

News

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Technical information: (202) 691-6378
<http://www.bls.gov/cps/>

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Media contact: 691-5902

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USUAL WEEKLY EARNINGS OF WAGE AND SALARY WORKERS: THIRD QUARTER 2002

Median weekly earnings of the nation's 99.8 million full-time wage and salary workers were \$605 in the third quarter of 2002, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This was 1.7 percent higher than a year earlier, compared with a gain of 1.6 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 \$528 per week, or 78.1 percent of the \$676 median for men. The female-to-male earnings ratios were higher among blacks (89.3 percent) and Hispanics (90.5 percent) than among whites (78.5 percent). (See table 1.)

—Median earnings for black men working at full-time jobs were \$512 per week, 73.0 percent of the median for white men (\$701). The difference was much less among women, as black women's median earnings (\$457) were 83.1 percent of those for their white counterparts (\$550). Overall, median earnings of Hispanics who worked full time (\$421) were lower than those of blacks (\$485) and whites (\$623). (See table 1.)

—Among men, the highest median weekly earnings were for those age 55 to 64 (\$808) and age 45 to 54 (\$798). Among women, earnings were highest for those 45 to 54 years old (\$606). (See table 2.)

—Among the major occupational groups, persons employed full time in managerial and professional specialty occupations had the highest median weekly earnings—\$1,056 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 \$388, compared with \$534 for high school graduates (no college) and \$944 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 \$2,682 or more per week, compared with \$1,834 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

Characteristic	Number of workers (in thousands)		Median weekly earnings			
	III 2001	III 2002	In current dollars		In constant (1982) dollars	
			III 2001	III 2002	III 2001	III 2002
SEX AND AGE						
Total, 16 years and over	100,851	99,822	\$595	\$605	\$323	\$323
Men, 16 years and over	56,865	56,306	674	676	366	361
16 to 24 years	7,303	6,985	389	378	211	202
25 years and over	49,562	49,321	725	734	394	392
Women, 16 years and over	43,987	43,516	507	528	275	282
16 to 24 years	5,555	5,333	350	359	190	192
25 years and over	38,432	38,183	542	572	294	306
RACE, HISPANIC ORIGIN, AND SEX						
White	83,196	82,325	610	623	331	333
Men	48,118	47,487	694	701	377	374
Women	35,078	34,838	515	550	279	294
Black	12,642	12,497	489	485	266	259
Men	5,953	6,029	516	512	280	274
Women	6,689	6,468	457	457	248	244
Hispanic origin	11,712	11,897	418	421	227	225
Men	7,159	7,205	450	441	244	236
Women	4,552	4,692	383	399	208	213

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, third quarter 2002 averages, not seasonally adjusted

Age, race, and Hispanic origin	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	99,822	\$605	56,306	\$676	43,516	\$528
16 to 24 years	12,318	370	6,985	378	5,333	359
16 to 19 years	2,504	302	1,514	308	990	295
20 to 24 years	9,814	392	5,471	400	4,343	381
25 years and over	87,503	650	49,321	734	38,183	572
25 to 54 years	75,286	651	42,561	730	32,725	576
25 to 34 years	23,982	592	13,687	634	10,295	534
35 to 44 years	27,616	675	15,859	767	11,757	571
45 to 54 years	23,689	707	13,016	798	10,673	606
55 years and over	12,217	644	6,760	768	5,457	549
55 to 64 years	10,760	666	5,902	808	4,858	567
65 years and over	1,456	501	858	593	599	415
White						
16 years and over	82,325	623	47,487	701	34,838	550
16 to 24 years	10,440	373	6,030	383	4,409	359
25 years and over	71,886	677	41,457	759	30,429	588
25 to 54 years	61,421	677	35,555	752	25,867	591
55 years and over	10,464	681	5,903	826	4,562	574
Black						
16 years and over	12,497	485	6,029	512	6,468	457
16 to 24 years	1,435	344	716	327	718	356
25 years and over	11,062	505	5,312	551	5,750	478
25 to 54 years	9,833	507	4,747	547	5,086	481
55 years and over	1,229	493	565	582	664	450
Hispanic origin						
16 years and over	11,897	421	7,205	441	4,692	399
16 to 24 years	1,992	330	1,282	335	710	323
25 years and over	9,905	455	5,922	484	3,983	418
25 to 54 years	8,933	456	5,339	481	3,594	422
55 years and over	973	442	584	511	389	377

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

Occupation and sex	Number of workers (in thousands)		Median weekly earnings	
	III 2001	III 2002	III 2001	III 2002
TOTAL				
Managerial and professional specialty	32,298	32,333	\$867	\$878
Executive, administrative, and managerial	16,149	15,911	884	886
Professional specialty	16,149	16,421	854	872
Technical, sales, and administrative support	28,546	27,898	516	551
Technicians and related support	3,837	3,690	683	697
Sales occupations	10,323	10,286	568	600
Administrative support, including clerical	14,386	13,922	479	501
Service occupations	11,608	11,787	368	381
Private household	354	394	248	273
Protective service	2,163	2,343	609	614
Service, except private household and protective	9,091	9,050	345	355
Precision production, craft, and repair	12,236	11,534	627	634
Mechanics and repairers	4,160	4,064	670	676
Construction trades	4,649	4,359	611	606
Other precision production, craft, and repair	3,427	3,111	614	632
Operators, fabricators, and laborers	14,504	14,402	475	483
Machine operators, assemblers, and inspectors	5,957	5,659	462	469
Transportation and material moving occupations	4,686	4,584	587	594
Handlers, equipment cleaners, helpers, and laborers	3,862	4,159	390	403
Farming, forestry, and fishing	1,658	1,867	347	381
Men				
Managerial and professional specialty	16,476	16,068	1,053	1,056
Executive, administrative, and managerial	8,631	8,349	1,077	1,061
Professional specialty	7,845	7,719	1,026	1,050
Technical, sales, and administrative support	11,054	10,963	664	703
Technicians and related support	1,933	1,803	786	848
Sales occupations	5,657	5,928	683	748
Administrative support, including clerical	3,464	3,233	552	588
Service occupations	5,424	5,664	420	434
Private household	12	39	(¹)	(¹)
Protective service	1,781	1,978	\$624	\$639
Service, except private household and protective	3,631	3,647	366	377
Precision production, craft, and repair	11,149	10,628	645	653
Mechanics and repairers	3,927	3,886	672	677
Construction trades	4,558	4,259	613	608
Other precision production, craft, and repair	2,664	2,482	669	693
Operators, fabricators, and laborers	11,346	11,401	508	510
Machine operators, assemblers, and inspectors	3,888	3,766	513	511
Transportation and material moving occupations	4,304	4,262	603	604
Handlers, equipment cleaners, helpers, and laborers	3,153	3,373	402	415
Farming, forestry, and fishing	1,416	1,581	361	386
Women				
Managerial and professional specialty	15,823	16,264	727	755
Executive, administrative, and managerial	7,518	7,562	709	740
Professional specialty	8,304	8,702	738	771
Technical, sales, and administrative support	17,492	16,935	465	486
Technicians and related support	1,905	1,887	583	589
Sales occupations	4,665	4,358	421	436
Administrative support, including clerical	10,922	10,689	461	485
Service occupations	6,184	6,123	334	342
Private household	342	355	241	276
Protective service	382	365	501	487
Service, except private household and protective	5,461	5,402	331	341
Precision production, craft, and repair	1,087	906	489	467
Mechanics and repairers	233	178	620	610
Construction trades	90	99	(¹)	(¹)
Other precision production, craft, and repair	764	629	\$465	\$450
Operators, fabricators, and laborers	3,159	3,002	377	383
Machine operators, assemblers, and inspectors	2,069	1,894	379	384
Transportation and material moving occupations	381	322	440	452
Handlers, equipment cleaners, helpers, and laborers	708	786	347	355
Farming, forestry, and fishing	242	286	299	330

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, third quarter 2002 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 ORIGIN						
Total, 16 years and over	99,822	\$294	\$400	\$605	\$922	\$1,383
Men	56,306	310	436	676	1,033	1,539
Women	43,516	278	367	528	774	1,123
White	82,325	299	411	623	948	1,421
Men	47,487	316	456	701	1,068	1,559
Women	34,838	283	377	550	794	1,141
Black	12,497	263	343	485	707	1,017
Men	6,029	285	376	512	746	1,130
Women	6,468	246	324	457	657	957
Hispanic	11,897	256	314	421	630	950
Men	7,205	269	326	441	684	1,044
Women	4,692	243	299	399	586	826
EDUCATIONAL ATTAINMENT						
Total, 25 years and over	87,503	314	436	650	972	1,446
Less than a high school diploma	8,080	242	298	388	536	735
High school graduates, no college	26,557	295	390	534	757	1,043
Some college or associate degree	24,362	332	448	623	884	1,218
College graduates, total	28,505	480	668	944	1,393	1,911
Bachelor's degree only	19,078	452	630	892	1,268	1,774
Advanced degree	9,427	566	760	1,104	1,602	2,315
Men, 25 years and over	49,321	346	493	734	1,111	1,592
Less than a high school diploma	5,385	266	317	423	591	794
High school graduates, no college	15,005	331	442	619	873	1,183
Some college or associate degree	12,907	382	522	728	1,008	1,376
College graduates, total	16,023	510	742	1,079	1,560	2,216
Bachelor's degree only	10,563	484	701	993	1,447	1,912
Advanced degree	5,461	593	850	1,260	1,846	2,682
Women, 25 years and over	38,183	290	390	572	822	1,165
Less than a high school diploma	2,695	214	266	330	418	564
High school graduates, no college	11,551	274	340	455	613	836
Some college or associate degree	11,454	301	396	534	729	966
College graduates, total	12,482	453	609	828	1,142	1,586
Bachelor's degree only	8,515	425	586	779	1,069	1,473
Advanced degree	3,966	533	693	928	1,288	1,834

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 of workers (in thousands)		Median weekly earnings	
	III 2001	III 2002	III 2001	III 2002
SEX AND AGE				
Total, 16 years and over	19,747	20,705	\$189	\$194
Men, 16 years and over	6,253	6,560	180	188
16 to 24 years	3,321	3,318	157	158
25 years and over	2,933	3,242	217	230
Women, 16 years and over	13,494	14,146	192	196
16 to 24 years	4,214	4,432	150	154
25 years and over	9,280	9,714	218	226
RACE, HISPANIC ORIGIN, AND SEX				
White	16,987	17,704	190	195
Men	5,223	5,474	182	189
Women	11,764	12,229	194	198
Black	1,859	1,944	172	182
Men	711	681	162	186
Women	1,148	1,263	177	181
Hispanic origin	1,926	2,076	190	184
Men	685	732	194	202
Women	1,241	1,345	188	174

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.