

The **FLORIDA MINIMUM WAGE** *After One Year*

A Report Commissioned by:



Florida ACORN

Florida Chapter of the Association of Community Organizations for Reform Now

and

RISEP

Florida International University

Research Institute on Social and Economic Policy

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INTRODUCTION

In November of 2004, Floridians overwhelmingly voted to raise the state minimum wage above the federal level of \$5.15. As of May 2, 2006, the newly approved law will have been in place for one year. The wage increased to \$6.15 on May 2, 2005 and, because the voters approved an inflationary index, rose to \$6.40 on January 1, 2006. In recognition of this anniversary, Florida ACORN commissioned this report to examine the economic health of the state after one year.

Florida voters approved the measure despite dire predictions levied by opposition groups and public officials. The Florida Retail Federation claimed that “Jobs will be lost – devastating our strong economy.”¹ Rick McAllister of the Retail Federation claimed a state minimum wage “could have a billion-dollar inflationary effect on the state of Florida.”² The Orlando Chamber of Commerce predicted that the new minimum wage would lead to outsourcing, “many good Florida jobs will be shipped over seas”, and even cautioned that more “lawsuits will result. The amendment will create new opportunities for trial lawyers to make money by suing businesses.”³

Some public officials actively opposed the measure. Senator Mel Martinez claimed the law would cause job loss, and Governor Jeb Bush also opposed it. Darrell Kelley, president of Enterprise Florida, claimed the raise could result in a decline in health benefits coverage.⁴ Finally, national opponents chimed in. Grover Norquist claimed that “Florida cannot afford the economic pain of job losses compounded with the inevitable increases in the costs of essential goods and services.”⁵

One year later there appears to be no evidence supporting these claims. Ten months after the law took effect, Enterprise Florida reported that “Florida continues to lead the nation in job growth” and the state “ranks 5th in the nation in the total number of insourcing jobs.”⁶ In a survey of Floridian retailers following the law’s implementation, “71 percent said the overall business climate in Florida would be better in the coming quarter than in the same quarter last year”⁷, and in a recent publication by the Florida Retail Federation on the state business climate, there is no mention of the minimum wage as a pressing issue of concern.⁸ Finally, a recent *Tampa Tribune* article reported that some big contributors to a coalition of opponents of the state minimum wage “have had stellar financial performances since May, including Publix Super Markets of Lakeland and Darden Restaurants of Orlando”.⁹

Despite this evidence, because of the extreme nature of criticisms levied against the minimum wage law, Florida ACORN has commissioned this research report, to be conducted by outside research consultants. It examines a series of well-accepted measures of economic health, as well as available data on the lives of workers who have been affected by the new minimum wage. Its goal is not to make causal claims in support of the minimum wage, but instead to examine descriptive statistics to evaluate whether there is validity to the serious claims made by opponents of the law, and thus inform the decision made by the voting public.

The report examines the following issues:

- Since Floridians approved the new minimum wage law, have businesses been forced to cut labor costs by laying off workers?
- Has the service sector, especially the hospitality, retail, and food services industries been worse off since the wage increase? Has the agricultural sector been worse off?
- Have businesses been forced to move out of state at a greater rate than before?
- Are low-wage workers worse off since implementation of the new minimum wage?

- Has the state minimum wage put Florida at a competitive disadvantage in comparison to other states?

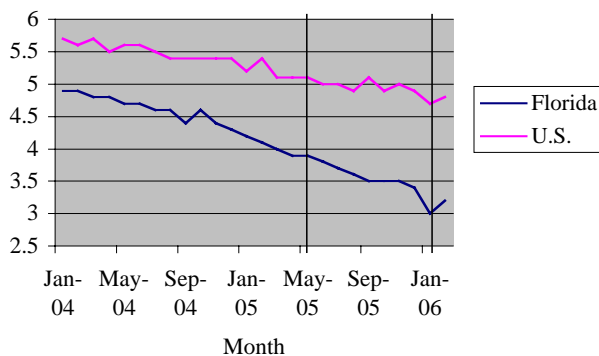
DATA SOURCES

The report utilizes widely accepted state and nationally collected statistical data on the unemployment rate, industry employment, business activity, and worker wages. It utilizes Current Employment Statistics (CES), provided by the Florida Agency for Workforce Innovation.¹⁰ The CES program produces estimates of nonagricultural employment by industry. Statistics are generated by a monthly survey of approximately 14,000 businesses in Florida. Also important are data from the Quarterly Census of Employment and Wages (QCEW), a joint venture of the Bureau of Labor Statistics, the U.S. Department of Labor, and State Employment Security Agencies.¹¹ The QCEW program produces data on employment and wage information for workers covered under state unemployment insurance (UI) laws, which accounts for approximately 98% of employment in the U.S. Additionally, the report uses other data and analyses to substantiate findings from these sources.

QUESTION I

SINCE FLORIDIANS APPROVED THE NEW MINIMUM WAGE LAW, HAVE BUSINESSES BEEN FORCED TO CUT LABOR COSTS BY LAYING OFF WORKERS?

Figure 1: Unemployment Rate - Seasonally Adjusted
(Bureau of Labor Statistics)

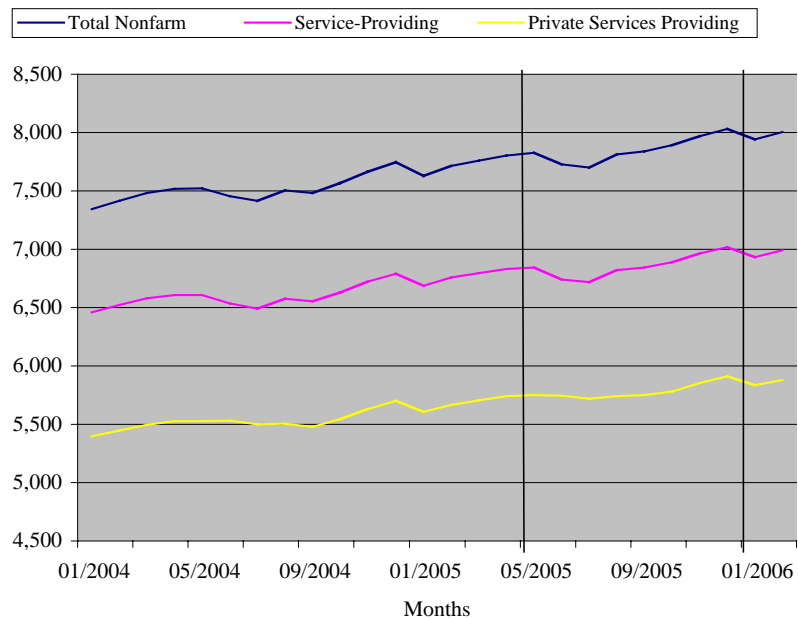


If Florida's state minimum wage has forced businesses to cut labor costs, researchers might expect to see a spike in the unemployment rate following the raise, all other things being equal. If no such spike occurs, then there is no empirical evidence that the raise has caused mass unemployment, as critics claimed it would. Figure 1 shows the Florida unemployment rate, seasonally adjusted, and compares it with the U.S. rate.¹² The two vertical lines mark when the state minimum wage was first implemented at \$6.15, and when it rose to \$6.40. **As Figure 1 shows, the Florida unemployment rate has steadily**

declined since the state minimum wage took effect, with a slight increase in February 2006 which mirrors a national increase. Florida's unemployment rate has outperformed the U.S. as a whole. Between May 2005 and February 2006, the Florida rate fell more than twice as much as the federal rate (17.9% versus 5.9%).¹³ Additionally, **Florida's economy has performed better since the new minimum wage than it did in a similar period before the law**. Between May 2004 and January 2005, Florida's unemployment rate dropped by only 12.8%, well below the 17.9% drop during the same period following the raise.

Another common measure used to evaluate this question is the total level of employment of Floridian firms. Figure 2 shows total nonagricultural employment in Florida, over time, according to Current Employment Statistics. In general, Florida has experienced steady employment growth, adding around 200,000 jobs since the minimum wage law took effect. **Interestingly, private service-providing employment has shown the steadiest growth with no major dips.** While this sector experienced a slight decline at the beginning of 2006, this should be expected following the holiday season, and was less sharp than in the previous year. This suggests that private service providing businesses - which critics expected would suffer the most from the new law - have outperformed other sectors on this measure.

Figure 2: Nonagricultural Employment in Florida
(Current Employment Statistics)



Finally, one other source which might be used to examine this question is the rate of unemployment

insurance claims filed by workers who have been laid off. If businesses were forced to lay off workers because of an increased minimum wage, then an increase in such claims might be expected. However, in the nine months following the raise, there was approximately an 18% decline in the average number of unemployment claims per month, in comparison to the same period the year before. Since the new minimum wage took effect, fewer unemployment claims have been filed.

Conclusion I: No empirical evidence shows that Florida's minimum wage has caused businesses to lay off workers. Instead, state employment has shown strong growth since the new wage took effect, better than in previous years and better than the U.S. as a whole.

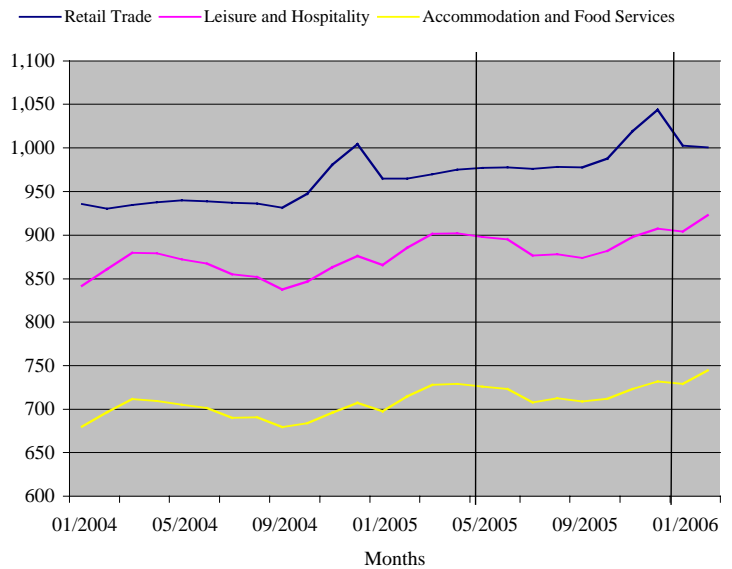
QUESTION II

HAS THE SERVICE SECTOR, ESPECIALLY THE HOSPITALITY, RETAIL, ACCOMMODATIONS AND FOOD SERVICE INDUSTRIES, BEEN WORSE OFF? HAS THE AGRICULTURAL SECTOR BEEN WORSE OFF?

The minimum wage may especially affect certain industries with high concentrations of low-wage workers. Researchers might expect that these sectors would be the hardest hit by a state minimum wage law. However, as Figure 3 shows, these sectors have done well. The obvious fluctuations follow similar industry cycles as experienced in previous years, and the total picture is one of steady growth. In the industries of retail trade, leisure and hospitality, and

accommodation and food services, 62,100 jobs were added between April 2005 and February 2006, representing approximately 30% of Florida's nonagricultural job growth during this period. These industries continue to provide about one-third of all Florida nonagricultural jobs. When other service industries with a high concentration of low-wage workers are added 14, then the total job growth rises to 115,200 for this period. In comparison to the service sector, the goods producing sector, which represents manufacturing and other industries, grew by 41,500 jobs, about one-fifth of the entire nonagricultural job growth experienced in the state during this period, while the sector represents just over 12% of the economy. This is a larger percentage increase, but a lower number of added jobs.

Figure 3: Employment in Service Sector Industries in Florida
(Current Employment Statistics)



Turning to agricultural employment, the most recent data available comes from the Quarterly Census of Employment and Wages (QCEW). Currently, these data are available through September of 2005. Looking at agricultural employment following the minimum wage increase, the data show a net loss in jobs. However, this loss represents a seasonal cycle because industry employment usually grows during the spring and summer and declines in the fall. Furthermore, as of September 2005, the net loss in jobs appears to be less than in the previous two years, and total agricultural employment in September 2005 is higher than in the same month during the previous two years.

| Agricultural Employment in Florida | | | |
|---|--------------|------------------|-----------------|
| | April | September | Net Loss |
| 2003 | 115,199 | 68,535 | 46,584 |
| 2004 | 119,472 | 65,536 | 53,936 |
| 2005 | 110,111 | 68,962 | 41,149 |

Data from QCEW, NAICS code 11, provided by the Agency for Workforce Innovation, extracted April 5, 2006 from <http://www.labormarketinfo.com/library/qcew.htm>.

Finally, to examine the business climate for industries especially affected by the minimum wage, this report draws on data from trade associations representing some of these industries. In the 3rd quarter of 2005 (the first full quarter after the minimum wage took effect), the Florida Retail Federation's *Retail Index*, which represents the expectations of Florida retailers, was "virtually the same as last quarter."¹⁵ This suggests that the state

minimum wage did not affect retailers' expectations on sales and profits. In fact, a large majority of merchants agreed that Florida had a better business climate in 2005 than in 2004, even with a higher minimum wage. As for restaurants and accommodation establishments, The President and CEO of the newly merged Florida Restaurant & Lodging Association, says on the FRLA website "There is no doubt this industry is a strong and resilient one."¹⁶ Also, the National Restaurant Association's outlook on the Restaurant Industry in 2006 projects that restaurant sales in Florida during 2006 will total \$24 billion, and that the industry will continue to grow, adding 178,900 jobs between 2006 and 2016. They write "Restaurants in Florida also are an engine of economic growth, generating tremendous sales and tax revenues for the state."¹⁷

Conclusion II: Far from hurting, service sector industries are growing rapidly, and some industry experts expect this growth to continue during the coming years. There is no evidence that the minimum wage has hurt these industries in the manner predicted by critics.

QUESTION III

SINCE THE NEW MINIMUM WAGE TOOK EFFECT, HAVE BUSINESSES BEEN FORCED TO MOVE OUT OF STATE AT A GREATER RATE THAN BEFORE?

Critics predicted that if Floridians chose to raise the state minimum wage, businesses would be forced to leave the state in large numbers. Data already discussed suggest this is not the case. Florida continues to have record job growth, leading the country as a whole. Far from outsourcing jobs, Florida is a national leader in insourcing jobs, meaning foreign companies are choosing to locate their businesses in the state. However, because of the seriousness of the claims made by opponents, this section examines evidence on the number of businesses in Florida. While available data are limited there is one source that can be used. The Quarterly Census of Employment & Wages (QCEW) tracks data on the total number of employing establishments in the state. While this cannot document the dynamics of some businesses leaving and new ones coming to Florida, it can gauge whether the total number of employers in the state has declined, stayed steady, or grown.

Figure 4: Number of Private Establishments in Florida
(Quarterly Census of Employment & Wages)

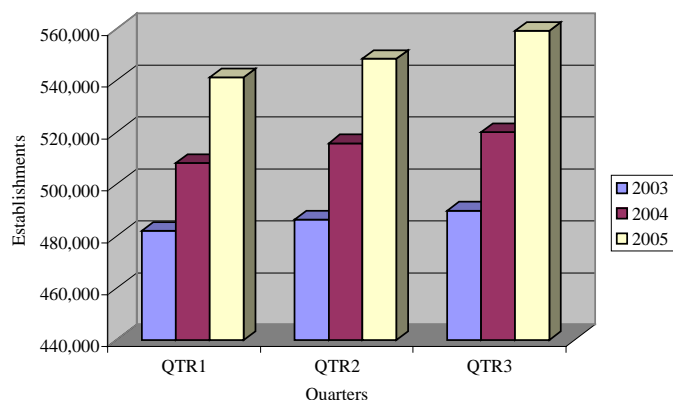


Figure 4 examines the total number of private establishments in Florida, according to the QCEW. These establishments include all non-governmental businesses and employers in the state that are covered under state unemployment insurance laws. For a useful comparison, the graph compares the total number of private establishments in the first three quarters of the years 2003, 2004, and 2005. The state minimum wage first took effect during the second quarter of 2005. If critics are correct, then it might be expected that the number of employers would have declined in the

following quarter. Instead, the number of private establishments employing workers in Florida grew by over 10,000 in the first full quarter after the state minimum wage took effect. Far from losing businesses, as of the most recent data available, Florida is gaining them at a faster rate than in any quarter since before 2003. Furthermore, during the third quarter of 2005, Florida showed a greater percentage growth in private employing establishments than did the U.S. as a whole.

Looking a bit more closely at sectors and industries that might be expected to take the biggest hit from the state law, growth in employers followed a similar pattern. The number of private service providing establishments grew, and this included growth in retail trade, leisure and hospitality, and food services and drinking establishments. In the same quarter, private

accommodations establishments held steady. The number of private agricultural employers followed a similar pattern to previous years, with a very slight seasonal decline between the second and third quarter.

All this confirms what Governor Jeb Bush claimed a few months after the new minimum wage took effect: "Florida's economic engine continues to run smoothly and powerfully."¹⁸ His conclusion is supported by available data. Since the state minimum wage took effect, the number of businesses and employing establishments has continued to grow in Florida.

Conclusion III: Far from seeing a mass exodus of businesses from the state, the number of private employing establishments in Florida has grown substantially since the enactment of the state minimum wage.

QUESTION IV

ARE LOW-WAGE WORKERS BETTER OR WORSE OFF SINCE IMPLEMENTATION OF THE NEW MINIMUM WAGE?

Critics of the minimum wage often contend that workers will be worse off because of a wage floor. However, earlier analyses suggest this is not the case in Florida, where the unemployment rate is very low and employment growth continues to be strong. Another way to see if workers are better or worse off is to look at wages. The QCEW reports on average weekly wages for workers in all industries.

Figure 5: 2005 Average Weekly Wages for all Industries, by Quarter
(Quarterly Census of Employment and Wages)

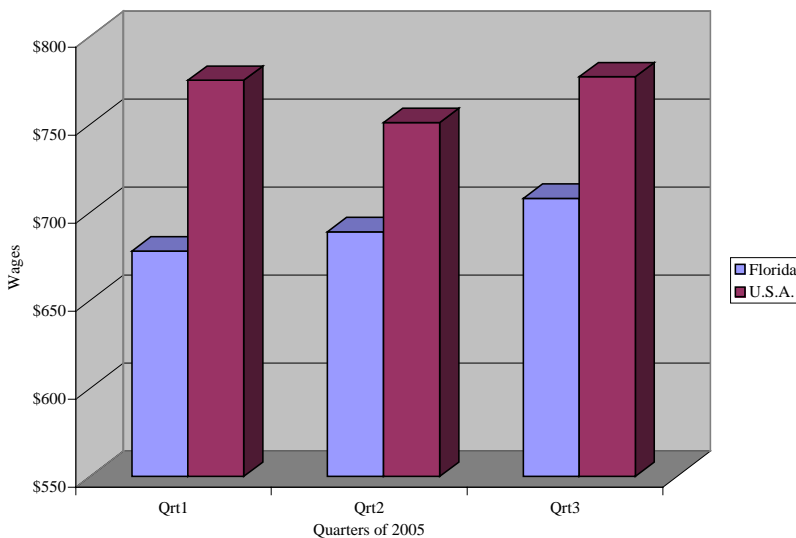


Figure 5 reports on average weekly wages for all industries in Florida in the first three quarters of 2005. It shows that wages in Florida have grown in 2005, climbing just above \$700 a week in the third quarter of 2005. **However, Florida remains a low-wage state and continues to trail the U.S. average weekly wage by a substantial margin.** Results are similar for industries that employ a high concentration of low-wage workers, including service providing and agricultural employers in general and retail trade, leisure and hospitality,

and the accommodations and food services industries. Wages grew modestly in these industries in the third quarter of 2005. Interestingly, for some of these specific industries with high concentrations of low-wage workers, the average weekly wage in Florida marginally beat the national average. However, after looking at average wages for the first quarter in 2005 - before the minimum wage took effect - this appears to be true then as well. The only industry that saw wage growth in Florida outstrip the national average was agriculture. However, for service

providing jobs in general, while wages in Florida grew in the third quarter of 2005, they lost ground to the national average, falling behind by over \$50.

These data suggest a few things. First, although Florida is adding jobs at a very rapid pace, most of those jobs are of rather low quality and pay poorly. The new minimum wage increased the wages of those at the very bottom of the wage scale, but it did not increase wages for workers who are still low-wage workers, but several dollars an hour above the new minimum. It improved the condition of workers who are the very worst examples of “working poverty,” but it alone is not sufficient to solve Florida’s “low wage problem.” The state minimum wage did not substantially increase wages far up the pay scale, as some critics predicted.¹⁹ In general, Florida continues to be a low-wage state. Over the next five to seven years, it is expected that half the jobs created in the state will require no more than a high school diploma.²⁰ Some researchers, including the current second author, have argued that in order to shift job growth toward higher wage jobs, “public policy should be focused on how to raise the floor of wages and working conditions for those laboring in the low-wage occupations.”²¹ Only by doing this and boosting education and attracting more high-wage industries will it be possible to foster a highly skilled workforce to create and fill better jobs.

Conclusion IV: The new minimum wage raised wages for the very bottom of the Florida wage scale, but there is no evidence that it counteracted the state’s tendency to disproportionately create new jobs that are still quite low paying. Thus, its improvement in the wages of the very lowest paid workers does not show up in the general statistics on wage growth, and the rapid growth of low-wage industries likely overwhelmed its wage-increasing effect in aggregate wages in service industries. Global, or aggregate, data show wage increases, but they are modest.

QUESTION V

HAS THE HIGHER STATE MINIMUM WAGE PUT FLORIDA AT A COMPETITIVE DISADVANTAGE IN COMPARISON TO OTHER STATES?

Data in this report have shown that since implementing its state minimum wage, Florida has experienced rapid economic growth. In comparison to other states, Florida ranks at the top of most economic growth indicators. Its employment growth and declining unemployment rate outperform the average of other states in the nation. This includes both states with higher minimum wages and those without.

| Cross State Comparisons | | | |
|-------------------------|--------------------|----------------------|-----------------------------|
| State | Min. Wage Feb. '06 | Unemp. Rate Feb. '06 | Emp. Growth Feb.'05-Feb.'06 |
| Florida | \$6.40 | 3.2% | 3.78% |
| California | \$6.75 | 5.0% | 2.0% |
| New York | \$6.75 | 4.7% | 0.96% |
| N. Carolina | \$5.15 | 4.6% | 1.75% |
| Georgia | \$5.15 | 5.0% | 2.25% |

State Minimum wages in effect Feb. 2006, from author’s compilations.
 Employment growth uses Feb. 2005 as the base.
 Unemployment rate, seasonally adjusted, Bureau of Labor Statistics
 Employment growth from National Current Employment Statistics, extracted April 20, 2006 from <http://www.bls.gov/sae>

A comparison of Florida with other states shows that its current minimum wage of \$6.40 is well below the average of similar state minimums. The average of state minimum wages in effect as of February 2006 is \$6.71, and the median is \$6.75. The highest state minimum is held by Washington State, with a rate of \$7.63 – almost 20% higher than in Florida. Furthermore, many of these states are considering further increases to their

minimum wages. This means that Florida's minimum wage will continue to be well below the national average of state minimum wages for the foreseeable future, even with its inflationary index clause. Some critics have argued that states without a minimum wage will be better off than those with one. But the evidence does not back up this claim. Of the four states with the largest Gross State Products in the nation, only one – Texas – does not have a minimum wage above the federal level of \$5.15. Furthermore, a recent report by the Fiscal Policy Institute found that “states with minimum wages above the federal level have had faster small business and retail job growth” than states that adhere to the federal level of \$5.15.²²

Far from being put at a competitive disadvantage by its minimum wage, Florida continues to outperform its peers. However Florida also continues to be a low wage state. Among the states with minimum wage laws, Florida's ranks at the bottom. Wages for Florida in general are well below the national average. The Governor and other officials have argued that Florida should actively pursue policies that raise the average wage rate of residents, to insure that the state can attract talented workers and produce good jobs. There may be reason to believe that pursuing policies that retrench gains in worker wage growth could have deleterious effects on the economic success the state is currently experiencing.

Conclusion V: There is no evidence that its state minimum wage has put Florida at a competitive disadvantage. Instead, Florida has led the country in economic and employment growth. At the same time it continues to lag the rest of the country in average wages.

FINAL CONCLUSIONS

One year after the Florida state minimum wage took effect, there is no evidence to support the dire predictions levied by critics of the measure. Far from having a devastated economy, Florida continues to experience record job growth. Instead of businesses leaving the state, the number of private employers in Florida has grown substantially in the past year, and the state is a national leader in the insourcing of jobs from overseas. Far from workers losing their jobs and being worse off, more of them are working and wages across the state have risen. However, far from wages rising sharply across the pay scale, Florida continues to be a low-wage state, and many workers have a hard time supporting their families on what they earn, even with the new state minimum wage. All available data suggest that the critics of the state minimum wage were wrong about the law's effects.

This report utilizes only descriptive statistics. However, recent research supports these findings by indicating that minimum wage laws do not lead to the negative consequences often attributed to them, and may in fact help state, local, and the national economy as a whole. In their ground breaking book *Myth and Measurement*, economists David Card and Alan Krueger show that many of the econometric models used to evaluate the minimum wage in the past are flawed, and that when possible experimental or quasi-experimental methodologies should be used.²³ These more rigorous research methods have produced results showing that the minimum wage does not usually lead to unemployment and may even help some businesses, which reap the rewards of heightened worker productivity. Research by the Economic Policy Institute, a non-partisan national think-tank, finds that “minimum wages are clearly not the cause of labor market pain in the states. Much more dominant forces, especially the unrelated decline in manufacturing employment, better explain state economic circumstances.”²⁴ In Florida, a recent study on the Miami-Dade Living Wage Ordinance by Bruce Nissen, an author of this report, found that “unintended negative consequences predicted by critics of the Living Wage

Ordinance have not materialized” and that the living wage ordinance has helped workers in that county.²⁵

Findings from this report and other research make a persuasive case that the critics were wrong about the Florida minimum wage. Florida’s voters resoundingly approved of the state minimum wage, and in doing so they made a statement that they believed the state could have both a growing economy and also pay workers a fair wage. From the evidence available one year after their decision was implemented, it appears that they were right.

AUTHORS

H. Luke Shaefer is a researcher and policy analyst from Chicago. He received his A.M. and is a Ph.D. candidate at the University of Chicago, School of Social Service Administration, where he instructs in courses on economics and U.S. social policy. His dissertation focuses on the intersection of work and private and public benefits. He has co-designed a University of Chicago summer institute, *Economics for Health and Social Service Managers*. He has also served as a Director of Community Connections at *Work, Welfare & Families*, a Chicago-based public policy organization. Community Connections was recognized as one of five exemplary grantees in 2004 by the *Woods Fund of Chicago*. Mr. Shaefer’s articles on the minimum wage and other social policy issues have been published or are forthcoming in *Administration in Social Work*, *Illinois Child Welfare*, and *Journal of Poverty*.

Dr. Bruce Nissen received his Ph.D. from Columbia University and is the Director of Research at the Center for Labor Research and Studies at Florida International University in Miami. He is also the Director of the FIU Research Institute on Social and Economic Policy (RISEP). Dr. Nissen has published eight scholarly books as well as numerous scholarly articles in refereed academic journals on labor-related topics. His research has appeared in journals such as *Labor Studies Journal*, *Journal of Labor Research*, *Labor Research Review*, *Working USA*, *New Labor Forum*, *Antipode*, *Critical Sociology*, *Policy Studies Journal*, *Regional Science Perspectives*, and others. Dr. Nissen’s academic interests have led him into a number of professional, civic, and community activities. He is the editor of *Labor Studies Journal* and sits on the editorial board of *Working USA*. He has been widely quoted in regional and national media (including *The New York Times*, *Time magazine*, *U.S. News and World Report*, *Christian Science Monitor*, *National Journal*, *The Chicago Tribune*, *The Miami Herald*, and all of the major newspapers in Florida) as an expert on labor topics. He has served on boards and commissions of both community organizations and government agencies. Dr. Nissen has provided expert testimony before Congressional committees and various state and local study commissions, and has consulted on public policy for public officials.

APPENDIX: TABLES

| | May 2004 | Feb. 2005 | %Change | | May 2005 | Feb. 2006 | %Change |
|---------|-----------------|------------------|----------------|--|-----------------|------------------|----------------|
| Florida | 4.7% | 4.1% | 12.8% | | 3.9% | 3.2% | 17.9% |
| U.S. | 5.6% | 5.4% | 3.6% | | 5.1% | 4.8% | 5.9% |

Data provided by the Bureau of Labor Statistics. Extracted April 20, 2006 from <http://www.bls.gov>

| INDUSTRY | Apr. 2004 | Apr. 2005 | Sept. 2005 | Feb. 2006 |
|-----------------------------------|------------------|------------------|-------------------|------------------|
| Total Nonagricultural Employment | 7518.1 | 7805.9 | 7839.9 | 8006.9 |
| Service-Providing | 6606.9 | 6832.9 | 6844.3 | 6992.4 |
| Private Services Providing | 5527.4 | 5739.1 | 5747.7 | 5879.8 |
| Retail Trade | 937.4 | 974.8 | 977.3 | 1000.2 |
| Administrative and Waste Services | 773.6 | 820.6 | 832.8 | 848.4 |
| Educational Services | 117.5 | 125.8 | 123.4 | 129.0 |
| Health Care and Social Assistance | 802.7 | 814.4 | 817.3 | 827.5 |
| Leisure and Hospitality | 879.2 | 901.9 | 873.8 | 922.7 |
| Accommodation and Food Services | 709.9 | 729.2 | 709.0 | 745.1 |
| Other Services | 323.0 | 334.0 | 335.5 | 338.1 |
| Arts, Entertainment, ect. | 169.3 | 172.7 | 164.8 | 177.6 |

Data from CES, provided by the Agency for Workforce Innovation. Extracted April 5, 2006 from <http://www.labormarketinfo.com/library/ces.htm>

| | May 2004 | Jan. 2005 | Ave/ Months* | May 2005 | Jan. 2006 | Ave/ Months* |
|------------------------|-----------------|------------------|-------------------------|-----------------|------------------|-------------------------|
| Initial Claims | 47,997 | 46,942 | 57,190.6 | 44,317 | 41,961 | 46,848 |
| % Change Prev. Year | -4.91% | -8.3% | | -7.7% | -10.6% | |

* Average of the eight months in the period between May and January
Data provided by the Agency for Workforce Innovation. Extracted March 25, 2006 from <http://www.labormarketinfo.com/library/uiclaims.htm>

| | Qrt1 | Qrt2 | Qrt3 | Qrt4 |
|------|-------------|-------------|-------------|-------------|
| 2003 | 482,133 | 486,490 | 489,874 | 495,868 |
| 2004 | 508,144 | 515,805 | 520,012 | 526,543 |
| 2005 | 541,099 | 548,326 | 559,268 | |

Data from QCEW, provided by the Bureau of Labor Statistics. Extracted April 20, 2006 from <http://www.bls.gov/cew/home.htm>

| Industry | Qrt1 | Qrt2 | Qrt3 |
|-----------------|-------------|-------------|-------------|
| Serv. Providing | 453,868 | 459,397 | 468,775 |
| Agriculture | 5,000 | 4,952 | 4,944 |
| Retail | 71,530 | 71,986 | 72,412 |
| Leisure & Hosp. | 41,675 | 42,203 | 42,603 |
| Food and Drink | 29,321 | 29,659 | 29,994 |
| Accom. | 4,115 | 4,109 | 4,107 |

Data from QCEW, provided by the Bureau of Labor Statistics. Extracted April 20, 2006 from <http://www.bls.gov/cew/home.htm>

| Table for Figure 5: Average Weekly Wages Private Establishments in 2005 | | | |
|---|-------------|-------------|-------------|
| | QTR1 | QTR2 | QTR3 |
| U.S. All Industries | \$775 | \$751 | \$777 |
| FL All Industries | \$678 | \$689 | \$708 |
| U.S. Service Providing | \$751 | \$710 | \$738 |
| FL Service Providing | \$663 | \$655 | \$682 |
| U.S. Agriculture | \$421 | \$430 | \$443 |
| FL Agriculture | \$359 | \$409 | \$464 |
| U.S. Service Prov. | \$751 | \$710 | \$738 |
| FL Serv. Prov. | \$663 | \$655 | \$682 |
| U.S. Retail | \$457 | \$474 | \$490 |
| FL Retail | \$477 | \$493 | \$504 |
| U.S. Leisure and Hosp. | \$313 | \$315 | \$331 |
| FL Leisure and Hosp. | \$369 | \$362 | \$372 |
| Data from QCEW, provided by the Bureau of Labor Statistics. Extracted April 20, 2006 from http://www.bls.gov/cew/home.htm | | | |

ENDNOTES

¹ Quote retrieved from the Florida Retail Federation website, April 4, 2006: <http://www.frf.org/files/p262.htm>

² Quoted in "Florida vote on minimum wage" in the *St. Petersburg Times*, by Alisa Ulferts, July 28, 2004. Retrieved from *St. Petersburg Times* website, April 4, 2006: http://www.sptimes.com/2004/07/28/news_pf/State/Florida_to_vote_on_mi.shtml.

³ Quote retrieved from the Orlando Chamber of Commerce website, April 4, 2006: <http://www.orlando.org/index.php?src=news&prid=541&category=Headlines>.

⁴ Quote retrieved from the Washington Economic Group, Inc. website, April 4, 2006: <http://www.weg.com/story.php?i=42>. Press Release titled "Enterprise Florida Opposes State Minimum Wage Amendment to the Constitution".

⁵ Quote retrieved from Americans for Tax Reform Now website, April 4, 2006: http://www.atr.org/content/pdf/2004/various/pr-fl-minwage_9-21-04.pdf. Press Release titled "Minimum Wage Amendment sends clear message to Florida Businesses: Get Out!"

⁶ Information and quote from *My eFlorida* "Innovation Quarterly: News and Insights from Florida's Innovation Economy." Winter 2006.

⁷ Information and quote from the "Florida Retail Index" a report by the Florida Retail Federation. 3rd Quarter 2005.

⁸ Information from the "Florida Retail Index" a report by the Florida Retail Federation. 3rd Quarter 2005.

⁹ Quote from "Minimum Effect" in the Tampa Tribune, by Michael Sasso, November 20, 2005. Retrieved from the Tampa Tribune website, April 10, 2006: <http://www.tampatrib.com/MGBXOR0P8GE.html>.

¹⁰ Current Employment Statistics data are available at <http://www.labormarketinfo.com/ces>.

¹¹ Quarterly Census of Employment & Wages data are available at <http://www.labormarketinfo.com/qcew>, and <http://www.bls.gov/cew/home.htm>. Numbers as listed by the BLS for quarters in 2005 are "preliminary", but accurate at the report's printing.

¹² All figures have corresponding tables at the end of this report that more fully list the data.

¹³ Percentage change calculations in this report always use the original/earlier measure as the base.

¹⁴ These industries are taken from Pollen's study on the Florida minimum wage. They are those industries with the highest concentration of minimum wage workers and which also make up a significant portion of the Florida economy. All together, they include retail trade, administrative and waste services, educational services, health care and social assistance, leisure and hospitality, accommodations and food services, arts entertainment, etc., and other services. See Robert Pollin, Mark Brenner, & Jeannette Wicks-Lim, "Economic Analysis of the Florida Minimum Wage Proposal." Report of the Center for American Progress.

¹⁵ Information and quote from the "Florida Retail Index" a report by the Florida Retail Federation. 3rd Quarter 2005.

¹⁶ Quote retrieved from Florida Restaurant & Lodging Association website, April 10, 2006: <http://www.flra.com>.

¹⁷ Information and quote from the "Florida Restaurant Industry: At a Glance." A report by the National Restaurant Association and the Florida Restaurant & Lodging Association.

¹⁸ Quotes retrieved from the Business Florida website, April 13, 2006: <http://www.businessflorida.com/greet.asp>.

¹⁹ This includes the Florida Retail Federation Advisory, as indicated on their website as of April 4, 2006: <http://www.frf.org/files/p262.htm>.

²⁰ Information from "Wage gap plagues S. Florida" in the Miami Herald, by Patrick Danner. November 7, 2005. Retrieved from Miami Herald website, April 14, 2006: http://www.miami.com/mld/miamiherald/business/special_packages/business_monday/13085900.htm.

²¹ Quoted in "Wage gap plagues S. Florida" in the Miami Herald, by Patrick Danner. November 7, 2005. Retrieved from Miami Herald website, April 14, 2006: http://www.miami.com/mld/miamiherald/business/special_packages/business_monday/13085900.htm.

²² Quote and report retrieved from the Fiscal Policy Institute website, April 20, 2006: <http://www.fiscalpolicy.org/FPISmallBusinessMinWage.pdf>.

²³ *Myth and Measurement: The New Economics of the Minimum Wage*. By David Card and Alan B. Krueger, Princeton University Press, 1995.

²⁴ Quote and briefing paper retrieved from the Economic Policy Institute website, April 20, 2006: http://www.epi.org/content.cfm/briefingpapers_bp150.

²⁵ Quote and report retrieved from the Florida International University Research Institute on Social and Economic Policy website, April 20, 2006: http://www.risep-fiu.org/reports/A_Difference_that_Matters.pdf.