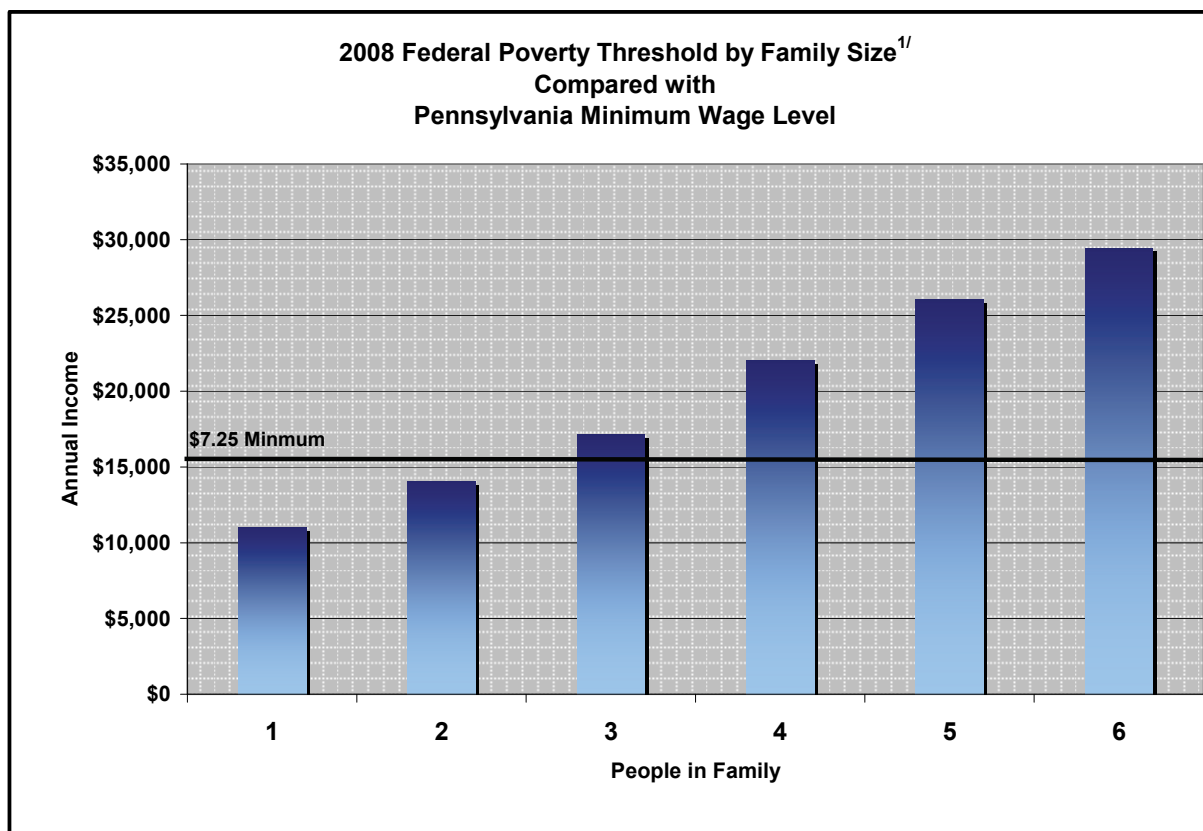


^{1/} Average-weighted threshold
 Inflation forecast based on ten-year average applied to the poverty threshold
 Source: U.S. Census Bureau

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 2009, the annual income for an individual in Pennsylvania making the minimum wage (\$7.25) was \$15,080, or 108 percent of the 2008 Federal Poverty Threshold for a two-person household (\$13,999).

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 2008 Federal Poverty Threshold for one-person (\$10,991) and two-person households (\$14,051). However, it fell short of the poverty threshold for three-person households (\$17,163).

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 exceed the poverty threshold for a four-person household (\$22,025).

OTHER STATES

Minimum Wage Rates by State

Area	2006	2007	2008	2009	2010
Federal	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Alabama	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Alaska	\$7.15	\$7.15	\$7.15	\$7.25	\$7.75
Arizona ^{1/}	\$5.15	\$6.75	\$6.90	\$7.25	\$7.25
Arkansas	\$6.25	\$6.25	\$6.55	\$7.25	\$7.25
California	\$6.75	\$7.50	\$8.00	\$8.00	\$8.00
Colorado ^{1/}	\$5.15	\$6.85	\$7.02	\$7.28	\$7.24
Connecticut	\$7.40	\$7.65	\$7.65	\$8.00	\$8.25
Delaware	\$6.15	\$6.65	\$7.15	\$7.25	\$7.25
Florida ^{1/}	\$6.40	\$6.67	\$6.79	\$7.25	\$7.25
Georgia	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Hawaii	\$6.75	\$7.25	\$7.25	\$7.25	\$7.25
Idaho	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Illinois	\$6.50	\$7.50	\$7.75	\$8.00	\$8.25
Indiana	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Iowa	\$5.15	\$6.20	\$7.25	\$7.25	\$7.25
Kansas	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Kentucky	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Louisiana	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Maine	\$6.75	\$7.00	\$7.00	\$7.50	\$7.50
Maryland	\$6.15	\$6.15	\$6.55	\$7.25	\$7.25
Massachusetts	\$6.75	\$7.50	\$8.00	\$8.00	\$8.00
Michigan	\$6.95	\$7.15	\$7.40	\$7.40	\$7.40
Minnesota	\$6.15	\$6.15	\$6.55	\$7.25	\$7.25
Mississippi	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Missouri ^{1/}	\$6.50	\$6.50	\$6.65	\$7.25	\$7.25

Area	2006	2007	2008	2009	2010
Federal	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Montana ^{1/}	\$5.15	\$6.15	\$6.55	\$7.25	\$7.25
Nebraska	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Nevada ^{1/}	\$6.15	\$6.33	\$6.55	\$7.55	CPI
New Hampshire	\$5.15	\$6.50	\$7.25	\$7.25	\$7.25
New Jersey	\$7.15	\$7.15	\$7.15	\$7.25	\$7.25
New Mexico	\$5.15	\$5.85	\$6.55	\$7.50	\$7.50
New York	\$6.75	\$7.15	\$7.15	\$7.25	\$7.25
North Carolina	\$5.15	\$6.15	\$6.55	\$7.25	\$7.25
North Dakota	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Ohio	\$5.15	\$6.85	\$7.00	\$7.30	\$7.30
Oklahoma	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Oregon ^{1/}	\$7.50	\$7.80	\$7.95	\$8.40	\$8.40
Pennsylvania	\$5.15	\$7.15	\$7.15	\$7.25	\$7.25
Rhode Island	\$7.10	\$7.40	\$7.40	\$7.40	\$7.40
South Carolina	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
South Dakota	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Tennessee	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Texas	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Utah	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Vermont ^{1/}	\$7.25	\$7.53	\$7.68	\$8.06	\$8.06
Virginia	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25
Washington ^{1/}	\$7.63	\$7.93	\$8.07	\$8.55	\$8.55
West Virginia	\$5.85	\$6.55	\$7.25	\$7.25	\$7.25
Wisconsin	\$5.70	\$6.50	\$6.55	\$7.25	\$7.25
Wyoming	\$5.15	\$5.85	\$6.55	\$7.25	\$7.25

^{1/} Minimum wage tied to inflation rate - Consumer Price Index (CPI)
 Data accurate as of January 15, 2010
 Source: U.S. Department of Labor

In 2008, thirteen states had higher minimum wage rates than Pennsylvania. In 2009, fourteen states had higher rates. Of those states having higher minimums, the rates ranged from \$7.28 to \$8.55. Fourteen states will have a higher minimum wage than Pennsylvania in 2010.

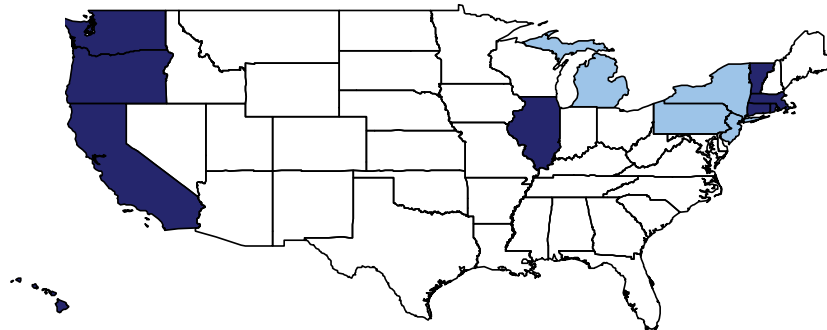
Twenty-seven states were at the federal minimum wage (\$6.55) in 2008. In 2009, thirty-six states were at the new federal minimum wage (\$7.25).

In 2009, thirty-five states had the same minimum wage as Pennsylvania, with no states having lower minimum wage rates.

Of Pennsylvania's neighboring states, Ohio had the highest minimum wage (\$7.30) in 2009. Pennsylvania and its neighboring states (shaded above) except for Ohio will be at the same minimum wage (\$7.25) in 2010.

Arizona, Colorado, Florida, Missouri, Montana, Nevada, 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 will not increase their rates in 2010.

2007 Pennsylvania and Other States Minimum Wage Comparison

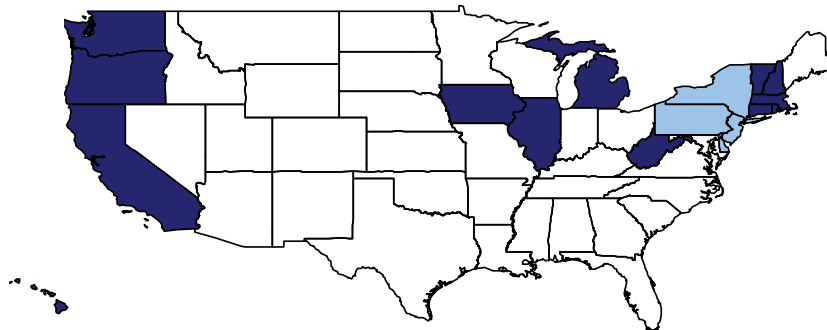


- Lower than PA's minimum wage
- Same as PA's minimum wage
- Higher than PA's minimum wage

Note: PA's minimum wage= \$7.15

As of 1/15/2010

2008 Pennsylvania and Other States Minimum Wage Comparison

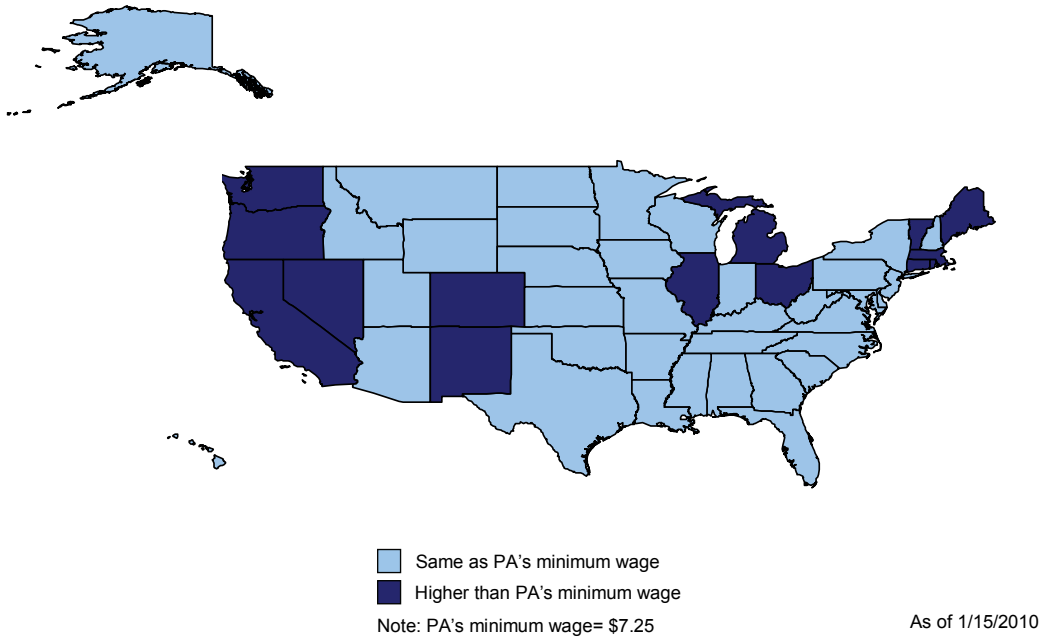


- Lower than PA's minimum wage
- Same as PA's minimum wage
- Higher than PA's minimum wage

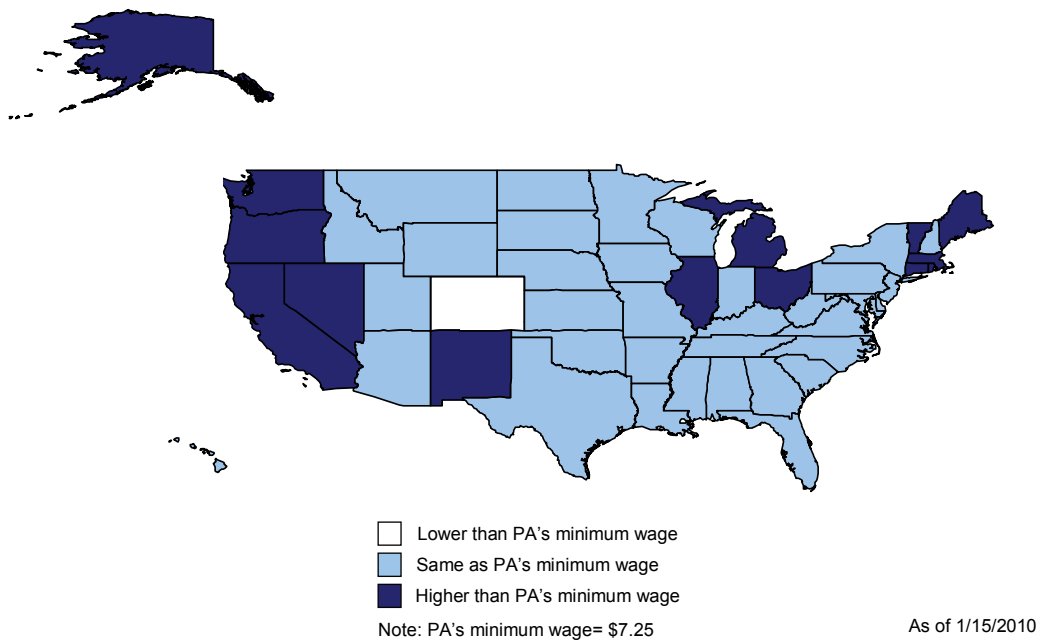
Note: PA's minimum wage= \$7.15

As of 1/15/2010

2009 Pennsylvania and Other States Minimum Wage Comparison



2010 Pennsylvania and Other States Minimum Wage Comparison



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 Bureau of the Census, 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 United States 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 which 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 24th, 2007, the minimum wage increased

from \$5.15 to \$5.85. On July 24th, 2008, the minimum wage increased from \$5.85 to \$6.55. On July 24th, 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 Bureau of the Census. 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 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 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) - 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 9 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 (contains 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 4-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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