



# WORKERS IN LOWER-PAID WHITE-COLLAR OCCUPATIONS NEED OVERTIME PROTECTIONS

BY HEIDI SHIERHOLZ

## Introduction and executive summary

To help ensure the basic, family-friendly right to a limited workweek, the Fair Labor Standards Act (FLSA) requires that workers covered by FLSA overtime provisions be paid at least “time-and-a-half,” or 1.5 times their regular pay rate, for each hour of work per week beyond 40 hours. Salaried supervisory, managerial, and professional workers can be excluded from the right to earn overtime pay if their earnings are above \$455 per week, or \$23,660 per year. Millions of lower-paid white-collar employees would benefit from increasing this threshold below which all salaried workers are covered by FLSA overtime protections to \$984 per week (\$51,168 per year), which is simply the 1975 threshold adjusted for inflation.

This issue brief investigates wages and benefits in occupations in which a large share of workers would gain from increasing the overtime threshold to \$984. It finds:

- Overall, 3.4 percent of full-time, salaried supervisory/managerial/professional workers are currently automatically covered by the overtime protections of the Fair Labor Standards Act by virtue of their low salary and without respect to the nature of the duties they perform. That share would increase to nearly a third, 32.9 percent, if the threshold were raised to \$984.

- Some occupations would be affected much more than others by this increase.
  - Strongly affected occupations are defined here as supervisory/managerial/professional occupations in which at least 50 percent of full-time, salaried workers would be automatically covered if the salary threshold were raised to \$984. These include occupations such as first-line supervisors of food preparation and serving workers, insurance claims and policy processing clerks, customer service representatives, food service managers, miscellaneous legal support workers, first-line supervisors of office and administrative support workers, social workers, first-line supervisors of retail sales workers, insurance sales agents, and counselors.
  - Weakly affected occupations are defined here as supervisory/managerial/professional occupations in which less than 25 percent of full-time, salaried workers would be automatically covered if the salary threshold were raised to \$984. These include occupations such as engineers, lawyers, physicians and surgeons, pharmacists, computer and information systems managers, and chief executives.
- Strongly affected occupations provide lower salaries.
  - The median weekly wage of full-time, salaried workers in strongly affected occupations is \$891, which is just \$46,326 for those who work year-round. *Furthermore, the workers in these strongly affected occupations have so little bargaining power that their wage growth does not come close to matching overall productivity growth.*
  - By comparison, the median weekly wage of full-time, salaried workers in weakly affected occupations is \$1,626, which is \$84,571 for those who work year-round.
- Workers in strongly affected occupations are less likely to receive fringe benefits.
  - The employer-provided health insurance coverage rate of full-time, salaried workers in strongly affected occupations is 61.0 percent, much lower than the 76.1 percent share in weakly affected occupations.
  - The share of full-time, salaried workers in strongly affected occupations who are included in a pension plan at their job is 52.2 percent, much lower than the 67.5 percent share in weakly affected occupations.
- Workers in strongly affected occupations are more likely to have difficulty making ends meet.
  - Twice the official poverty threshold is commonly used by researchers as a measure of what it takes for a family to make ends meet. About one in seven full-time, salaried workers in strongly affected occupations—14.4 percent—live below twice the poverty line.
  - By comparison, the twice-poverty rate is just 2.3 percent among full-time, salaried workers in weakly affected occupations.
- Workers in occupations that would be strongly affected by an increase in the overtime salary threshold to \$984 have relatively low levels of bargaining power vis-à-vis their employers as compared with workers in weakly affected occupations, as evidenced by their lower wages, the failure of their wage growth to match productivity growth, and their lower levels of fringe benefit coverage. These workers therefore need the overtime protections of the Fair Labor Standards Act.

## Background

The right to a limited workweek is a basic, family-friendly protection for workers who have a low degree of bargaining power vis-à-vis their employer—i.e., workers who do not receive high pay and who have little control over their time and tasks. To help ensure a limited workweek for such workers, the Fair Labor Standards Act (FLSA) requires that workers covered by FLSA overtime provisions be paid at least “time-and-a-half,” or 1.5 times their regular pay rate, for each hour of work per week beyond 40 hours.

At the same time, the FLSA intentionally excludes from overtime protections those who *do* have enough bargaining power that they do not need them—namely, professional and managerial employees who do relatively high-level work and earn over a certain salary threshold. However, that salary threshold—the threshold below which all salaried workers are covered by overtime protections—is not indexed to inflation, and it has been increased only once since 1975. Its real value has thus eroded dramatically over the last 39 years.

The threshold for exemption from FLSA overtime protections is currently \$455 per week, which translates into \$23,660 per year for someone who works year-round. This is less than the poverty threshold for a family of four. In other words, the threshold is no longer anywhere near a reasonable benchmark for determining which workers have enough individual bargaining power that they do not need FLSA overtime protections. For more on the history and principles of the overtime coverage of the FLSA, see *New Inflation-Adjusted Salary Test Would Bring Needed Clarity to FLSA Overtime Rules*, by Jared Bernstein and Ross Eisenbrey (2014).

Fortunately, the Obama administration can increase the salary threshold through executive action. The increased threshold considered here is \$984, which is simply the 1975 threshold adjusted for inflation.<sup>1</sup>

If the salary threshold were increased to \$984, 6.1 million lower-paid white-collar workers would be newly automatically covered by overtime protections (Shierholz 2014b). Previous work showed that these workers would be disproportionately women, racial and ethnic minorities, and workers with lower levels of education (Shierholz 2014b). In this paper, we look at the kinds of jobs often done by the people who would be newly covered. In particular, we focus on 10 specific occupations that would be strongly affected by an increase in the salary threshold to \$984. The occupations were selected because they are the 10 largest supervisory/managerial/professional occupations where at least half of the full-time, salaried workers in the occupation would be automatically covered by FLSA overtime protections if the threshold were raised to \$984.

It is important to note that the data throughout this paper are restricted to full-time, salaried (non-hourly) workers in supervisory/managerial/professional occupations, because these are the workers *who may be currently exempt* from the overtime protections in the Fair Labor Standards Act, and who therefore may be newly covered by the rules if the salary threshold were raised. In other words, the current debate about overtime protections is not directly relevant to hourly workers and workers who are not in supervisory/managerial/professional occupations. This is because these workers—e.g., hourly workers in most service and blue-collar occupations—already have such protections, no matter how much they earn, by virtue of the nature of their duties. (Of course, wage theft—when employers do not pay workers for the work they have done, including not paying overtime when required—is a practice rampant in the low-wage labor market, but such considerations are beyond the scope of this paper. For more information on wage theft, see Bernhardt et al. 2009.)

## Strongly affected occupations provide lower salaries

**Table 1** shows, for various groups of occupations, the share of full-time, salaried supervisory/managerial/professional workers who are currently automatically covered by the overtime protections of the Fair Labor Standards Act (i.e., the share with earnings below \$455), and the share who would be covered if the threshold were raised to \$984. Overall, 3.4 percent of full-time, salaried supervisory/managerial/professional workers are currently automatically covered by virtue of their low salaries, but that would increase to nearly a third, 32.9 percent, if the threshold were raised to \$984.

Those occupations where few workers—less than a quarter—would be automatically covered if the threshold were raised to \$984 are at the upper end of the pay scale. The median wage in these occupations is \$1,626 per week, which is \$84,571 annually for someone who works all year. These include occupations such as engineers, lawyers, physicians, pharmacists, computer and information systems managers, and chief executives.

At the other end of the scale are the lower-paid white-collar jobs—those occupations with a relatively high share of people who would be affected if the salary threshold were increased. On average, these strongly affected occupations—supervisory/managerial/professional occupations where at least 50 percent of full-time, salaried workers would be automatically covered if the threshold were raised to \$984—have a median wage of \$891 per week, which translates into just \$46,326 for those who work year-round. To provide a sense of these low-level white-collar jobs, we describe the 10 most prevalent here:

- **First-line supervisors of food preparation and serving workers:** These are workers who “directly supervise and coordinate the activities of workers engaged in preparing and serving food” (BLS 2013a). These first-line supervisors have such low weekly wages—the median weekly wage is \$663 per week, which translates to \$34,498 per year for someone who works full-year—that 79.5 percent of them would be covered by overtime protections if the salary threshold were increased to \$984.
- **Insurance claims and policy processing clerks:** These workers “process new insurance policies, modifications to existing policies, and claims forms. [They] obtain information from policyholders to verify the accuracy and completeness of information” (BLS 2013b). The typical full-time, salaried worker in this occupation makes \$758 per week, which is \$39,427 per year for someone who works full-year. If the salary threshold were raised to \$984, more than two-thirds of these workers (69.4 percent) would be automatically covered.
- **Customer service representatives:** These workers “interact with customers to provide information in response to inquiries about products and services and to handle and resolve complaints” (BLS 2013c). The typical full-time, salaried worker in this occupation makes \$838 per week, which is \$43,567 per year for someone who works full-year. If the salary threshold were raised to \$984, slightly less than two-thirds of these workers (63.4 percent) would be automatically covered.
- **Food service managers:** These workers “plan, direct, or coordinate activities of an organization or department that serves food and beverages” (BLS 2013d). The typical full-time, salaried worker in this occupation makes \$887 per week, which is \$46,130 per year for someone who works full-year. If the salary threshold were raised to \$984, three-fifths of these workers (60.7 percent) would be automatically covered.
- **Miscellaneous legal support workers:** These workers include **court reporters**, who “use verbatim methods and equipment to capture, store, retrieve, and transcribe pretrial and trial proceedings or other information” (BLS 2013e),

TABLE 1

Share of workers covered by overtime (OT) protections and median earnings in occupations that would be affected by increasing the overtime threshold, 2013

	Currently automatically covered by OT protections	Would be automatically covered by OT protections if threshold were raised to \$984	Median weekly earnings	Median annual earnings for someone who works full-year (i.e., weekly earnings*52)
<i>Weakly affected occupations (occupations where less than 25% would be automatically covered if threshold were raised to \$984)</i>	1.4%	16.2%	\$1,626	\$84,571
<i>Mid-range occupations (occupations where 25–50% would be automatically covered if threshold were raised to \$984)</i>	3.1%	33.3%	\$1,232	\$64,069
<i>Strongly affected occupations (occupations where at least 50% would be automatically covered by OT protections if threshold were raised to \$984)</i>	7.6%	59.1%	\$891	\$46,326
<i>First-line supervisors of food preparation and serving workers</i>	18.9%	79.5%	\$663	\$34,498
<i>Insurance claims and policy processing clerks</i>	12.0%	69.4%	\$758	\$39,427
<i>Customer service representatives</i>	7.9%	63.4%	\$838	\$43,567
<i>Food service managers</i>	7.9%	60.7%	\$887	\$46,130
<i>Miscellaneous legal support workers</i>	2.2%	57.6%	\$948	\$49,283
<i>First-line supervisors of office and administrative support workers</i>	4.9%	56.7%	\$919	\$47,805
<i>Social workers</i>	2.5%	56.4%	\$910	\$47,312
<i>First-line supervisors of retail sales workers</i>	7.7%	56.4%	\$929	\$48,298
<i>Insurance sales agents</i>	6.3%	51.6%	\$948	\$49,283
<i>Counselors</i>	3.1%	50.5%	\$967	\$50,269
<i>Other</i>	11.2%	63.8%	\$853	\$44,355
<i>All full-time salaried workers in supervisory/managerial/professional occupations</i>	3.4%	32.9%	\$1,251	\$65,055

**Note:** Calculations use only data on full-time salaried (i.e., nonhourly) workers in supervisory/managerial/professional occupations. To isolate supervisory/managerial/professional occupations, we use only occupations where the share of workers who are exempt from the overtime protections of the Fair Labor Standards Act based on the duties of the occupation is at least 10%–50%, according to U.S. Department of Labor codes.

**Source:** EPI analysis of Current Population Survey Outgoing Rotation Group microdata

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and **title examiners, abstractors, and searchers**, who “search real estate records, examine titles, or summarize pertinent legal or insurance documents or details for a variety of purposes” (BLS 2013f). The typical full-time, salaried legal support worker makes \$948 per week, which is \$49,283 per year for someone who works full-year. If the salary threshold were raised to \$984, 57.6 percent of these workers would be automatically covered.

- **First-line supervisors of office and administrative support workers:** These workers “directly supervise and coordinate the activities of clerical and administrative support workers” (BLS 2013g). The typical full-time, salaried worker in this occupation makes \$919 per week, which is \$47,805 per year for someone who works full-year. If the salary threshold were raised to \$984, 56.7 percent of these workers would be automatically covered.
- **Social workers:** These workers provide social services and assistance to help people solve and cope with problems. Social workers work in a variety of settings, including schools, child welfare and human service agencies, mental health clinics, and hospitals. They include **child, family, and school social workers, healthcare social workers, and mental health and substance abuse social workers**. The typical full-time, salaried worker in this occupation makes \$910 per week, which is \$47,312 per year for someone who works full-year. If the salary threshold were raised to \$984, 56.4 percent of these workers would be automatically covered.
- **First-line supervisors of retail sales workers:** These workers “directly supervise and coordinate activities of retail sales workers in an establishment or department” (BLS 2013h). The typical full-time, salaried worker in this occupation makes \$929 per week, which is \$48,298 per year for someone who works full-year. If the salary threshold were raised to \$984, 56.4 percent of these workers would be automatically covered.
- **Insurance sales agents:** These workers “sell life, property, casualty, health, automotive, or other types of insurance” (BLS 2013i). The typical full-time, salaried worker in this occupation makes \$948 per week, which is \$49,283 per year for someone who works full-year. If the salary threshold were raised to \$984, just over half of these workers (51.6 percent) would be automatically covered.
- **Counselors:** These workers counsel and advise individuals, families, or groups to help educate about or solve problems. They include **substance abuse and behavioral disorder counselors, educational, guidance, school, and vocational counselors, marriage and family therapists, mental health counselors, and rehabilitation counselors**. The typical full-time, salaried worker in this occupation makes \$967 per week, which is \$50,269 per year for someone who works full-year. If the salary threshold were raised to \$984, just over half of these workers (50.5 percent) would be automatically covered.

## Slow wage growth for strongly affected occupations

**Figure A** shows the cumulative growth in real hourly wages from 2000 to 2013 for full-time, salaried workers in strongly affected occupations (these are the occupations in the third row of Table 1). Figure A also shows, as a benchmark for the pace at which wages *should* grow, total economy productivity growth. Over 2000–2013, real (inflation-adjusted) wages in strongly affected occupations grew 1.6 percent, while productivity grew 22.7 percent. In other words, the full-time, salaried workers in these strongly affected occupations have so little bargaining power that their wage growth does not come even close to matching overall productivity growth.

Due to multiple major changes in occupational coding in the last several decades, for many occupations it is impossible to identify the consistent occupational codes that would be required to look at trends within occupations over long

FIGURE A [VIEW INTERACTIVE on epi.org](#)

## Cumulative growth in productivity versus real hourly wages of full-time salaried workers in strongly affected occupations, 2000–2013



**Note:** Strongly affected occupations are supervisory/managerial/professional occupations in which at least 50 percent of workers would be automatically covered by overtime protections if the salary threshold below which all salaried workers are covered by overtime protections were raised to \$984 per week. Productivity measures from the Bureau of Labor Statistics are adjusted to become “net productivity,” which is the growth of output of goods and services less depreciation per hour worked.

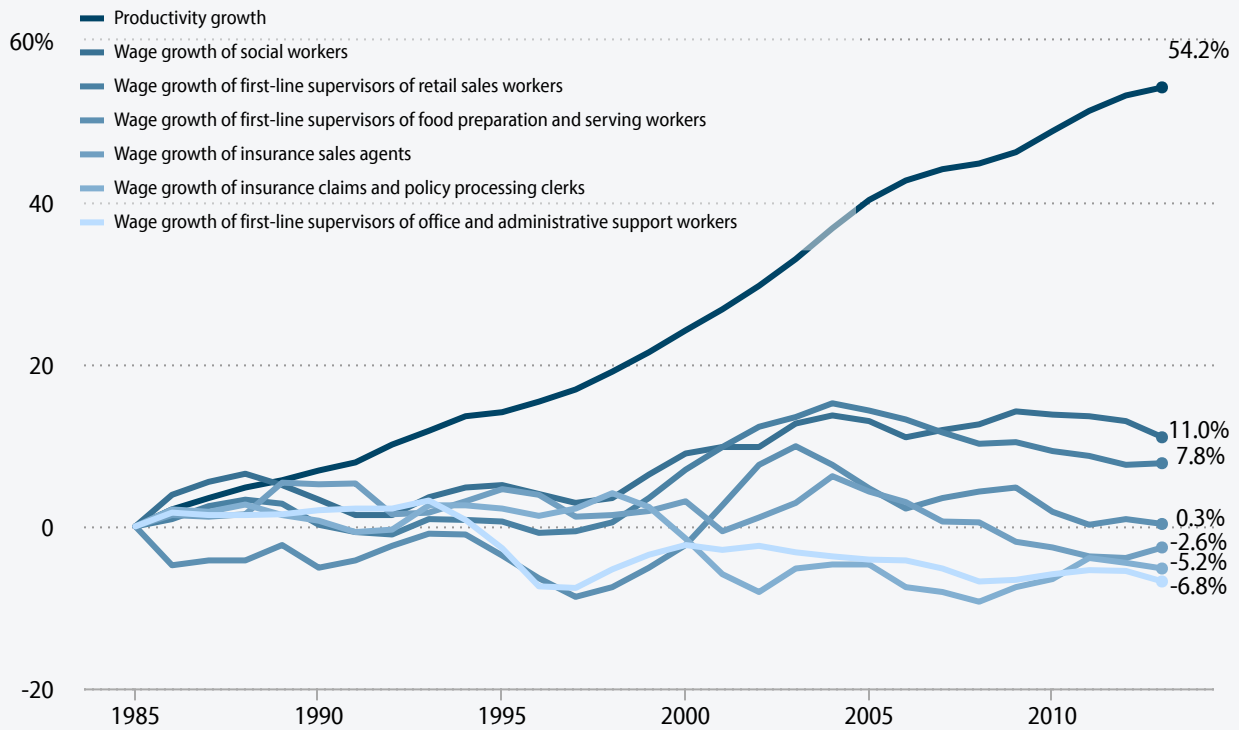
**Source:** EPI analysis of Current Population Survey Outgoing Rotation Group microdata

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periods of time. However, of the 10 largest strongly affected occupations, consistent codes are available since 1983 for first-line supervisors of food preparation and serving workers, insurance claims and policy processing clerks, first-line supervisors of office and administrative support workers, social workers, first-line supervisors of retail sales workers, and insurance sales agents. **Figure B** shows the cumulative growth in real hourly wages from 1985 to 2013 for full-time, salaried workers in these occupations (the figure starts in 1985 even though data are available since 1983 because we use three-year moving averages due to small sample sizes). As in Figure A, Figure B also provides total economy productivity growth. Over 1985–2013, productivity grew 54.2 percent, while the real hourly wages of social workers grew just 11.0 percent, the wages of first-line supervisors of retail sales workers grew just 7.8 percent, the wages of first-line supervisors of food preparation and serving workers were flat (grew 0.3 percent), and the wages of insurance sales agents, insurance claims and policy processing clerks, and first-line supervisors of office and administrative support workers *dropped* 2.6 percent, 5.2 percent, and 6.8 percent, respectively. In other words, over the last three decades, full-time, salaried workers in these occupations have had so little bargaining power that they have been unable to secure wage growth that is anywhere near overall productivity growth. This indicates that they would benefit strongly from any policy that increases their bargaining power, such as raising the overtime threshold.

FIGURE B [VIEW INTERACTIVE on epi.org](#)

## Cumulative growth in productivity versus real hourly wages of full-time salaried workers in various strongly affected occupations, 1985–2013



**Note:** Values represent the percent change in three-year moving averages. Strongly affected occupations are supervisory/managerial/professional occupations in which at least 50 percent of workers would be automatically covered by overtime protections if the salary threshold below which all salaried workers are covered by overtime protections were raised to \$984 per week. The occupations shown here are those for which consistent occupational codes are available since 1983. Productivity measures from the Bureau of Labor Statistics are adjusted to become “net productivity,” which is the growth of output of goods and services less depreciation per hour worked.

**Source:** EPI analysis of Current Population Survey Outgoing Rotation Group microdata and unpublished data from the Bureau of Labor Statistics Labor Productivity and Costs program

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## Workers in strongly affected occupations are less likely to receive fringe benefits

Aside from wages, another factor that is associated with bargaining power is fringe benefit coverage. **Table 2** shows the share of full-time salaried supervisory/managerial/professional workers who receive health insurance from their job and the share who are included in a pension plan at their job.<sup>2</sup> In weakly affected occupations—those supervisory/managerial/professional occupations in which less than 25 percent of full-time, salaried workers would be automatically covered if the salary threshold were raised to \$984—more than three-quarters of workers (76.1 percent) have employer-provided health insurance, and more than two-thirds (67.5 percent) are included in a pension plan at work. At the other end of the scale—those lower-paid occupations where at least 50 percent of full-time, salaried workers would be automatically



TABLE 2

### Employer-provided health insurance and pension coverage rates in occupations that would be affected by increasing the overtime threshold, 2012

	Employer-provided health insurance coverage rate	Employer-provided pension coverage rate
<i>Weakly affected occupations (occupations where less than 25% would be automatically covered if threshold were raised to \$984)</i>	76.1%	67.5%
<i>Mid-range occupations (occupations where 25–50% would be automatically covered if threshold were raised to \$984)</i>	69.1%	61.1%
<i>Strongly affected occupations (occupations where at least 50% would be automatically covered by OT protections if threshold were raised to \$984)</i>	61.0%	52.2%
<i>First-line supervisors of food preparation and serving workers</i>	41.6%	30.6%
<i>Insurance claims and policy processing clerks</i>	67.8%	64.8%
<i>Customer service representatives</i>	57.2%	46.2%
<i>Food service managers</i>	45.4%	24.6%
<i>Miscellaneous legal support workers</i>	74.3%	63.0%
<i>First-line supervisors of office and administrative support workers</i>	68.2%	57.4%
<i>Social workers</i>	71.5%	67.1%
<i>First-line supervisors of retail sales workers</i>	58.8%	49.4%
<i>Insurance sales agents</i>	54.9%	57.6%
<i>Counselors</i>	65.1%	59.1%
<i>Other</i>	65.7%	59.8%
<i>All full-time salaried workers in supervisory/managerial/professional occupations</i>	68.9%	60.6%

**Note:** Calculations use only data on full-time salaried (i.e., nonhourly) workers in supervisory/managerial/professional occupations. To isolate supervisory/managerial/professional occupations, we use only occupations where the share of workers who are exempt from the overtime protections of the Fair Labor Standards Act based on the duties of the occupation is at least 10%–50%, according to U.S. Department of Labor codes.

**Source:** EPI analysis of Current Population Survey Annual Social and Economic Supplement

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covered if the salary threshold were raised to \$984—just three-fifths of full-time, salaried workers (61.0 percent) have employer-provided health insurance, and just over half (52.2 percent) have employer-provided pension coverage.

Within the 10 largest strongly affected occupations, the occupations with the lowest fringe benefit coverage are restaurant-industry jobs. In particular, among full-time, salaried food service managers and first-line supervisors of food preparation and serving workers, the health insurance coverage rate is just 45.4 percent and 41.6 percent, respectively, and the pension coverage rate is just 24.6 percent and 30.6 percent, respectively.

## Workers in strongly affected occupations are more likely to be poor or near-poor

Nearly all full-time salaried supervisory/managerial/professional workers make enough to live above the official poverty line. However, it is important to note that poverty researchers generally do not consider the poverty threshold to be a good measure of what it takes to make ends meet, in part because the poverty threshold was set in the 1960s and has not evolved to reflect changing shares of spending on various necessities by low-income families. Due to such limitations, the “twice-poverty” rate—the share of people whose income is below twice the official poverty line—is often used as a more meaningful metric for determining what share of workers do not earn enough to make ends meet. For reference, in 2013, the poverty threshold for a family of four was \$23,836, and the twice-poverty threshold was \$47,672.

**Table 3** shows the poverty rate and the twice-poverty rate of full-time salaried supervisory/managerial/professional workers. In weakly affected occupations—those supervisory/managerial/professional occupations in which less than 25 percent of full-time, salaried workers would be automatically covered if the salary threshold were raised to \$984—just 2.3 percent of workers live below twice the poverty line. But in strongly affected occupations—those occupations where at least 50 percent of full-time, salaried workers would be automatically covered if the salary threshold were raised to \$984—one in seven full-time, salaried workers (14.4 percent) live below twice the poverty line. In other words, a relatively large share of workers in these occupations are either poor or near-poor and just scraping by. This indicates these workers have very little bargaining power and need protection against overtime abuses.

Within the 10 largest strongly affected occupations, the occupations with the highest twice-poverty rate are restaurant-industry jobs, with 24.5 percent of full-time, salaried food service managers and 25.2 percent of full-time, salaried first-line supervisors of food preparation and serving workers living below twice the poverty threshold.

TABLE 3

**Poverty rate and twice-poverty rate in occupations that would be affected by increasing the overtime threshold, 2012**

	Poverty rate	Twice-poverty rate
<i>Weakly affected occupations (occupations where less than 25% would be automatically covered if threshold were raised to \$984)</i>	0.4%	2.3%
<i>Mid-range occupations (occupations where 25–50% would be automatically covered if threshold were raised to \$984)</i>	1.2%	5.7%
<i>Strongly affected occupations (occupations where at least 50% would be automatically covered by OT protections if threshold were raised to \$984)</i>	2.3%	14.4%
<i>First-line supervisors of food preparation and serving workers</i>	4.9%	25.2%
<i>Insurance claims and policy processing clerks</i>	1.7%	13.3%
<i>Customer service representatives</i>	4.6%	21.0%
<i>Food service managers</i>	4.9%	24.5%
<i>Miscellaneous legal support workers</i>	2.1%	9.0%
<i>First-line supervisors of office and administrative support workers</i>	0.7%	8.1%
<i>Social workers</i>	0.6%	7.8%
<i>First-line supervisors of retail sales workers</i>	1.9%	16.1%
<i>Insurance sales agents</i>	0.4%	9.4%
<i>Counselors</i>	0.7%	10.4%
<i>Other</i>	1.9%	11.1%
<i>All full-time salaried workers in supervisory/managerial/professional occupations</i>	1.2%	6.9%

**Note:** Calculations use only data on full-time salaried (i.e., nonhourly) workers in supervisory/managerial/professional occupations. To isolate supervisory/managerial/professional occupations, we use only occupations where the share of workers who are exempt from the overtime protections of the Fair Labor Standards Act based on the duties of the occupation is at least 10%–50%, according to U.S. Department of Labor codes. For reference, in 2013 the poverty threshold for a family of four was \$23,836, and the twice-poverty threshold was \$47,672.

**Source:** EPI analysis of Current Population Survey Annual Social and Economic Supplement

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## Conclusion

Workers in occupations that would be strongly affected by an increase in the salary threshold to \$984 have relatively low levels of bargaining power as compared with workers in weakly affected occupations, as evidenced by their lower wages, the failure of their wage growth to match productivity gains, their lower rates of fringe benefit coverage, and their higher twice-poverty rates. These workers therefore need the overtime protections of the Fair Labor Standards Act.

## About the author

**Heidi Shierholz** joined the Economic Policy Institute as an economist in 2007. She has researched and spoken widely on the economy and economic policy as it affects middle- and low-income families, especially in regards to employment, unemployment, labor force participation, compensation, income and wealth inequality, young workers, unemployment insurance, and the minimum wage. Shierholz is a coauthor of *The State of Working America, 12th Edition*, is a frequent contributor to broadcast and radio news outlets, is regularly quoted in print and online media outlets, and has repeatedly been called to testify before Congress on labor market issues. Prior to joining EPI, Shierholz worked as an assistant professor of economics at the University of Toronto. She has a Ph.D. in economics from the University of Michigan at Ann Arbor.

## Acknowledgments

The Economic Policy Institute gratefully acknowledges the support it received from the **Ford Foundation** for this project.

## Endnotes

1. It is useful to note that other research shows that a threshold of \$1,122 is more consistent with the 1975 benchmark, meaning that the \$984 threshold is modest (Shierholz 2014a).
2. Throughout this paper, “employer-provided health insurance coverage” refers to workers who are included in an employer group health plan, where the employer helps pay for at least some portion of the plan. “Employer-provided pension coverage” refers to workers who are included in a pension or other type of retirement plan (other than Social Security) from their employer.

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