

A Portrait of Oregon's Minimum Wage Workers

The State of Working Oregon

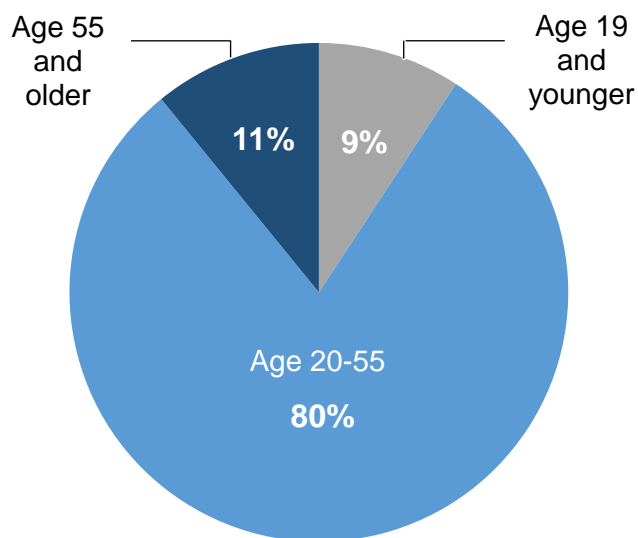
By Audrey Mechling

Who are the Oregonians working for minimum wage? What are the characteristics of these Oregonians seeking to get by on the lowest wage? Nearly all Oregon minimum wage workers are adults, most are women, and most work full-time. And while the majority of Oregon's minimum wage workers are White, a disproportionate number are people of color.

This portrait of Oregon's minimum wage workforce is an estimate of what that population will look like in 2022.¹ In 2016, the Oregon legislature established a three-tier minimum wage structure and scheduled yearly increases through 2022.² That year, the minimum wage will reach \$14.75 in the Portland Metro area, \$12.50 in non-urban counties, and \$13.50 everywhere else. By then, more than 400,000 Oregonians will have seen their wages go up as a direct result of the legislation, representing one in five workers.

9 in 10 minimum wage workers are over 19

Oregons projected minimum wage workforce by age



Source: Economic Policy Institute Minimum Wage Simulation Model 2019.

OREGON CENTER FOR PUBLIC POLICY | [OCPP.ORG](http://ocpp.org)

The vast majority of minimum wage workers in Oregon are adults. More than 360,000 workers who will be impacted by the minimum wage increases put into law in 2016 are 20 or older, representing over 90 percent of the minimum wage workforce. Less than 10 percent of directly impacted workers are teenagers. More minimum wage workers are age 55 or older than are teenagers.

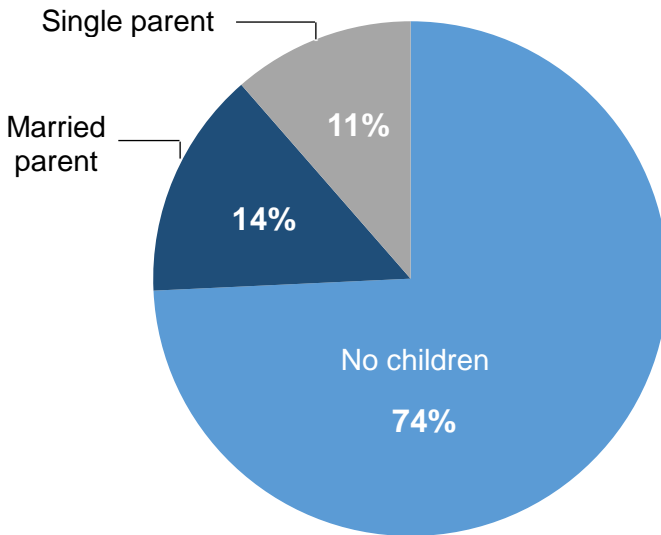
The vast majority of minimum wage workers in Oregon are adults. More than 360,000 workers who will be impacted by the minimum wage increases put into law in 2016 are 20 or older, representing over 90 percent of the minimum wage workforce.

Less than 10 percent of directly impacted workers are teenagers. More minimum wage workers are age 55 or older than are teenagers.

The State of Working Oregon is a series of OCPP fact sheets examining Oregon's economy from the perspective of working families.

1 in 4 minimum wage workers are parents

Oregon's projected minimum wage workforce by family status



Note: Total does not equal 100% due to rounding.

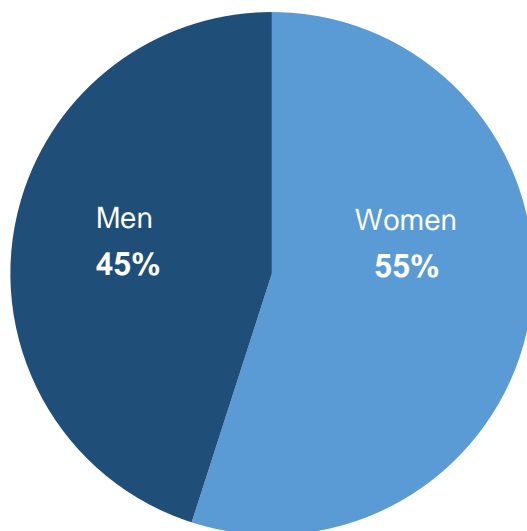
Source: Economic Policy Institute Minimum Wage Simulation Model 2019.

[OREGON CENTER FOR PUBLIC POLICY | OCPP.ORG](http://ocpp.org)

The minimum wage affects the well-being of many Oregon children, as one in four minimum wage workers in Oregon are parents, and one in 10 is a single parent. In 2019, a minimum wage earner working full-time will make between \$22,880 and \$26,000, depending on what region of the state they live in.³ In most of the state this is not enough for a family to afford a one bedroom apartment.⁴

Most minimum wage workers are women

Oregon's projected minimum wage workforce by gender



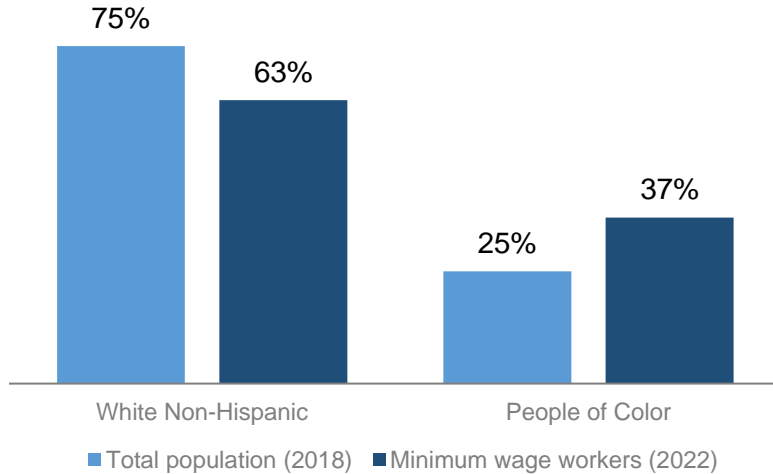
Source: Economic Policy Institute Minimum Wage Simulation Model 2019.

[OREGON CENTER FOR PUBLIC POLICY | OCPP.ORG](http://ocpp.org)

Women make up a disproportionate share of the minimum wage workforce. Approximately 55 percent of minimum wage workers are women, while women constitute 50 percent of the current population, and an estimated 48 percent of the total workforce⁵. Industries that employ high proportions of minimum wage workers tend to be industries dominated by female workers. Case in point: restaurant and hotel workers. More than half of all workers in the Accommodations and Restaurant and Food Service industries are minimum wage workers, and about 56 percent of this industry's workforce are women.⁶

Workers of color are overrepresented among minimum wage workers

Racial and ethnic distribution of those affected by the minimum wage increase compared to Oregon's current population



Source: Economic Policy Institute Minimum Wage Simulation Model 2019 and US Census Bureau 2018 population estimates.

OREGON CENTER FOR PUBLIC POLICY | OCPP.ORG

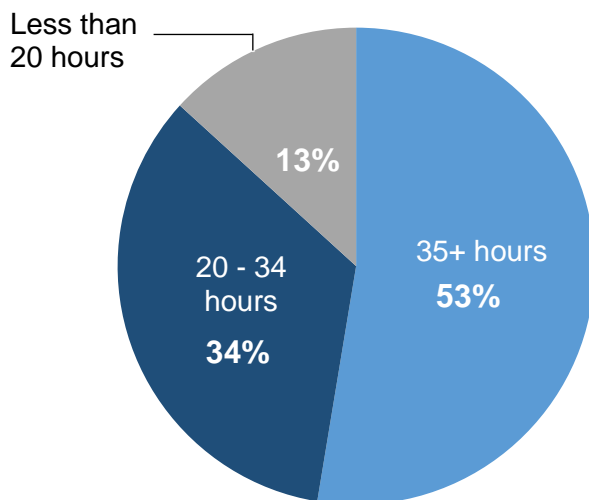
Workers of color also make up a disproportionate share of the minimum wage workforce. Though people of color account for about 25 percent of Oregon's population and 23 percent of the state's projected workforce, they make up 37 percent of minimum wage earners.⁷ That discrepancy is even more pronounced for Hispanic or Latino Oregonians, whose representation in the minimum wage workforce is 90 percent higher than their share of the Oregon population, and for African Americans, whose representation in the minimum wage workforce is a third higher than their share of the Oregon population.⁸

For women of color, the disparity is even more pronounced. There is a long history of Black and Latina women being relegated to low paying service jobs.⁹ Women of color make up one in 10 workers in Oregon, but nearly one in five minimum wage workers is a woman of color. By 2022, the minimum wage increase will directly impact 38 percent of women of color workers.

For women of color, the disparity is even more

Most minimum wage earners work full-time

Weekly hours worked by Oregonian's affected by the minimum wage increases



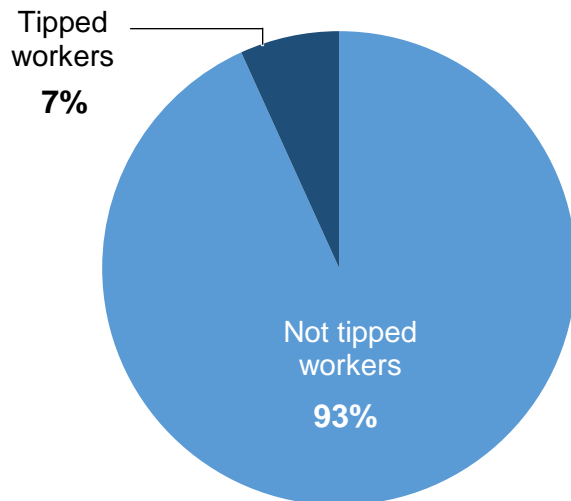
Source: Economic Policy Institute Minimum Wage Simulation Model 2019.

OREGON CENTER FOR PUBLIC POLICY | OCPP.ORG

Over half of minimum wage workers work full time, and an additional third work over 20 hours a week. Many of these part-time workers want to work more hours, but are kept at low hours by employers seeking to avoid paying for additional benefits¹⁰. More work hours also tends to mean greater stability in scheduling, which is particularly important for parents, who must coordinate their work schedules with available childcare.¹¹

Few minimum wage workers earn tips

Portion of Oregon workers affected by the minimum wage increases who work in occupations that receive tips



The vast majority of minimum wage workers do not earn tips. While “minimum wage” may conjure images of a server at a restaurant earning tips, that does not represent the typical minimum wage worker. About 93 percent of minimum wage workers do not receive tips to supplement their income. These workers are employed in industries ranging from agriculture, to transportation, to education.

Source: Economic Policy Institute Minimum Wage Simulation Model 2019.

OREGON CENTER FOR PUBLIC POLICY | OCPP.ORG

Conclusion

The vast majority of Oregon’s minimum wage workers are adults, a significant number of whom are raising a family. Most are women, most work full time, and they are disproportionately people of color.

While the minimum wage remains far from what working families need to make ends meet, the 2016 legislation raising the Oregon minimum wage has lifted up hundreds of thousands of the state’s lowest-paid workers.

This work is made possible in part by the support of the Ford Foundation, the Stoneman Family Foundations, the Meyer Memorial Trust, AFT Oregon, United Food and Commercial Workers Local 555, and by the generous support of organizations and individuals.

The Center is a part of the State Priorities Partnership (www.statepriorities.org) and the Economic Analysis and Research Network (www.earncentral.org).

Endnotes

¹ We thank the Economic Policy Institute (EPI) for its assistance in this analysis. This report relies on EPI’s Minimum Wage Simulation Model, which uses data from the U.S. Census Bureau, Bureau of Labor Statistics, and Congressional Budget Office. Dollar values adjusted by projections for CPI-U in CBO 2019. Model assumes that minimum wage increases occur on January 1st of each year, rather than July 1st, which is when the minimum wage increases actually occur in Oregon. This will have only a modest impact on the numbers, and is unlikely to change the magnitude of the

results found in this analysis. This report refers to all workers who will be directly impacted by the planned minimum wage increases through 2022 as minimum wage workers and the minimum wage workforce. For more information on the Minimum Wage Simulation Model see the detailed methodology here:

<https://www.epi.org/publication/minimum-wage-simulation-model-technical-methodology/>

² Senate Bill 1532, 2016 session, available at <https://olis.leg.state.or.us/liz/2016R1/Measures/Overview/SB1532>.

³ This assumes a worker with a 40 hour work week working 52 weeks each year.

⁴ According to analysis of Housing and Urban Development Fair Market Rent data the wage necessary to rent a one bedroom apartment in rural, standard, and urban areas in Oregon is \$12.26, \$15.44, and \$23.73 respectively. For each region that wage is higher than the minimum wage. For more information, see: "Quarter-million Oregon jobs to pay more, following minimum wage hike," Oregon Center for Public Policy, June 27, 2019, available at <https://www.ocpp.org/2019/06/27/minimum-wage-increase-oregon-jobs/>.

⁵ Current population estimates taken from the American Community Survey 2018 1 year Demographic and Housing estimates available at <https://data.census.gov/cedsci/table?q=&g=0400000US41&t=Age%20and%20Sex&table=DP05&tid=ACSDP1Y2018.DP05&hidePreview=false&lastDisplayedRow=33>, and workforce estimates are taken from the Economic Policy Institute Minimum Wage Simulation Model.

⁶ Estimates of minimum wage workers by industry from the Economic Policy Institute Minimum Wage Simulation Model. Gender breakdown data from the American Community Survey 2018 1 year Industry by Sex for the Civilian Employed Population available at https://data.census.gov/cedsci/table?q=&g=0400000US41&t=Age%20and%20Sex%3AIndustry&table=S2403&tid=ACSST1Y2018.S2403&hidePreview=false&year=2020&vintage=2018&cid=S2403_CO1_001E&lastDisplayedRow=16.

⁷ Data for the total population taken from the 2018 American Community Survey estimates has been compared to the predicted workforce demographics in the year 2022 from the Economic Policy Institute Minimum Wage Simulation Model.

⁸ According to EPI's Minimum Wage Simulation Model 2019, the minimum wage population is 25.5 percent Hispanic or Latino and 2.6 percent African American. According to data from the American Community Survey 2018 1 year Demographic and Housing estimates Hispanic and African American's make up 13.3 percent and 1.9 percent of the Oregon population respectively. Disaggregated data was not available for other race and ethnicity groups from EPI's model.

⁹ For information on Black women's labor market history see: Nina Banks, "Black Women's Labor Market History Reveals Deep Seated Race and Gender Discrimination" Economic Policy Institute, February, 2019, available at <https://www.epi.org/blog/black-womens-labor-market-history-reveals-deep-seated-race-and-gender-discrimination/>. For information on Latina women's history with occupational segregation see: Kate Bahn and Will McGrew, "The intersectional wage gaps faced by Latina women in the United States," Washington Center for Equitable Growth, November 2018, available at <https://equitablegrowth.org/the-intersectional-wage-gaps-faced-by-latina-women-in-the-united-states/>.

¹⁰ Lonnie Golden, "Still falling short on hours and pay," Economic Policy Institute, December, 2016, <https://www.epi.org/publication/still-falling-short-on-hours-and-pay-part-time-work-becoming-new-normal/>.

¹¹ For information on the impacts that unpredictable scheduling can have on workers, see: National Women's Law Center, "Collateral Damage: Scheduling Challenges for Workers in Low-Wage Jobs and their Consequences," April, 2017, <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2017/04/Collateral-Damage.pdf>.