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USUAL WEEKLY EARNINGS OF WAGE AND SALARY WORKERS: THIRD QUARTER 2005

Median weekly earnings of the nation's 105.4 million full-time wage and salary workers were \$649 in the third quarter of 2005, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This was 2.7 percent higher than a year earlier, compared with a gain of 3.8 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 third-quarter data are:

—Women who usually worked full time had median earnings of \$585 per week, or 81.7 percent of the \$716 median for men. The female-to-male earnings ratios were higher among blacks (95.5 percent) and Hispanics or Latinos (86.5 percent) than among whites (80.6 percent) or Asians (79.0 percent). (See table 1.)

—Median earnings for black men working at full-time jobs were \$533 per week, 72.3 percent of the median for white men (\$737). The difference was less among women, as black women's median earnings (\$509) were 85.7 percent of those for their white counterparts (\$594). Overall, median earnings of Hispanics or Latinos who worked full time (\$462) were lower than those of blacks (\$520), whites (\$667), and Asians (\$761). (See table 1.)

—Among men, those age 55 to 64 and age 45 to 54 had the highest median weekly earnings, \$858 and \$848, respectively. Among women, earnings were highest for 45- to 54-year-olds and 55- to 64-year-olds, \$640 and \$639, respectively. (See table 2.)

—Among the major occupational groups, persons employed full time in management, professional, and related occupations had the highest median weekly earnings—\$1,103 for men and \$812 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 \$413, compared with \$583 for high school graduates (no college) and \$1,014 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 \$2,729 or more per week, compared with \$1,858 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 2004	III 2005	In current dollars		In constant (1982) dollars	
			III 2004	III 2005	III 2004	III 2005
SEX AND AGE						
Total, 16 years and over	102,325	105,428	\$632	\$649	\$322	\$318
Men, 16 years and over	57,898	59,778	704	716	358	351
16 to 24 years	6,865	7,017	400	407	204	200
25 years and over	51,033	52,761	759	768	386	377
Women, 16 years and over	44,427	45,649	571	585	291	287
16 to 24 years	5,083	5,022	371	379	189	186
25 years and over	39,344	40,627	602	615	306	301
RACE, HISPANIC OR LATINO ETHNICITY, AND SEX						
White	83,367	85,558	651	667	331	327
Men	48,172	49,557	721	737	367	361
Women	35,195	36,001	583	594	297	291
Black or African American	12,136	12,714	531	520	270	255
Men	5,757	6,159	570	533	290	261
Women	6,379	6,555	508	509	258	250
Asian	4,408	4,674	701	761	357	373
Men	2,581	2,665	801	834	408	409
Women	1,827	2,009	589	659	300	323
Hispanic or Latino	14,263	14,913	458	462	233	226
Men	9,155	9,581	477	483	243	237
Women	5,108	5,332	430	418	219	205

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 2005, 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 2005 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	105,428	\$649	59,778	\$716	45,649	\$585
16 to 24 years	12,039	395	7,017	407	5,022	379
16 to 19 years	2,283	310	1,362	322	921	293
20 to 24 years	9,756	415	5,655	427	4,101	401
25 years and over	93,388	697	52,761	768	40,627	615
25 to 54 years	78,744	691	44,605	760	34,138	613
25 to 34 years	25,289	615	14,931	643	10,357	584
35 to 44 years	27,582	730	15,697	822	11,886	622
45 to 54 years	25,872	745	13,977	848	11,895	640
55 years and over	14,645	726	8,156	837	6,489	621
55 to 64 years	12,731	741	6,988	858	5,743	639
65 years and over	1,914	582	1,167	650	746	500
White						
16 years and over	85,558	667	49,557	737	36,001	594
16 to 24 years	9,920	398	5,906	411	4,015	379
25 years and over	75,638	717	43,652	792	31,986	625
25 to 54 years	63,356	712	36,706	782	26,650	623
55 years and over	12,282	743	6,946	871	5,336	636
Black or African American						
16 years and over	12,714	520	6,159	533	6,555	509
16 to 24 years	1,316	367	669	366	647	368
25 years and over	11,398	551	5,490	571	5,908	531
25 to 54 years	9,911	550	4,773	567	5,138	534
55 years and over	1,487	555	717	603	770	509
Asian						
16 years and over	4,674	761	2,665	834	2,009	659
16 to 24 years	349	408	194	405	155	412
25 years and over	4,325	790	2,471	872	1,855	690
25 to 54 years	3,722	795	2,125	871	1,597	692
55 years and over	603	770	345	877	257	684
Hispanic or Latino						
16 years and over	14,913	462	9,581	483	5,332	418
16 to 24 years	2,176	375	1,455	380	721	355
25 years and over	12,738	484	8,126	502	4,611	434
25 to 54 years	11,606	484	7,447	502	4,160	433
55 years and over	1,131	488	679	499	452	455

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 2005, 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 2004	III 2005	III 2004	III 2005
TOTAL				
Management, professional, and related occupations	35,684	37,060	\$916	\$935
Management, business, and financial operations occupations	14,421	14,891	958	992
Professional and related occupations	21,263	22,168	886	897
Service occupations	14,188	14,648	411	410
Sales and office occupations	25,399	25,936	566	570
Sales and related occupations	10,056	10,352	598	606
Office and administrative support occupations	15,343	15,584	549	550
Natural resources, construction, and maintenance occupations	11,680	12,288	613	618
Farming, fishing, and forestry occupations	777	903	363	352
Construction and extraction occupations	6,635	7,031	602	604
Installation, maintenance, and repair occupations	4,268	4,354	693	705
Production, transportation, and material moving occupations	15,375	15,496	520	524
Production occupations	8,561	8,453	519	516
Transportation and material moving occupations	6,814	7,043	521	541
Men				
Management, professional, and related occupations	17,719	18,305	1,111	1,103
Management, business, and financial operations occupations	7,926	8,186	1,169	1,147
Professional and related occupations	9,793	10,120	1,051	1,057
Service occupations	7,188	7,262	470	464
Sales and office occupations	9,691	10,153	668	682
Sales and related occupations	5,701	5,792	733	748
Office and administrative support occupations	3,990	4,361	606	616
Natural resources, construction, and maintenance occupations	11,247	11,734	618	622
Farming, fishing, and forestry occupations	655	719	366	361
Construction and extraction occupations	6,523	6,867	603	605
Installation, maintenance, and repair occupations	4,068	4,148	699	704
Production, transportation, and material moving occupations	12,054	12,324	575	577
Production occupations	6,058	6,090	591	594
Transportation and material moving occupations	5,995	6,234	548	556
Women				
Management, professional, and related occupations	17,965	18,754	776	812
Management, business, and financial operations occupations	6,494	6,706	799	860
Professional and related occupations	11,470	12,049	767	785
Service occupations	7,001	7,385	382	383
Sales and office occupations	15,708	15,783	516	514
Sales and related occupations	4,355	4,559	456	457
Office and administrative support occupations	11,354	11,223	533	530
Natural resources, construction, and maintenance occupations	433	554	434	471
Farming, fishing, and forestry occupations	121	184	357	324
Construction and extraction occupations	112	164	569	459
Installation, maintenance, and repair occupations	199	207	506	720
Production, transportation, and material moving occupations	3,321	3,173	398	418
Production occupations	2,502	2,363	394	416
Transportation and material moving occupations	819	810	406	429

NOTE: Beginning in January 2005, 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 2005 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	105,428	\$306	\$422	\$649	\$994	\$1,484
Men	59,778	323	465	716	1,098	1,667
Women	45,649	289	392	585	862	1,246
White	85,558	311	435	667	1,016	1,524
Men	49,557	331	480	737	1,131	1,732
Women	36,001	290	398	594	873	1,264
Black or African American	12,714	281	368	520	783	1,129
Men	6,159	283	379	533	815	1,136
Women	6,555	279	359	509	760	1,123
Asian	4,674	335	488	761	1,172	1,762
Men	2,665	373	527	834	1,333	1,917
Women	2,009	304	433	659	993	1,440
Hispanic or Latino	14,913	269	329	462	674	1,016
Men	9,581	283	347	483	700	1,067
Women	5,332	244	307	418	628	919
EDUCATIONAL ATTAINMENT						
Total, 25 years and over	93,388	327	464	697	1,046	1,547
Less than a high school diploma	9,302	257	311	413	565	782
High school graduates, no college ¹	27,640	308	408	583	815	1,117
Some college or associate degree	25,655	345	476	678	950	1,290
Bachelor's degree and higher ²	30,791	490	705	1,014	1,504	2,092
Bachelor's degree only	19,875	457	650	941	1,384	1,918
Advanced degree	10,916	597	809	1,157	1,694	2,320
Men, 25 years and over	52,761	355	505	768	1,158	1,760
Less than a high school diploma	6,381	281	336	461	621	851
High school graduates, no college ¹	16,126	341	465	650	908	1,210
Some college or associate degree	13,390	387	541	764	1,052	1,424
Bachelor's degree and higher ²	16,865	524	786	1,168	1,759	2,401
Bachelor's degree only	10,982	496	734	1,081	1,587	2,264
Advanced degree	5,883	625	923	1,382	1,912	2,729
Women, 25 years and over	40,627	304	415	615	905	1,290
Less than a high school diploma	2,922	227	281	343	446	577
High school graduates, no college ¹	11,514	281	366	491	669	919
Some college or associate degree	12,265	319	420	594	815	1,109
Bachelor's degree and higher ²	13,927	458	637	874	1,223	1,641
Bachelor's degree only	8,893	427	596	812	1,143	1,554
Advanced degree	5,033	580	744	992	1,359	1,858

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 2005, 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 2004	III 2005	III 2004	III 2005
SEX AND AGE				
Total, 16 years and over	21,403	21,465	\$199	\$206
Men, 16 years and over	6,774	6,641	190	196
16 to 24 years	3,407	3,348	159	163
25 years and over	3,367	3,293	232	257
Women, 16 years and over	14,629	14,824	203	210
16 to 24 years	4,423	4,800	152	159
25 years and over	10,206	10,024	236	246
RACE, HISPANIC OR LATINO ETHNICITY, AND SEX				
White	18,038	18,076	200	207
Men	5,629	5,546	186	199
Women	12,408	12,530	206	212
Black or African American	2,026	2,001	189	193
Men	702	651	191	185
Women	1,324	1,350	188	197
Asian	842	845	217	209
Men	275	275	231	183
Women	567	571	206	223
Hispanic or Latino	2,416	2,497	189	198
Men	808	833	192	211
Women	1,607	1,664	187	191

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 2005, data reflect revised population controls used in the household survey.