THE MINIMUM WAGE IDENTITY

Minimum-wage increases could appear on the ballot in as many as 34 states [this year](http://www.ncsl.org/research/labor-and-employment/state-minimum-wage-chart.aspx). President Obama has also proposed increasing the federal minimum wage to $10.10, from $7.25. Who makes the minimum wage, and who would be affected by any of the proposed increases?

All the statistics here apply to those who would be affected by the proposed increase to raise the federal minimum wage from $7.25 to $10.10. The analysis also includes a number of workers making slightly above $10.10, who, history suggests, would receive a raise if the minimum wage were increased.

**Minimum-wage workers are older than they used to be.** Their average age is 35, and 88 percent are at least 20 years old. Half are older than 30, and about a third are at least 40.

These patterns are somewhat new. In 1979, 27 percent of low-wage workers (those making $10.10 per hour or less in today’s dollars) were teenagers, compared with 12 percent in 2013, according to [John Schmitt and Janelle Jones](http://www.cepr.net/index.php/blogs/cepr-blog/update-low-wage-worker-1979-2013)

**They’re split fairly evenly between full-timers and part-timers.** Most — 54 percent — work full-time schedules (at least 35 hours per week), and another 32 percent work at least half time (20-34 hours per week).

**Many have kids.** About one-quarter (27 percent) of these low-wage workers are parents, compared with 34 percent of all workers. In all, 19 percent of children in the United States have a parent who would benefit from the increase.

**One in eight lives in a high-income household.** About 12 percent of those who would gain from an increase to $10.10 live in households with incomes above $100,000. This group highlights the fact that the minimum wage is not nearly as well targeted toward poverty reduction as the earned-income tax credit, a wage subsidy whose receipt, unlike the minimum wage, is predicated on family income.

Still, a minimum-wage increase does much more to help low- and moderate-income households than any other groups. Households that make less than $20,000 receive 5 percent of the nation’s total earnings, for instance — but would receive 26 percent of the benefit from the proposed minimum-wage increase.

**Who Benefits From a Minimum-Wage Increase?**

A federal proposal to increase the minimum wage to $10.10 an hour, from $7.25, would help some high-income households but mostly low- and middle-income ones.

**Most are women.** Women make up 48 percent of the work force yet 55 percent of the would-be beneficiaries of the increase in the minimum wage.

**Most are white, but minorities are overrepresented.** Hispanic workers account for 16 percent of the work force but 24 percent of those who would be affected by the wage increase. For African-Americans, the comparable shares are 11 percent of the work force and 15 percent of those who would gain from the increase.

**They’ve got some schooling, though less than other workers.** Of those who would be affected by the increase, 78 percent have at least finished high school, about one-third have some college under their belts, and about 10 percent have graduated from college. By comparison, 91 percent of the total work force has at least graduated from high school, and 34 percent have completed college.

As with the population as a whole, low-wage workers are more educated than in the past. In the late 1960s, [less than half](http://www.epi.org/publication/wage-workers-education-1968/) had finished high school and only 17 percent had attended any college at all.

**Their earnings are a big part of their family budgets.** The average worker in this group brings home half of his or her household’s earnings; 19 percent of those who would get the raise are sole earners. Parents who would benefit from the increase bring home an even larger share of their families’ earnings: 60 percent.

**They’re in every state, but are overrepresented in the South.** Because most of the states that have raised their minimums above the federal level are outside the South, a national increase would have more bite there. Workers in Southern states make up 17 percent of the nation’s work force but 21 percent of minimum-wage beneficiaries; workers in Northern states make up about the same share of the work force but just 16 percent of those who benefit from the proposed increase.

The debate to raise the minimum rage will no doubt rage on, as diverse views persist both in the work force and the halls of politics. But it’s important to know who we’re talking about in terms of those who benefit from the policy. Our workers, including the low-wage sector, have aged and become more educated in recent decades, at the same time that changes in trade, technology, and bargaining power have pushed against their earnings.