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Typical Minimum-Wage Earners Aren't Poor, But They're Not Quite Middle Class

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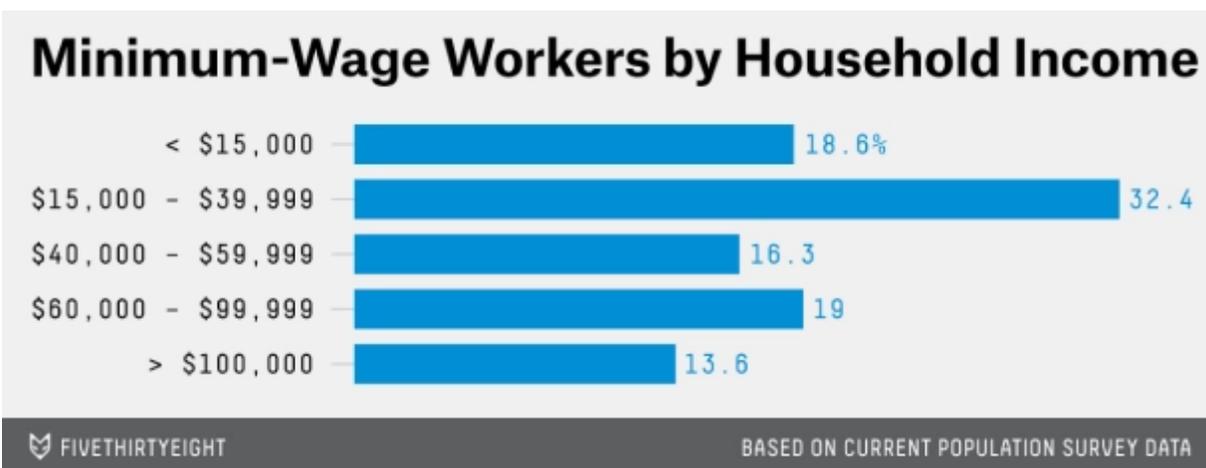
President Obama shops at the Gap, which is raising the minimum wage for its employees. PABLO MARTINEZ MONSIVAIS / AP

On Tuesday, I [tried to answer](#) a much discussed question: How many people are supporting themselves on the minimum wage? After taking out teenagers, young people living with their parents, and people with higher-earning spouses, the answer's about 1.6 million people, or about half of all minimum-wage workers.

There's another way to address the same question: Consider family income. A high-schooler working evenings at the local coffee shop might make the federal minimum of \$7.25 an hour, but her parents might run Fortune 500 companies. Family income can tell us how many minimum-wage earners are teenagers working after school and how many are adults trying to support a family.

Someone working full time for the federal minimum wage earns about \$15,000 a year. Only about a fifth of all minimum-wage earners made less than that in 2013, according to data from the Census Bureau. But about half of minimum-wage workers had family incomes of less than \$40,000, and nearly 70 percent had incomes below \$60,000, which is roughly the national median.

Most minimum-wage workers, in other words, have other sources of income. Still, most are solidly in the bottom half of the income spectrum. (The census data includes all cash income, including Social Security, child support payments and unemployment benefits, but not noncash income such as food stamps.)



How you interpret these numbers depends on your perspective. The data shows a large majority of minimum-wage workers are in low- to moderate-income families, and a significant minority are flat-out poor. These are the people who could use a raise.

A substantial number of minimum-wage workers come from better-off families. Close to half a million minimum-wage earners are in households with six-figure incomes, and a million more are in those that earn at least \$60,000. Any increase in the minimum wage would benefit those people, too — and that's not the goal of an anti-poverty effort.

This is one reason many economists prefer the Earned Income Tax Credit and other programs that more precisely target low-income populations, although others argue that the minimum wage complements those policies.