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USUAL WEEKLY EARNINGS OF WAGE AND SALARY WORKERS: SECOND QUARTER 2004

Median weekly earnings of the nation's 101.3 million full-time wage and salary workers were \$639 in the second quarter of 2004, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This was 3.7 percent higher than a year earlier, compared with a gain of 2.8 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 \$572 per week, or 80.1 percent of the \$714 median for men. The female-to-male earnings ratios were higher among Hispanics or Latinos (86.8 percent) and blacks (84.3 percent) than among Asians (80.9 percent) or whites (80.0 percent). (See table 1.)

—Median earnings for black men working at full-time jobs were \$598 per week, 82.0 percent of the median for white men (\$729). The difference was less among women, as black women's median earnings (\$504) were 86.4 percent of those for their white counterparts (\$583). Overall, median earnings of Hispanics or Latinos who worked full time (\$451) were lower than those of blacks (\$536), whites (\$655), and Asians (\$720). (See table 1.)

—Among men, those age 55 to 64 and age 45 to 54 had the highest median weekly earnings, \$854 and \$849, respectively. Among women, earnings also were highest for these two age groups—\$628 for both groups. (See table 2.)

—Among the major occupational groups, persons employed full time in managerial, professional, and related occupations had the highest median weekly earnings—\$1,073 for men and \$782 for women. Men and women in service jobs earned the least. (See table 3.)

—Full-time workers age 25 and over without a high school diploma had median weekly earnings of \$404, compared with \$576 for high school graduates (no college) and \$973 for college graduates holding at least a bachelor's degree. Among college graduates with advanced degrees (professional or master's degree and above), the highest-earning 10 percent of male workers made \$2,891 or more per week, compared with \$1,845 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 *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 or Latino ethnicity. This refers to persons who identified themselves in the enumeration process as being Spanish, Hispanic, or Latino. Persons whose ethnicity is identified as Hispanic or Latino may be of any race and, therefore, are classified by ethnicity as well as by race.

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

Characteristic	Number of workers (in thousands)		Median weekly earnings			
	II 2003	II 2004	In current dollars		In constant (1982) dollars	
			II 2003	II 2004	II 2003	II 2004
SEX AND AGE						
Total, 16 years and over	100,442	101,300	\$616	\$639	\$323	\$326
Men, 16 years and over	56,111	57,034	692	714	363	364
16 to 24 years	6,206	6,272	391	397	205	203
25 years and over	49,905	50,763	743	763	390	389
Women, 16 years and over	44,332	44,266	547	572	287	292
16 to 24 years	4,835	4,691	366	370	192	189
25 years and over	39,497	39,575	582	601	306	307
RACE, HISPANIC OR LATINO ETHNICITY, AND SEX						
White	82,145	82,756	631	655	331	334
Men	47,028	47,688	712	729	374	372
Women	35,117	35,067	561	583	295	298
Black or African American	11,879	12,014	509	536	267	274
Men	5,471	5,669	540	598	284	305
Women	6,408	6,344	489	504	257	257
Asian	4,242	4,328	678	720	356	368
Men	2,414	2,404	759	807	399	412
Women	1,828	1,924	606	653	318	333
Hispanic or Latino	13,624	14,324	430	451	226	230
Men	8,597	9,163	456	477	239	244
Women	5,027	5,160	399	414	210	211

NOTE: Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. In addition, persons whose ethnicity is identified as Hispanic or Latino may be of any race and, therefore, are classified by ethnicity as well as by race. Beginning in January 2004, data reflect revised population controls used in the household survey.

Table 2. Median usual weekly earnings of full-time wage and salary workers by age, race, Hispanic or Latino ethnicity, and sex, second quarter 2004 averages, not seasonally adjusted

Age, race, and Hispanic or Latino ethnicity	Total		Men		Women	
	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	101,300	\$639	57,034	\$714	44,266	\$572
16 to 24 years	10,963	387	6,272	397	4,691	370
16 to 19 years	1,637	313	991	324	646	296
20 to 24 years	9,325	401	5,281	409	4,045	386
25 years and over	90,337	684	50,763	763	39,575	601
25 to 54 years	76,648	679	43,303	754	33,345	599
25 to 34 years	24,863	595	14,459	627	10,404	553
35 to 44 years	26,826	722	15,395	814	11,431	613
45 to 54 years	24,959	741	13,449	849	11,510	628
55 years and over	13,690	714	7,460	832	6,230	611
55 to 64 years	11,844	733	6,443	854	5,401	628
65 years and over	1,846	592	1,017	664	828	473
White						
16 years and over	82,756	655	47,688	729	35,067	583
16 to 24 years	9,177	391	5,344	398	3,833	379
25 years and over	73,579	703	42,344	781	31,234	612
25 to 54 years	61,980	698	35,917	769	26,063	611
55 years and over	11,599	729	6,427	862	5,171	618
Black or African American						
16 years and over	12,014	536	5,669	598	6,344	504
16 to 24 years	1,202	346	606	381	596	328
25 years and over	10,812	577	5,063	626	5,748	520
25 to 54 years	9,494	576	4,468	627	5,026	521
55 years and over	1,318	585	596	618	722	514
Asian						
16 years and over	4,328	720	2,404	807	1,924	653
16 to 24 years	264	404	127	405	137	402
25 years and over	4,064	755	2,276	840	1,788	667
25 to 54 years	3,524	749	1,971	840	1,552	664
55 years and over	540	794	305	838	235	739
Hispanic or Latino						
16 years and over	14,324	451	9,163	477	5,160	414
16 to 24 years	2,233	346	1,439	353	794	330
25 years and over	12,091	484	7,724	502	4,367	439
25 to 54 years	10,951	481	7,063	499	3,888	436
55 years and over	1,139	508	661	558	478	472

NOTE: Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. In addition, persons whose ethnicity is identified as Hispanic or Latino may be of any race and, therefore, are classified by ethnicity as well as by race. Beginning in January 2004, data reflect revised population controls used in the household survey.

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

Occupation and sex	Number of workers (in thousands)		Median weekly earnings	
	II 2003	II 2004	II 2003	II 2004
TOTAL				
Managerial, professional, and related occupations	35,730	36,217	\$877	\$912
Management, business, and financial operations occupations	14,798	14,828	956	952
Professional and related occupations	20,932	21,389	837	882
Service occupations	13,184	13,847	398	409
Sales and office occupations	25,396	24,846	545	557
Sales and related occupations	9,986	9,899	598	616
Office and administrative support occupations	15,410	14,947	522	525
Natural resources, construction, and maintenance occupations	10,891	11,157	611	618
Farming, fishing, and forestry occupations	736	768	357	367
Construction and extraction occupations	5,889	6,090	598	595
Installation, maintenance, and repair occupations	4,265	4,299	668	707
Production, transportation, and material moving occupations	15,241	15,233	510	523
Production occupations	8,600	8,496	504	520
Transportation and material moving occupations	6,641	6,737	517	528
Men				
Managerial, professional, and related occupations	17,666	17,976	1,048	1,073
Management, business, and financial operations occupations	8,124	8,183	1,140	1,134
Professional and related occupations	9,542	9,793	988	1,046
Service occupations	6,568	7,012	451	474
Sales and office occupations	9,619	9,435	662	664
Sales and related occupations	5,676	5,601	733	753
Office and administrative support occupations	3,943	3,835	583	585
Natural resources, construction, and maintenance occupations	10,433	10,669	616	623
Farming, fishing, and forestry occupations	552	632	379	382
Construction and extraction occupations	5,770	5,963	600	596
Installation, maintenance, and repair occupations	4,111	4,073	669	711
Production, transportation, and material moving occupations	11,825	11,942	562	577
Production occupations	6,041	6,072	573	590
Transportation and material moving occupations	5,784	5,871	547	561
Women				
Managerial, professional, and related occupations	18,065	18,241	753	782
Management, business, and financial operations occupations	6,674	6,645	786	810
Professional and related occupations	11,391	11,596	734	768
Service occupations	6,616	6,835	365	369
Sales and office occupations	15,777	15,411	502	509
Sales and related occupations	4,310	4,298	455	465
Office and administrative support occupations	11,468	11,112	512	516
Natural resources, construction, and maintenance occupations	458	488	454	476
Farming, fishing, and forestry occupations	185	136	327	330
Construction and extraction occupations	119	127	535	509
Installation, maintenance, and repair occupations	154	225	656	588
Production, transportation, and material moving occupations	3,416	3,291	399	405
Production occupations	2,560	2,424	399	407
Transportation and material moving occupations	857	867	396	402

NOTE: Beginning in January 2004, data reflect revised population controls used in the household survey.

Table 4. Quartiles and selected deciles of usual weekly earnings of full-time wage and salary workers by selected characteristics, second quarter 2004 averages, not seasonally adjusted

Characteristic	Number of workers (in thousands)	Upper limit of:				
		First decile	First quartile	Second quartile (median)	Third quartile	Ninth decile
SEX, RACE, AND HISPANIC OR LATINO ETHNICITY						
Total, 16 years and over	101,300	\$304	\$419	\$639	\$969	\$1,445
Men	57,034	323	467	714	1,087	1,631
Women	44,266	287	386	572	834	1,174
White	82,756	310	429	655	991	1,474
Men	47,688	328	478	729	1,121	1,660
Women	35,067	291	395	583	847	1,199
Black or African American	12,014	282	366	536	788	1,101
Men	5,669	294	400	598	852	1,158
Women	6,344	272	343	504	732	1,026
Asian	4,328	321	465	720	1,157	1,730
Men	2,404	354	504	807	1,288	1,861
Women	1,924	297	422	653	1,044	1,439
Hispanic or Latino	14,324	266	320	451	678	992
Men	9,163	281	336	477	700	1,024
Women	5,160	240	302	414	621	932
EDUCATIONAL ATTAINMENT						
Total, 25 years and over	90,337	323	462	684	1,015	1,500
Less than a high school diploma	8,661	250	305	404	562	798
High school graduates, no college ¹	27,383	308	408	576	801	1,105
Some college or associate degree	24,450	338	478	664	932	1,258
Bachelor's degree and higher ²	29,844	480	679	973	1,439	2,019
Bachelor's degree only	19,386	440	628	902	1,302	1,860
Advanced degree	10,457	596	806	1,142	1,679	2,423
Men, 25 years and over	50,763	357	509	763	1,145	1,717
Less than a high school diploma	5,893	279	331	455	618	884
High school graduates, no college ¹	15,542	345	476	657	906	1,215
Some college or associate degree	12,844	384	546	760	1,043	1,422
Bachelor's degree and higher ²	16,485	508	759	1,123	1,669	2,402
Bachelor's degree only	10,688	470	705	1,020	1,511	2,116
Advanced degree	5,797	640	911	1,331	1,909	2,891
Women, 25 years and over	39,575	300	409	601	872	1,226
Less than a high school diploma	2,768	224	270	326	425	559
High school graduates, no college ¹	11,841	284	362	489	653	889
Some college or associate degree	11,606	310	417	580	779	1,054
Bachelor's degree and higher ²	13,359	451	621	850	1,170	1,573
Bachelor's degree only	8,699	415	590	777	1,082	1,459
Advanced degree	4,660	567	726	979	1,343	1,845

¹ Includes persons with a high school diploma or equivalent.

² Includes persons with bachelor's, master's, professional, and doctoral degrees.

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. Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. In addition, persons whose ethnicity is identified as Hispanic or Latino may be of any race and, therefore, are classified by ethnicity as well as by race. Beginning in January 2004, data reflect revised population controls used in the household survey.

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

Characteristic	Number of workers (in thousands)		Median weekly earnings	
	II 2003	II 2004	II 2003	II 2004
SEX AND AGE				
Total, 16 years and over	21,721	21,817	\$193	\$195
Men, 16 years and over	6,975	6,860	188	178
16 to 24 years	3,490	3,558	148	150
25 years and over	3,484	3,302	241	226
Women, 16 years and over	14,746	14,957	196	203
16 to 24 years	4,430	4,573	143	145
25 years and over	10,316	10,384	228	237
RACE, HISPANIC OR LATINO ETHNICITY, AND SEX				
White	18,388	18,489	195	197
Men	5,729	5,702	186	178
Women	12,659	12,787	199	205
Black or African American	2,068	1,953	185	192
Men	768	663	194	183
Women	1,300	1,290	180	197
Asian	724	781	206	193
Men	242	291	206	183
Women	482	490	205	197
Hispanic or Latino	2,512	2,420	185	194
Men	996	848	209	189
Women	1,516	1,571	170	197

NOTE: Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. In addition, persons whose ethnicity is identified as Hispanic or Latino may be of any race and, therefore, are classified by ethnicity as well as by race. Beginning in January 2004, data reflect revised population controls used in the household survey.