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USUAL WEEKLY EARNINGS OF WAGE AND SALARY WORKERS: THIRD QUARTER 2006

Median weekly earnings of the nation's 108.2 million full-time wage and salary workers were \$675 in the third quarter of 2006, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This was 4.0 percent higher than a year earlier, compared with a gain of 3.3 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 third-quarter data are:

- Women who usually worked full time had median earnings of \$599 per week, or 80.0 percent of the \$749 median for men. The female-to-male earnings ratios were higher among Hispanics or Latinos (87.3 percent), Asians (84.9 percent), and blacks (83.8 percent) than among whites (79.6 percent). (See table 1.)
- Median earnings for black men working at full-time jobs were \$610 per week, 79.8 percent of the median for white men (\$764). The difference was less among women, as black women's median earnings (\$511) were 84.0 percent of those for their white counterparts (\$608). Overall, median earnings of Hispanics or Latinos who worked full time (\$485) were lower than those of blacks (\$555), whites (\$692), and Asians (\$798). (See table 1.)
- For both men and women, median weekly earnings were highest for those age 45 to 54 (\$894 and \$662, respectively) and age 55 to 64 (\$886 and \$661, respectively). (See table 2.)
- Among the major occupational groups, persons employed full time in managerial, professional, and related occupations had the highest median weekly earnings—\$1,147 for men and \$856 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 \$420 compared with \$602 for high school graduates (no college) and \$1,047 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 \$2,882 or more per week compared with \$2,089 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			
	III 2005	III 2006	In current dollars		In constant (1982) dollars	
			III 2005	III 2006	III 2005	III 2006
SEX AND AGE						
Total, 16 years and over	105,428	108,169	\$649	\$675	\$318	\$320
Men, 16 years and over	59,778	60,996	716	749	351	355
16 to 24 years	7,017	7,313	407	409	200	194
25 years and over	52,761	53,683	768	808	377	383
Women, 16 years and over	45,649	47,173	585	599	287	284
16 to 24 years	5,022	5,273	379	393	186	187
25 years and over	40,627	41,901	615	629	301	299
RACE, HISPANIC OR LATINO ETHNICITY, AND SEX						
White	85,558	87,956	667	692	327	328
Men	49,557	50,852	737	764	361	362
Women	36,001	37,103	594	608	291	289
Black or African American	12,714	12,857	520	555	255	263
Men	6,159	6,070	533	610	261	289
Women	6,555	6,787	509	511	250	243
Asian	4,674	4,873	761	798	373	378
Men	2,665	2,703	834	857	409	407
Women	2,009	2,170	659	728	323	345
Hispanic or Latino ethnicity	14,913	15,886	462	485	226	230
Men	9,581	10,096	483	504	237	239
Women	5,332	5,790	418	440	205	209

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 2006, 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, third quarter 2006 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	108,169	\$675	60,996	\$749	47,173	\$599
16 to 24 years	12,586	403	7,313	409	5,273	393
16 to 19 years	2,393	323	1,403	340	990	308
20 to 24 years	10,193	419	5,910	422	4,283	414
25 years and over	95,584	726	53,683	808	41,901	629
25 to 54 years	79,768	724	45,119	800	34,649	627
25 to 34 years	25,849	630	14,916	683	10,934	585
35 to 44 years	27,379	758	15,717	854	11,662	651
45 to 54 years	26,540	782	14,487	894	12,053	662
55 years and over	15,816	741	8,564	867	7,252	641
55 to 64 years	13,644	765	7,323	886	6,320	661
65 years and over	2,172	581	1,241	649	931	516
White						
16 years and over	87,956	692	50,852	764	37,103	608
16 to 24 years	10,389	404	6,189	411	4,201	391
25 years and over	77,566	743	44,664	830	32,903	643
25 to 54 years	64,216	739	37,282	820	26,934	640
55 years and over	13,350	760	7,382	889	5,969	656
Black or African American						
16 years and over	12,857	555	6,070	610	6,787	511
16 to 24 years	1,466	380	712	373	754	386
25 years and over	11,391	588	5,358	647	6,033	528
25 to 54 years	9,831	588	4,664	645	5,167	523
55 years and over	1,560	592	694	678	866	576
Asian						
16 years and over	4,873	798	2,703	857	2,170	728
16 to 24 years	336	480	177	438	159	513
25 years and over	4,536	839	2,526	893	2,010	761
25 to 54 years	3,892	855	2,167	905	1,725	787
55 years and over	644	727	359	831	285	590
Hispanic or Latino ethnicity						
16 years and over	15,886	485	10,096	504	5,790	440
16 to 24 years	2,482	374	1,658	384	823	350
25 years and over	13,405	507	8,438	534	4,967	462
25 to 54 years	12,115	506	7,707	533	4,408	462
55 years and over	1,290	515	731	536	559	464

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 2006, 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	
	III 2005	III 2006	III 2005	III 2006
TOTAL				
Management, professional, and related occupations	37,060	37,876	\$935	\$974
Management, business, and financial operations occupations	14,891	15,319	992	1,046
Professional and related occupations	22,168	22,557	897	935
Service occupations	14,648	15,413	410	423
Sales and office occupations	25,936	26,206	570	592
Sales and related occupations	10,352	10,657	606	627
Office and administrative support occupations	15,584	15,549	550	580
Natural resources, construction, and maintenance occupations	12,288	13,104	618	663
Farming, fishing, and forestry occupations	903	881	352	371
Construction and extraction occupations	7,031	7,331	604	637
Installation, maintenance, and repair occupations	4,354	4,892	705	743
Production, transportation, and material moving occupations	15,496	15,571	524	569
Production occupations	8,453	8,491	516	578
Transportation and material moving occupations	7,043	7,079	541	558
Men				
Management, professional, and related occupations	18,305	18,612	1,103	1,147
Management, business, and financial operations occupations	8,186	8,270	1,147	1,209
Professional and related occupations	10,120	10,342	1,057	1,104
Service occupations	7,262	7,566	464	494
Sales and office occupations	10,153	10,117	682	718
Sales and related occupations	5,792	5,924	748	770
Office and administrative support occupations	4,361	4,193	616	635
Natural resources, construction, and maintenance occupations	11,734	12,516	622	672
Farming, fishing, and forestry occupations	719	713	361	384
Construction and extraction occupations	6,867	7,157	605	642
Installation, maintenance, and repair occupations	4,148	4,647	704	745
Production, transportation, and material moving occupations	12,324	12,185	577	615
Production occupations	6,090	5,994	594	659
Transportation and material moving occupations	6,234	6,191	556	587
Women				
Management, professional, and related occupations	18,754	19,264	812	856
Management, business, and financial operations occupations	6,706	7,049	860	905
Professional and related occupations	12,049	12,215	785	827
Service occupations	7,385	7,847	383	391
Sales and office occupations	15,783	16,089	514	541
Sales and related occupations	4,559	4,733	457	484
Office and administrative support occupations	11,223	11,355	530	563
Natural resources, construction, and maintenance occupations	554	588	471	518
Farming, fishing, and forestry occupations	184	169	324	319
Construction and extraction occupations	164	174	459	527
Installation, maintenance, and repair occupations	207	245	720	725
Production, transportation, and material moving occupations	3,173	3,386	418	432
Production occupations	2,363	2,498	416	441
Transportation and material moving occupations	810	888	429	414

NOTE: Beginning in January 2006, 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, third quarter 2006 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	108,169	\$317	\$441	\$675	\$1,023	\$1,536
Men	60,996	344	487	749	1,144	1,731
Women	47,173	296	404	599	893	1,300
White	87,956	321	454	692	1,048	1,555
Men	50,852	350	496	764	1,162	1,743
Women	37,103	297	409	608	898	1,316
Black or African American	12,857	295	390	555	847	1,178
Men	6,070	313	413	610	904	1,269
Women	6,787	286	372	511	768	1,134
Asian	4,873	371	514	798	1,304	1,888
Men	2,703	381	554	857	1,406	1,919
Women	2,170	352	492	728	1,154	1,737
Hispanic or Latino ethnicity	15,886	280	348	485	709	1,060
Men	10,096	290	371	504	746	1,123
Women	5,790	262	315	440	635	961
EDUCATIONAL ATTAINMENT						
Total, 25 years and over	95,584	344	485	726	1,087	1,603
Less than a high school diploma	9,295	262	320	420	588	805
High school graduates, no college ¹	27,792	323	423	602	856	1,150
Some college or associate degree	26,256	363	493	701	971	1,330
Bachelor's degree and higher ²	32,240	511	728	1,047	1,557	2,209
Bachelor's degree only	20,772	483	673	979	1,455	1,935
Advanced degree	11,469	605	838	1,171	1,783	2,509
Men, 25 years and over	53,683	382	534	808	1,201	1,780
Less than a high school diploma	6,185	284	354	468	655	873
High school graduates, no college ¹	16,334	368	492	694	957	1,246
Some college or associate degree	13,541	417	577	808	1,102	1,467
Bachelor's degree and higher ²	17,623	575	801	1,191	1,765	2,406
Bachelor's degree only	11,377	528	747	1,126	1,629	2,198
Advanced degree	6,245	642	923	1,403	1,922	2,882
Women, 25 years and over	41,901	310	427	629	935	1,362
Less than a high school diploma	3,110	236	287	363	472	599
High school graduates, no college ¹	11,459	290	377	501	676	920
Some college or associate degree	12,715	320	430	603	833	1,104
Bachelor's degree and higher ²	14,618	477	658	920	1,301	1,877
Bachelor's degree only	9,394	441	616	851	1,223	1,738
Advanced degree	5,223	578	765	1,022	1,412	2,089

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 2006, 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	
	III 2005	III 2006	III 2005	III 2006
SEX AND AGE				
Total, 16 years and over	21,465	20,659	\$206	\$211
Men, 16 years and over	6,641	6,579	196	198
16 to 24 years	3,348	3,352	163	161
25 years and over	3,293	3,228	257	259
Women, 16 years and over	14,824	14,079	210	218
16 to 24 years	4,800	4,365	159	160
25 years and over	10,024	9,715	246	256
RACE, HISPANIC OR LATINO ETHNICITY, AND SEX				
White	18,076	17,318	207	213
Men	5,546	5,337	199	199
Women	12,530	11,981	212	221
Black or African American	2,001	2,032	193	202
Men	651	767	185	200
Women	1,350	1,266	197	203
Asian	845	796	209	216
Men	275	287	183	192
Women	571	509	223	228
Hispanic or Latino ethnicity	2,497	2,220	198	200
Men	833	733	211	202
Women	1,664	1,487	191	200

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 2006, data reflect revised population controls used in the household survey.