

United States Department of Labor



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### USUAL WEEKLY EARNINGS OF WAGE AND SALARY WORKERS: SECOND QUARTER 2002

Median weekly earnings of the nation's 98.7 million full-time wage and salary workers were \$608 in the second quarter of 2002, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This was 2.2 percent higher than a year earlier, compared with a gain of 1.3 percent in the Consumer Price Index for All Urban Consumers (CPI-U) over the same period.

Data on usual earnings are collected as part of the Current Population Survey, a nationwide sample survey of households in which respondents are asked, among other things, how much each wage and salary worker usually earns. (See the explanatory note.) Highlights from the second-quarter data are:

—Women who usually worked full time had median earnings of \$521 per week, or 76.3 percent of the \$683 median for men. The female-to-male earnings ratios were higher among blacks (88.0 percent) and Hispanics (85.7 percent) than among whites (75.5 percent). (See table 1.)

—Median earnings for black men working at full-time jobs were \$535 per week, 75.4 percent of the median for white men (\$710). The difference was much less among women, as black women's median earnings (\$471) were 87.9 percent of those for their white counterparts (\$536). Overall, median earnings of Hispanics who worked full time (\$421) were lower than those of blacks (\$502) and whites (\$625). (See table 1.)

—Among men, the \$831 median weekly earnings of 45- to 54-year-olds was the highest of any age group. Among women, earnings also were highest for those 45 to 54 years old (\$589). (See table 2.)

—Among the major occupational groups, persons employed full time in managerial and professional specialty occupations had the highest median weekly earnings—\$1,049 for men and \$755 for women. Men and women in service and farm jobs earned the least. (See table 3.)

—Full-time workers age 25 and over without a high school diploma had median weekly earnings of \$392, compared with \$535 for high school graduates (no college) and \$943 for college graduates.

—Among college graduates with advanced degrees (professional or master's degree and above), the highest-earning 10 percent of male workers made \$2,436 or more per week, compared with \$1,753 or more for their female counterparts. (See table 4.)

## **Explanatory Note**

The estimates in this release were obtained from the Current Population Survey (CPS), which provides the basic information on the labor force, employment, and unemployment. The survey is conducted monthly for the Bureau of Labor Statistics by the U.S.Census Bureau from a scientifically selected national sample of about 60,000 households, with coverage in all 50 states and the District of Columbia. The earnings data are collected from one-quarter of the CPS monthly sample and are limited to wages and salaries. The data, therefore, exclude self-employment income.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

#### Reliability

Statistics based on the CPS are subject to both sampling and nonsampling error. When a sample, rather than the entire population, is surveyed, there is a chance that the sample estimates may differ from the "true" population values they represent. The exact difference, or *sampling error*, varies depending on the particular sample selected, and this variability is measured by the standard error of the estimate. There is about a 90-percent chance, or level of confidence, that an estimate based on a sample will differ by no more than 1.6 standard errors from the "true" population value because of sampling error. BLS analyses are generally conducted at the 90-percent level of confidence.

The CPS data also are affected by *nonsampling error*. Nonsampling error can occur for many reasons, including the failure to sample a segment of the population, inability to obtain information for all respondents in the sample, inability or unwillingness of respondents to provide correct information, and errors made in the collection or processing of the data.

For a full discussion of the reliability of data from the CPS and information on estimating standard errors, see the "Explanatory Notes and Estimates of Error" section of the February 1994 and subsequent issues of *Employment and Earnings*.

### Definitions

The principal definitions used in connection with the earnings series are described briefly below.

Usual weekly earnings. Data represent earnings before taxes and other deductions and include any overtime pay, commissions, or tips usually received (at the main job in the case of multiple jobholders.) Prior to 1994, respondents were asked how much they usually earned per week. Since January 1994, respondents have been asked to identify the easiest way for them to report earnings (hourly, weekly, biweekly, twice monthly, monthly, annually, other) and how much they usually earn in the reported time period. Earnings reported on a basis other than weekly are converted to a weekly equivalent. The term "usual" is as perceived by the respondent. If the respondent asks for a definition of usual, interviewers are instructed to define the term as more than half the weeks worked during the past 4 or 5 months.

*Medians (and other quantiles) of weekly earnings.* The median (or upper limit of the second quartile) is the amount which divides a given earnings distribution into two equal groups, one having earnings above the median and the other having earnings below the median. Ten percent of a given distribution have earnings below the upper limit of the first decile (90 percent have higher earnings); 25 percent have earnings below the upper limit of the first quartile (75 percent have higher earnings); 75 percent have earnings below the upper limit of the third quartile (25 percent have higher earnings); and 90 percent have earnings below the upper limit of the ninth decile (10 percent have higher earnings).

The estimating procedure places each reported or calculated weekly earnings value into \$50-wide intervals which are centered around multiples of \$50. The actual value is estimated through the linear interpolation of the interval in which the quantile boundary lies.

Over-the-year changes in the medians (and other quantile boundaries) for specific groups may not necessarily be consistent with the movements estimated for the overall quantile boundary. The most common reasons for this possible anomaly are: (1) There could be a change in the relative weights of the subgroups. For example, the medians of both 16-to-24 year olds and those 25 years and over may rise; but if the lower-earning 16-to-24 group accounts for a greatly increased share of the total, the overall median could actually fall. (2) There could be a large change in the shape of the distribution of reported earnings, particularly near a quantile boundary. This could be caused by survey observations that are clustered at rounded values, e.g., \$250, \$300, \$400. An estimate lying in a \$50-wide centered interval containing such a cluster or "spike" tends to change more slowly than one in other intervals.

*Wage and salary workers.* Workers who receive wages, salaries, commissions, tips, payment in kind, or piece rates. The group includes employees in both the private and public sectors but, for the purposes of the earnings series, excludes all self-employed persons, regardless of whether or not their businesses are incorporated.

*Full-time workers*. Workers who usually work 35 hours or more per week at their sole or principal job.

*Part-time workers*. Workers who usually work fewer than 35 hours per week at their sole or principal job.

*Constant dollars.* The Consumer Price Index for All Urban Consumers (CPI-U) is used to convert current dollars to constant (1982) dollars.

*Hispanic origin*. Refers to persons who are of Mexican, Puerto Rican, Cuban, Central or South American, or other Hispanic origin or descent. Persons of Hispanic origin may be of any race; hence, they are included in the numbers for the white and black populations.

Table 1. Median usual weekly earnings of full-time wage and salary workers by selected characteristics, quarterly averages, not seasonally adjusted

	Number of workers (in thousands)		Median weekly earnings				
Characteristic	II 2001	ll 2002	In current dollars		In constant (1982) dollars		
			ll 2001	ll 2002	II 2001	II 2002	
SEX AND AGE							
Total, 16 years and over	99,917	98,730	\$595	\$608	\$323	\$326	
Men, 16 years and over         16 to 24 years         25 years and over         Women, 16 years and over         16 to 24 years         25 years and over         25 years and over	55,896 6,385 49,511 44,021 5,240 38,781	55,604 6,340 49,264 43,126 4,981 38,145	667 394 716 514 348 547	683 399 738 521 356 562	363 214 389 280 189 297	367 214 396 280 191 301	
RACE, HISPANIC ORIGIN, AND SEX           White           Men           Women           Black	82,348 47,292 35,056 12,635	81,281 46,918 34,363 12,382	609 687 522 495	625 710 536 502	331 374 284 269	335 381 288 269	
Men Women	5,887 6,747	5,964 6,418	537 460	535 471	292 250	287 253	
Hispanic origin Men Women	12,012 7,375 4,637	11,859 7,291 4,568	417 445 383	421 456 391	227 242 208	226 245 210	

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented

and Hispanics are included in both the white and black population groups.

Table 2. Median usual weekly earnings of full-time wage and salary workers by age, race, Hispanic origin, and sex, second quarter 2002 averages, not seasonally adjusted

	Total		Men			Women	
Age, race, and Hispanic origin	Number of workers (in thousands)	Median weekly earnings	Number of workers (in thousands)	Median weekly earnings	Number of workers (in thousands)	Median weekly earnings	
TOTAL							
16 years and over	98,730 11,321 1,973 9,348 87,409 75,434 23,751 27,899 23,784 11,975 10,317 1,658	\$608 378 302 400 647 647 647 588 669 711 648 671 501	55,604 6,340 1,153 5,187 49,264 42,595 13,674 15,990 12,931 6,669 5,725 944	\$683 399 306 422 738 732 624 761 831 773 801 585	43,126 4,981 819 4,161 38,145 32,839 10,077 11,909 10,853 5,306 4,592 714	\$521 356 295 370 562 565 522 580 589 542 561 447	
White           16 years and over	81,281 9,436 71,846 61,518 10,328	625 384 673 673 673	46,918 5,390 41,529 35,710 5,819	710 404 761 756 806	34,363 4,046 30,317 25,808 4,509	536 359 579 582 559	
Black 16 years and over 16 to 24 years 25 years and over 25 to 54 years 55 years and over	12,382 1,424 10,958 9,783 1,175	502 350 521 521 515	5,964 707 5,257 4,661 597	535 364 575 575 567	6,418 718 5,700 5,123 578	471 343 489 491 475	
Hispanic origin 16 years and over 16 to 24 years 25 years and over 25 to 54 years 55 years and over	11,859 2,021 9,838 8,922 916	421 334 458 459 457	7,291 1,287 6,004 5,484 520	456 359 489 490 471	4,568 734 3,834 3,438 396	391 303 413 412 432	

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented

and Hispanics are included in both the white and black population groups.

# Table 3. Median usual weekly earnings of full-time wage and salary workers by occupation and sex, quarterly averages, not seasonally adjusted

	Number of wo (in thousand			kly earnings
Occupation and sex	II 2001	II 2002	II 2001	II 2002
TOTAL				
Managerial and professional specialty Executive, administrative, and managerial Professional specialty Technical, sales, and administrative support Technicians and related support Sales occupations Administrative support, including clerical Service occupations Private household	32,209 15,891 16,318 28,116 3,673 10,212 14,231 10,951 328	32,118 15,923 16,195 27,728 3,563 10,353 13,811 11,096 302	\$846 846 845 523 659 576 489 379 245	\$884 893 877 543 664 593 503 384 328
Protective service Service, except private household and protective Precision production, craft, and repair Mechanics and repairers Construction trades Other precision production, craft, and repair Operators, fabricators, and laborers Machine operators, assemblers, and inspectors Transportation and material moving occupations Handlers, equipment cleaners, helpers, and laborers Farming, forestry, and fishing	2,231 8,393 12,027 4,189 4,334 3,504 14,983 6,341 4,631 4,631 4,011 1,631	2,236 8,558 11,614 3,979 4,404 3,231 14,556 5,847 4,737 3,971 1,617	618 348 620 642 606 620 476 464 583 396 346	646 356 625 678 604 604 486 470 582 399 360
Men				
Managerial and professional specialty	$16,174\\ 8,334\\ 7,840\\ 10,502\\ 1,853\\ 5,616\\ 3,032\\ 5,200\\ 10\\ 1,834\\ 3,355\\ 11,111\\ 4,043\\ 4,229\\ 2,839\\ 11,586\\ 4,093\\ 4,306\\ 3,188\\ 1,323\\ \end{cases}$	$\begin{array}{c} 16,210\\ 8,530\\ 7,680\\ 10,824\\ 1,768\\ 5,816\\ 3,240\\ 5,187\\ 20\\ 1,795\\ 3,372\\ 10,681\\ 3,777\\ 4,297\\ 2,606\\ 11,345\\ 3,825\\ 4,354\\ 3,166\\ 1,356\end{array}$	1,017 1,009 1,025 665 750 704 574 437 (1) \$655 374 636 650 608 677 505 518 595 405 357	$1,049 \\ 1,088 \\ 1,013 \\ 708 \\ 823 \\ 762 \\ 599 \\ 443 \\ (^1) \\ $689 \\ 382 \\ 642 \\ 680 \\ 606 \\ 643 \\ 517 \\ 521 \\ 592 \\ 411 \\ 373 \\ $
Women	16.035	15.908	728	755
Executive, administrative, and managerial	7,557 8,478 17,614 1,820 4,595 11,199 5,751 317 396 5,038 915 146 105 665 3,397 2,249 325 823 309	7,393 8,515 16,903 1,795 4,537 10,571 5,909 282 442 5,185 933 202 107 625 3,211 2,022 383 805 261	700 745 478 586 434 475 332 246 517 327 477 528 536 447 366 364 458 354 312	735 773 485 587 433 487 346 328 512 339 459 580 500 418 384 383 482 355 296

 $^{1}\,$  Data not shown where base is less than 100,000.

Table 4. Quartiles and selected deciles of usual weekly earnings of full-time wage and salary workers by selected
characteristics, second quarter 2002 averages, not seasonally adjusted

	Number	Upper limit of:					r	Upper limit of:			
Characteristic	or workers (in thousands)	First decile	First quartile	Second quartile (median)	Third quartile	Ninth decile					
SEX, RACE, AND HISPANIC ORIGIN											
Total, 16 years and over	98,730	\$297	\$405	\$608	\$924	\$1,374					
Men	55,604	318	453	683	1,035	1,544					
Women	43,126	280	367	521	772	1,127					
White	81,281	302	415	625	954	1,423					
Men	46,918	324	469	710	1,072	1,595					
Women	34,363	282	377	536	790	1,148					
Black	12,382	278	352	502	724	1,001					
Men	5,964	290	387	535	759	1,080					
Women	6,418	265	328	471	664	925					
Hispanic	11,859	250	312	421	637	941					
Men	7,291	271	327	456	667	1,001					
Women	4,568	232	290	391	589	844					
EDUCATIONAL ATTAINMENT											
Total, 25 years and over	87,409	315	436	647	971	1,434					
Less than a high school diploma	8,445	239	299	392	534	741					
High school graduates, no college	26,674	295	392	535	759	1,030					
Some college or associate degree	23,814	337	453	636	890	1,236					
College graduates, total	28,476	460	647	943	1,370	1,905					
Bachelor's degree only	18,912	430	608	871	1,254	1,770					
Advanced degree	9,564	557	763	1,109	1,568	2,122					
Men, 25 years and over	49,264	347	495	738	1,106	1,614					
Less than a high school diploma	5,554	261	326	443	606	816					
High school graduates, no college	15,013	329	447	618	871	1,169					
Some college or associate degree	12,726	380	521	743	1,002	1,408					
College graduates, total	15,970	501	732	1,083	1,560	2,196					
Bachelor's degree only	10,610	479	671	992	1,433	1,967					
Advanced degree	5,360	593	866	1,262	1,774	2,436					
Women, 25 years and over	38,145	291	390	562	811	1,161					
Less than a high school diploma	2,891	212	269	324	411	518					
High school graduates, no college	11,662	272	345	460	618	816					
Some college or associate degree	11,087	311	399	540	748	983					
College graduates, total	12,506	424	594	803	1,135	1,541					
Bachelor's degree only	8,302	396	548	746	1,042	1,399					
Advanced degree	4,203	525	690	935	1,301	1,753					

NOTE: Ten percent of all full-time wage and salary workers earn less than the upper limit of the first decile; 25 percent earn less than the upper limit of the first quartile; 50 percent earn less than the upper limit of the second quartile, or median; 75 percent earn less than the upper limit of the

third quartile; and 90 percent earn less than the upper limit of the ninth decile. Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

# Table 5. Median usual weekly earnings of part-time wage and salary workers by selected characteristics, quarterly averages, not seasonally adjusted

Characteristic	Number o (in thou	of workers usands)	Median weekly earnings		
	ІІ 2001	II 2002	II 2001	II 2002	
SEX AND AGE					
Total, 16 years and over	20,956	21,260	\$176	\$189	
Men, 16 years and over	6,953	6,808	160	181	
16 to 24 years	3,805	3,567	135	149	
25 years and over	3,147	3,241	215	228	
Women, 16 years and over	14,003	14,451	186	194	
16 to 24 years	4,441	4,527	134	138	
25 years and over	9,562	9,924	220	230	
RACE, HISPANIC ORIGIN, AND SEX					
White	18,167	18,368	178	190	
Men	5,855	5,707	161	176	
Women	12,312	12,661	188	196	
Black	1,924	1,989	162	186	
Men	694	726	146	203	
Women	1,230	1,264	170	176	
Hispanic origin	1,876	2,178	178	183	
Men	765	723	180	190	
Women	1,111	1,455	177	181	

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented

and Hispanics are included in both the white and black population groups.