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## **Study: Low-wage workers more educated than in 1968, but make less**

By Ricardo Lopez

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New research by the Economic Policy Institute finds that low-wage workers are more educated today than they were more than 40 years ago, but make less when the minimum wage is adjusted for inflation.

Using data from the U.S. Census Bureau's Current Population Survey, the liberal think tank finds that 79% of low-wage workers had a high school degree in 2012, compared with less than half in 1968.

The federal minimum wage, however, was 23% lower in 2012 (when adjusted for inflation) compared with 1968, researchers said. When adjusted, the 1968 federal minimum wage would be \$9.40 an hour in today's dollars, the EPI said. The current federal minimum wage is \$7.25.

"Those workers then were far younger and not nearly as well-educated as workers earning those wages today," said David Cooper, an economic analyst at the EPI.

Moreover, productivity over the same time period has more than doubled, partly because low-wage workers are better educated now, according to the analysis by Lawrence Mishel, EPI's president, and Cooper.

Researchers compared the bottom 20% of wage earnings in the population survey from 1968 to 2012 and found the education levels had improved and average age had risen, too.

The recession played a role, Cooper said, in pushing better-educated workers into lower-paying jobs. Cooper noted, however, that the trend had begun before the economic downturn.

The group has been conducting research on the minimum wage and is urging Congress to raise the federal minimum wage, which is currently \$7.25 an hour.

President Obama has called on Congress to raise the minimum wage, but opposition is strong from business groups and conservative think tanks, such as the Cato Institute, who argue a steep hike would hurt small businesses and slow the rate of job growth.