



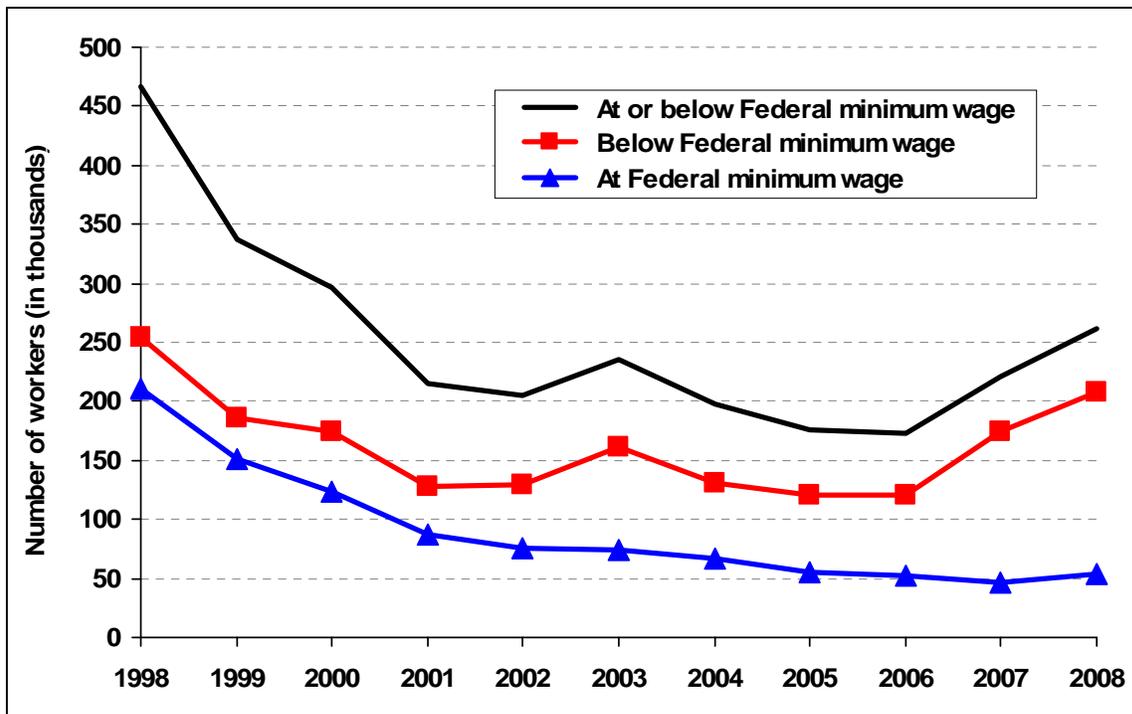
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## MINIMUM WAGE WORKERS IN TEXAS: 2008

Among hourly-paid workers in Texas, 262,000 had earnings at or below the prevailing Federal minimum wage<sup>1</sup> in 2008, according to the U.S. Department of Labor's Bureau of Labor Statistics. (See chart A.) About 5.5 million workers were paid at hourly rates, representing 52.1 percent of all Texas wage and salary workers.<sup>2</sup> Regional Commissioner Stanley W. Suchman noted that workers paid at or below the Federal minimum accounted for 4.7 percent of these hourly-paid workers in Texas.<sup>3</sup> This was one of the highest shares in the nation. (See table 1.)

**Chart A. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in Texas, annual averages, 1998-2008**



<sup>1</sup> On July 24, 2008, the Federal minimum wage increased to \$6.55 per hour from \$5.85 per hour. Data in this report reflect the average number of workers earning the prevailing Federal minimum wage or less for the year — those who earned \$5.85 or less from January 2008 through July 2008 and those who earned \$6.55 or less from August 2008 through the end of the year.

<sup>2</sup> Data are for wage and salary workers age 16 and over and refer to earnings on a person's sole or principal job. All self-employed persons are excluded whether or not their businesses are incorporated.

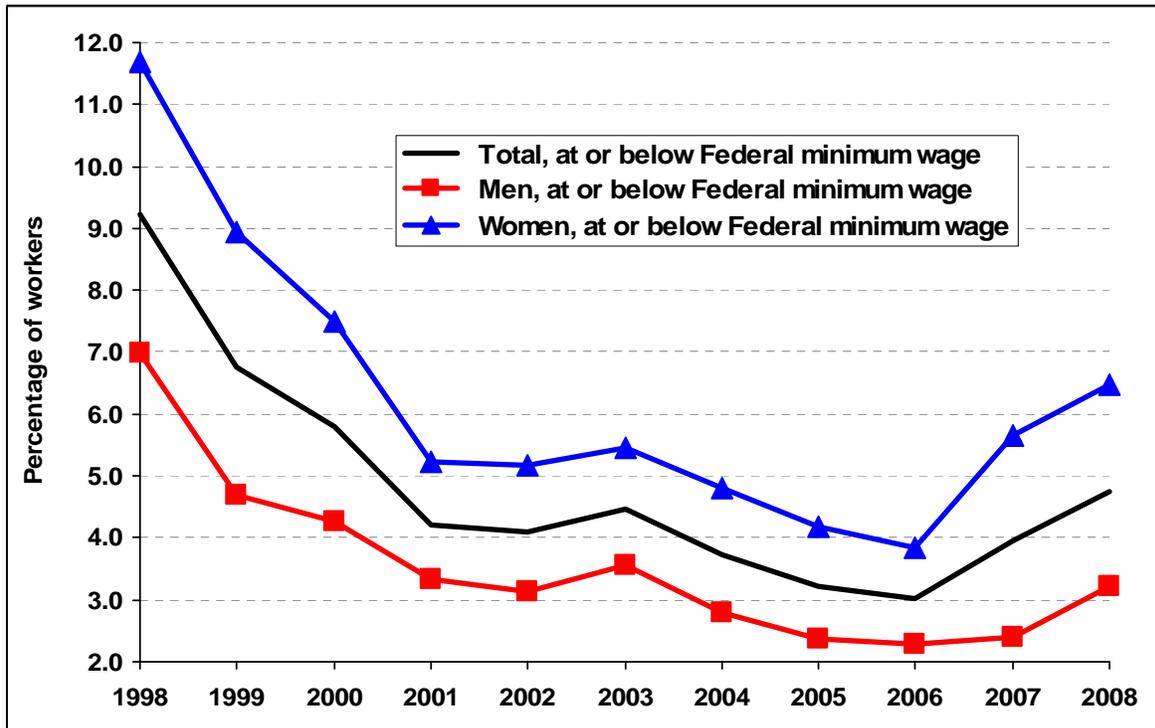
<sup>3</sup> It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law.

According to Current Population Survey (CPS) estimates for 2008, 75.3 million workers in the United States were paid at hourly rates, representing 58.2 percent of all wage and salary workers. Of those paid by the hour, 286,000 earned exactly the prevailing Federal minimum wage and about 1.9 million additional workers earned wages below the minimum. Together, these 2.2 million workers with wages at or below the Federal minimum made up 3.0 percent of all hourly-paid workers in the nation.

In Texas, with the exception of a slight uptick in 2003, the number of hourly-paid workers at or below the Federal minimum wage declined steadily from 1998 to 2006. However, that trend reversed itself in 2007 and continued upward in 2008. With the increased Federal minimum wage in 2007 and 2008, both a larger number and a higher percentage of workers in the State received hourly wages at or below the minimum wage. (See chart A.)

The number of workers at or below the Federal minimum wage in Texas rose by 41,000 in 2008 with 25,000 of this increase among men. As a result, men accounted for nearly 36 percent of all the State's hourly-paid workers who earned the Federal minimum wage or less, up from about 31 percent in 2007. Still, the likelihood of earning the Federal minimum wage or less was twice as high for women (6.5 percent) as for men (3.2 percent) in the State in 2008. (See table A and chart B.)

**Chart B. Percentage of employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage in Texas, by sex, annual averages, 1998-2008**





**Table A. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage and median earnings of all hourly-paid workers in Texas, by sex, annual averages, 1998-2008**

Texas	At or below Federal minimum wage (number of workers in thousands)			All hourly-paid workers	
	Total	Below Prevailing	At Prevailing	Number of workers (in thousands)	Median earnings (in dollars)
<b>Total</b>					
1998	466	255	211	5,055	\$ 8.23
1999	337	186	151	4,990	8.54
2000	297	174	123	5,112	9.01
2001	215	128	87	5,101	9.48
2002	205	129	76	5,002	9.76
2003	235	161	74	5,258	9.82
2004	198	131	67	5,293	9.95
2005	176	121	55	5,467	10.04
2006	173	121	52	5,724	10.22
2007	221	175	46	5,585	10.54
2008	262	208	54	5,527	11.00
<b>Men</b>					
1998	186	108	78	2,660	\$ 8.97
1999	120	68	52	2,560	9.35
2000	114	70	44	2,667	9.83
2001	90	50	40	2,712	10.11
2002	82	61	21	2,623	10.11
2003	96	70	26	2,704	10.18
2004	77	48	29	2,753	10.41
2005	67	48	19	2,835	10.87
2006	69	47	22	3,011	11.18
2007	69	53	16	2,895	11.54
2008	94	78	16	2,932	11.99
<b>Women</b>					
1998	280	147	133	2,395	\$ 7.50
1999	217	118	99	2,430	7.84
2000	183	104	79	2,445	8.18
2001	125	78	47	2,389	8.55
2002	123	68	55	2,379	8.90
2003	139	91	48	2,553	8.95
2004	122	84	38	2,541	9.33
2005	110	73	37	2,632	9.24
2006	104	74	30	2,713	9.80
2007	152	122	30	2,690	9.86
2008	168	130	38	2,595	10.02

Note: All self-employed persons are excluded, regardless of whether or not their business is incorporated.

## Technical Note

The Bureau of Labor Statistics' data on minimum wage earners are derived from the Current Population Survey (CPS), a nationwide sample survey of households that includes questions enabling the identification of hourly-paid workers and their hourly wage rate. Data in this summary are annual averages.

Minimum wage data, particularly levels, for each year are not strictly comparable with data for earlier years because of the introduction of revised population controls used in the CPS. The effect of the revised population controls on the minimum wage estimates is unknown. For technical documentation and related information, including reliability of the CPS estimates, see [www.bls.gov/cps/documentation.htm](http://www.bls.gov/cps/documentation.htm).

It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law. The estimates of the numbers of minimum and subminimum wage workers presented in the accompanying tables pertain to workers paid at hourly rates; salaried and other non-hourly workers are excluded. As such, the actual number of workers with earnings at or below the prevailing minimum is undoubtedly understated. Research has shown that a relatively smaller number and share of salaried workers and others not paid by the hour have earnings that, when translated into hourly rates, are at or below the minimum wage. However, BLS does not routinely estimate hourly earnings for non-hourly workers because of data concerns that arise in producing these estimates. For further information, see Steven Haugen and Earl Mellor, "Estimating the number of minimum wage workers," *Monthly Labor Review*, January 1990 ([PDF 415K](#)).

The prevailing Federal minimum wage was \$2.90 in 1979, \$3.10 in 1980, and \$3.35 in 1981-89. The minimum wage rose to \$3.80 on April 1, 1990, to \$4.25 on April 1, 1991, to \$4.75 on October 1, 1996, to \$5.15 on September 1, 1997, to \$5.85 on July 24, 2007, and to \$6.55 on July 24, 2008. Data in this report reflect the average number of workers earning the prevailing Federal minimum wage or less for the year (those who earned \$5.85 or less from January 2008 through July 2008 and those who earned \$6.55 or less from August 2008 through the end of the year).

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**Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage by State, 2008 annual averages**

State	Number of workers (in thousands)				Percent distribution				Percent of workers paid hourly rates		
	Total paid hourly rates	At or below minimum wage			Total paid hourly rates	At or below minimum wage			At or below minimum wage		
		Total	At minimum wage	Below minimum wage		Total	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Total, 16 years & over	75,305	2,226	286	1,940	100.0	100.0	100.0	100.0	3.0	0.4	2.6
Alabama	1,119	47	17	30	1.5	2.1	5.9	1.5	4.2	1.5	2.7
Alaska	204	2	-	2	0.3	0.1	-	0.1	1.0	-	1.0
Arizona	1,533	46	5	41	2.0	2.1	1.7	2.1	3.0	0.3	2.7
Arkansas	703	26	5	21	0.9	1.2	1.7	1.1	3.7	0.7	3.0
California	8,778	86	6	80	11.7	3.9	2.1	4.1	1.0	0.1	0.9
Colorado	1,211	48	1	47	1.6	2.2	0.3	2.4	4.0	0.1	3.9
Connecticut	892	16	1	15	1.2	0.7	0.3	0.8	1.8	0.1	1.7
Delaware	220	6	-	6	0.3	0.3	-	0.3	2.7	-	2.7
District of Columbia	110	3	-	3	0.1	0.1	-	0.2	2.7	-	2.7
Florida	4,058	127	5	122	5.4	5.7	1.7	6.3	3.1	0.1	3.0
Georgia	2,084	76	13	63	2.8	3.4	4.5	3.2	3.6	0.6	3.0
Hawaii	338	5	-	5	0.4	0.2	-	0.3	1.5	-	1.5
Idaho	412	15	4	11	0.5	0.7	1.4	0.6	3.6	1.0	2.7
Illinois	3,211	80	-	80	4.3	3.6	-	4.1	2.5	-	2.5
Indiana	1,812	64	10	54	2.4	2.9	3.5	2.8	3.5	0.6	3.0
Iowa	927	21	1	20	1.2	0.9	0.3	1.0	2.3	0.1	2.2
Kansas	791	31	5	26	1.1	1.4	1.7	1.3	3.9	0.6	3.3
Kentucky	1,101	45	9	36	1.5	2.0	3.1	1.9	4.1	0.8	3.3
Louisiana	953	48	9	39	1.3	2.2	3.1	2.0	5.0	0.9	4.1
Maine	397	7	-	7	0.5	0.3	-	0.4	1.8	-	1.8
Maryland	1,339	37	5	32	1.8	1.7	1.7	1.6	2.8	0.4	2.4
Massachusetts	1,543	35	2	33	2.0	1.6	0.7	1.7	2.3	0.1	2.1
Michigan	2,641	73	2	71	3.5	3.3	0.7	3.7	2.8	0.1	2.7
Minnesota	1,511	40	6	34	2.0	1.8	2.1	1.8	2.6	0.4	2.3
Mississippi	667	40	9	31	0.9	1.8	3.1	1.6	6.0	1.3	4.6
Missouri	1,592	50	4	46	2.1	2.2	1.4	2.4	3.1	0.3	2.9
Montana	287	4	2	2	0.4	0.2	0.7	0.1	1.4	0.7	0.7
Nebraska	551	20	3	17	0.7	0.9	1.0	0.9	3.6	0.5	3.1
Nevada	736	16	2	14	1.0	0.7	0.7	0.7	2.2	0.3	1.9
New Hampshire	380	11	-	11	0.5	0.5	-	0.6	2.9	-	2.9
New Jersey	1,781	53	5	48	2.4	2.4	1.7	2.5	3.0	0.3	2.7
New Mexico	495	13	-	13	0.7	0.6	-	0.7	2.6	-	2.6
New York	4,105	100	6	94	5.5	4.5	2.1	4.8	2.4	0.1	2.3
North Carolina	2,235	78	11	67	3.0	3.5	3.8	3.5	3.5	0.5	3.0
North Dakota	199	8	1	7	0.3	0.4	0.3	0.4	4.0	0.5	3.5
Ohio	3,329	77	5	72	4.4	3.5	1.7	3.7	2.3	0.2	2.2
Oklahoma	878	48	19	29	1.2	2.2	6.6	1.5	5.5	2.2	3.3
Oregon	999	8	2	6	1.3	0.4	0.7	0.3	0.8	0.2	0.6
Pennsylvania	3,457	85	6	79	4.6	3.8	2.1	4.1	2.5	0.2	2.3
Rhode Island	296	6	-	6	0.4	0.3	-	0.3	2.0	-	2.0
South Carolina	1,111	66	6	60	1.5	3.0	2.1	3.1	5.9	0.5	5.4
South Dakota	256	6	1	5	0.3	0.3	0.3	0.3	2.3	0.4	2.0
Tennessee	1,533	89	12	77	2.0	4.0	4.2	4.0	5.8	0.8	5.0
Texas	5,527	262	54	208	7.3	11.8	18.9	10.7	4.7	1.0	3.8
Utah	736	18	5	13	1.0	0.8	1.7	0.7	2.4	0.7	1.8
Vermont	183	4	-	4	0.2	0.2	-	0.2	2.2	-	2.2
Virginia	1,809	70	5	65	2.4	3.1	1.7	3.4	3.9	0.3	3.6
Washington	1,875	26	3	23	2.5	1.2	1.0	1.2	1.4	0.2	1.2
West Virginia	494	26	10	16	0.7	1.2	3.5	0.8	5.3	2.0	3.2
Wisconsin	1,748	53	9	44	2.3	2.4	3.1	2.3	3.0	0.5	2.5
Wyoming	160	7	1	6	0.2	0.3	0.3	0.3	4.4	0.6	3.8

NOTE: Data exclude all self-employed persons whether or not their businesses are incorporated. Users are reminded that these data are based on a sample and are therefore subject to sampling error; the degree of error may be quite large for less populous States. It is not possible to determine clearly whether workers surveyed in the CPS are actually covered by the Fair Labor Standards Act (FLSA) or by individual State minimum wage laws. Thus, some workers reported as earning the prevailing Federal minimum wage may not in fact be covered by Federal or State minimum wage laws. Also, there are a number of States that have minimum wages that exceed the Federal minimum wage. At the same time, the presence of a sizable number of workers with wages below the prevailing Federal minimum wage does not necessarily indicate violations of the FLSA or applicable State laws, because there are numerous exclusions and exemptions to these minimum wage statutes. Dash indicates no data or data that do not meet publication criteria.