

COLORADO WORKERS IN LOW-WAGE JOBS

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Introduction

In recent years, more than [40 cities and counties](#) across the U.S. have set higher local minimum wages to better help workers in their communities get ahead economically. Rigorous economic [analyses](#) of these local minimum wage laws shows they boost earnings without having significant negative effects on employment.

The Colorado General Assembly is considering a bill ([HB19-1210](#)) to repeal the current law prohibiting local governments from setting a minimum wage higher than the state minimum wage. Our research shows:

- A higher local minimum wage would likely help 524,998 Colorado workers
- Over half of these workers live in the Denver-Aurora-Lakewood metro area
- These workers are more likely to be women, people of color (specifically Hispanic/Latino), younger, and less educated than workers in jobs with higher wages and a broad measure of Colorado workers overall
- A greater portion of these workers lack health insurance of any kind, or receive their coverage through Medicaid and live at or below 200 percent of the federal poverty level (FPL) than do workers in higher-paying jobs or Colorado workers overall

To better understand the types of Colorado workers who would most likely be affected by changes in local minimum wages, we analyzed [data](#) from the U.S. Census Bureau's American Community Survey (ACS).¹ This analysis shows the number of workers affected, where they are located within Colorado, and their demographic background.

To conduct our analysis, we used three measures of workers — those in low-wage jobs, those in higher wage jobs, and a broad measure of workers in Colorado. In defining these measures, we focused on workers in their prime working years — aged 18 to 64 — who are working at least 20 hours each week and who have positive earnings. We divided them into categories based on their hourly earnings:

- Workers in low-wage jobs, earning between \$9.31 and \$15.00 per hour
- Workers in jobs with higher wages who earn at least \$15.01 per hour and above
- Workers overall, earning any amount per hour

Because the most recent data from the ACS for Colorado is 2017, we set the wage range for low-wage jobs just above 2017's \$9.30 per hour minimum wage. Table 1 shows how we defined the three measures.

Table 1: Three Measures of Colorado Workers

	Workers in Low-Wage Jobs	Workers in Higher Wage Jobs	Broad Measure of Workers Overall
Age	18-64	18-64	18-64
Hours worked per week	At least 20 hours	At least 20 hours	At least 20 hours
Hourly wages	\$9.31 to \$15.00	\$15.01 and over	Any positive earnings

¹IPUMS-USA, University of Minnesota, www.ipums.org.

Number of Workers & Where They're Located in Colorado

In 2017, there were 524,998 Coloradans working in low-wage jobs and 1.628 million in higher paid jobs. Those in low-wage jobs represent 1 out of 5 Colorado workers overall. Most workers in low-wage jobs were found in the city of Denver, the Denver-Aurora-Lakewood metro area and in the nonmetro areas of the state.

These areas also contain the largest number of workers overall, and workers in low-wage jobs represent a smaller portion of workers in these areas than in other parts of the state. For example, workers in low-wage jobs account for almost 1 out of every 4 workers overall in the Grand Junction and Pueblo metro areas.

Chart 1: Colorado Workers in Low-Wage & High-Wage Jobs, By Area

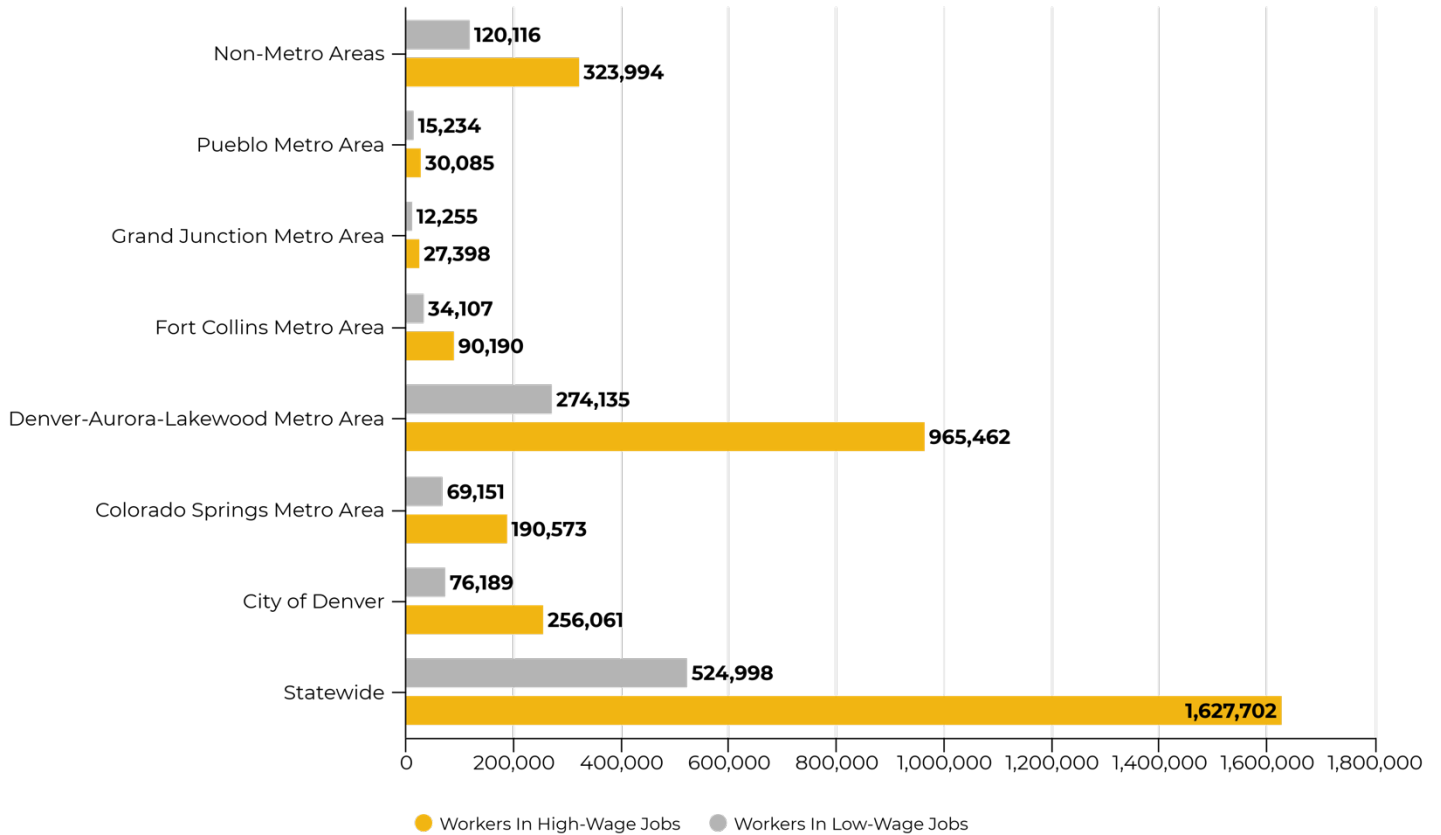
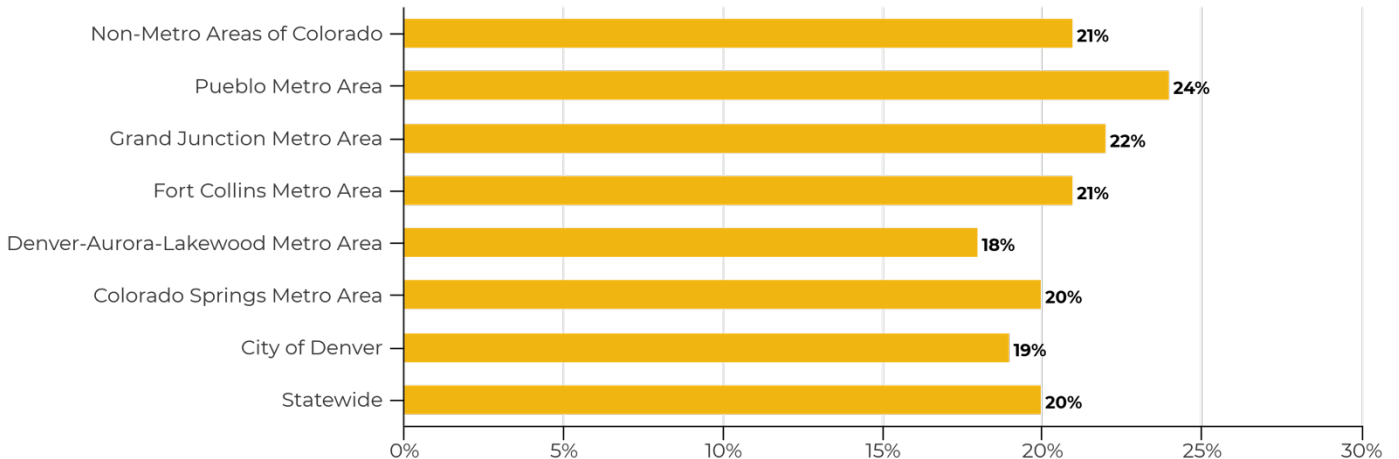


Chart 2: Colorado Workers in Low-Wage Jobs as Share of Broad Measure of State Workers Overall, By Area

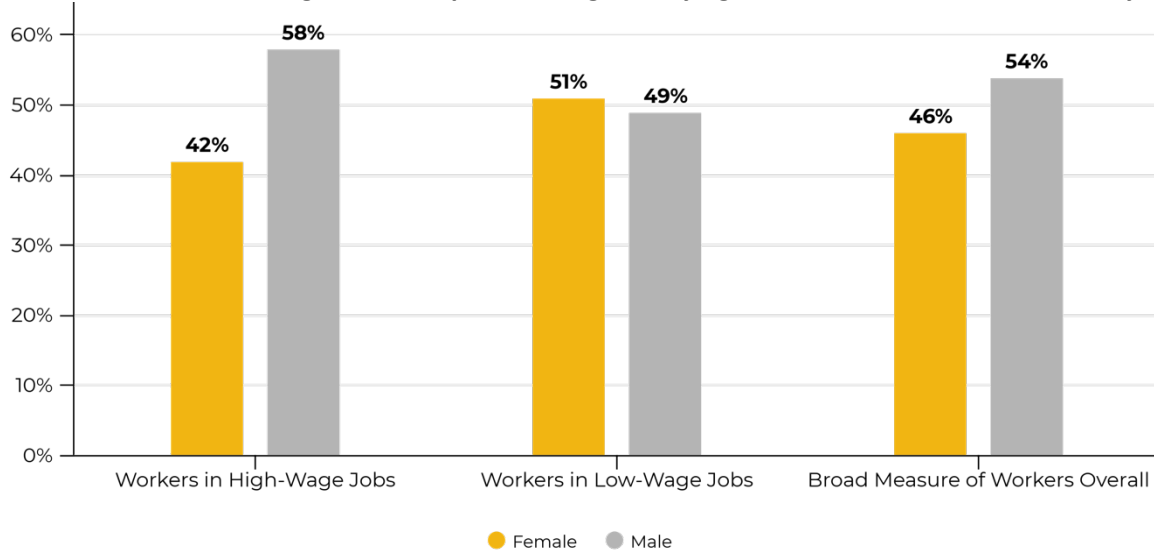


Demographics of Coloradans Working Low-Wage Jobs

Gender

Women are more likely to work in low-wage jobs than men. While women represent 51 percent of the workers in low-wage jobs, they represent 42 percent of workers in high-wage jobs and 46 percent of workers overall.

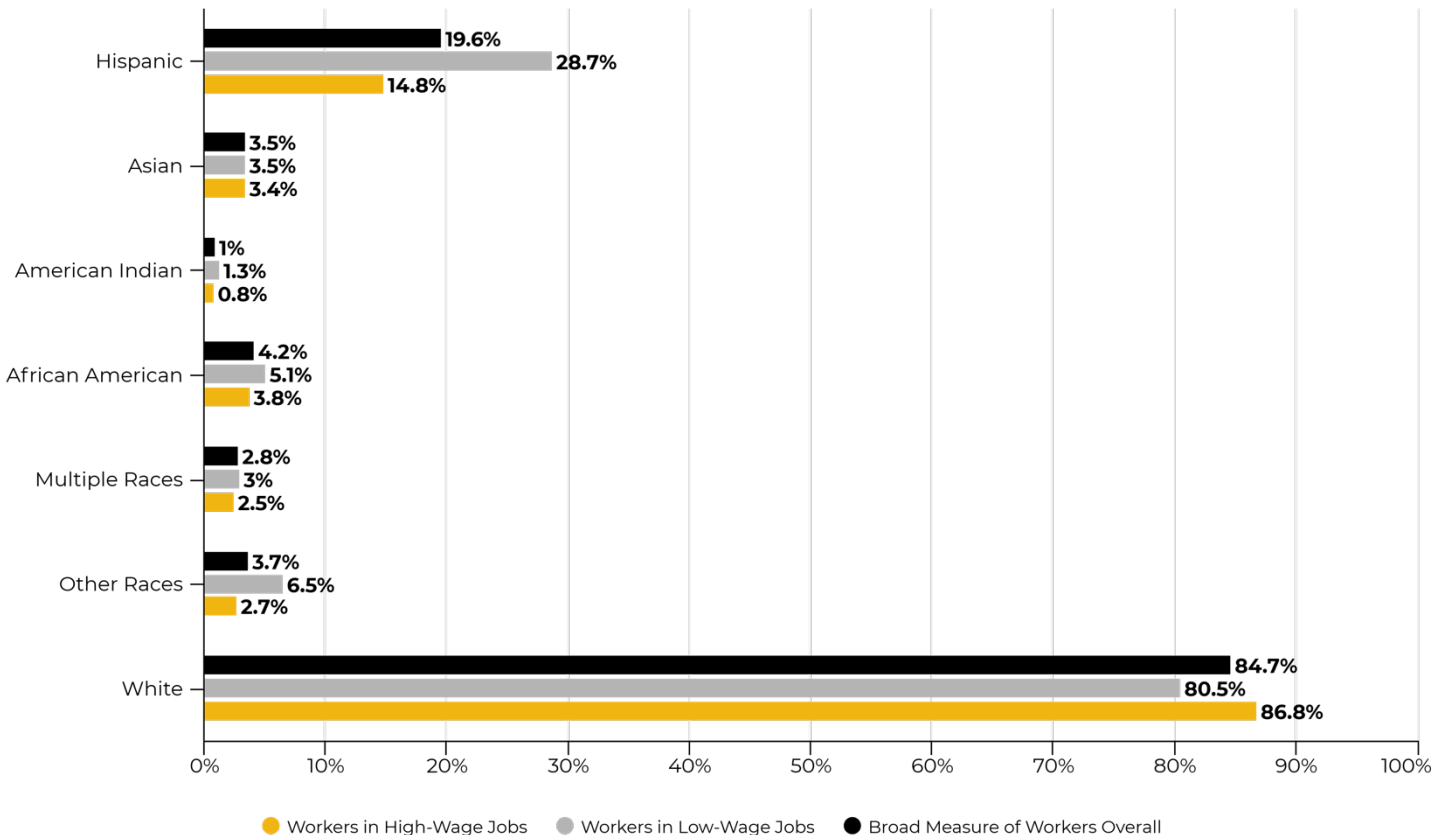
Chart 3: Coloradans in Low-Wage Jobs Compared to Higher-Paying Jobs & State Workers Overall, By Gender



Race

Colorado workers in low-wage jobs are more likely to be people of color, specifically Hispanic/Latino. Still, white Coloradans represent 8 out of 10 workers in all three categories (low-wage, higher paid, and state workers overall).

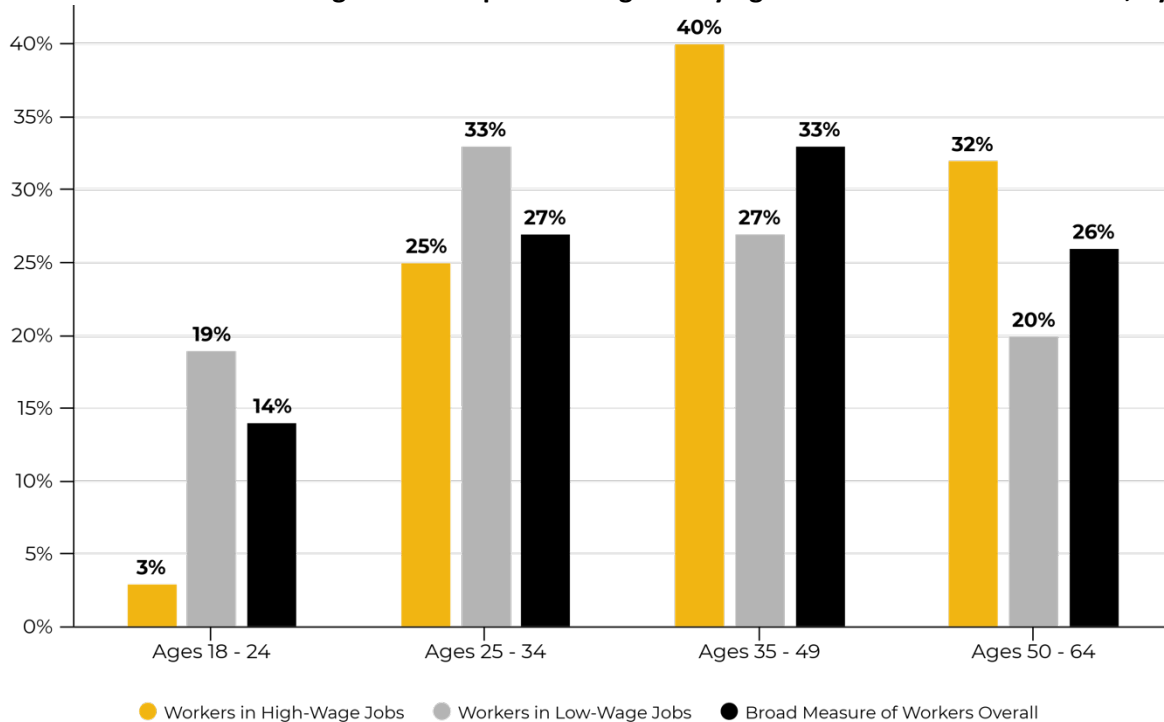
Chart 4: Coloradans in Low-Wage Jobs Compared to Higher-Paying Jobs & State Workers Overall, By Race



Age

Workers in low-wage jobs are younger than those in high-wage jobs and a broad measure of Colorado workers overall. For example, Coloradans aged 18 to 34 represent more than half (52 percent) of all workers in low-wage jobs, but less than one-third of (28 percent) workers in higher-paying jobs. Coloradans aged between 35 and 64 years old represent over 70 percent of workers in high-wage jobs, but less than half of the workers in low-wage jobs.

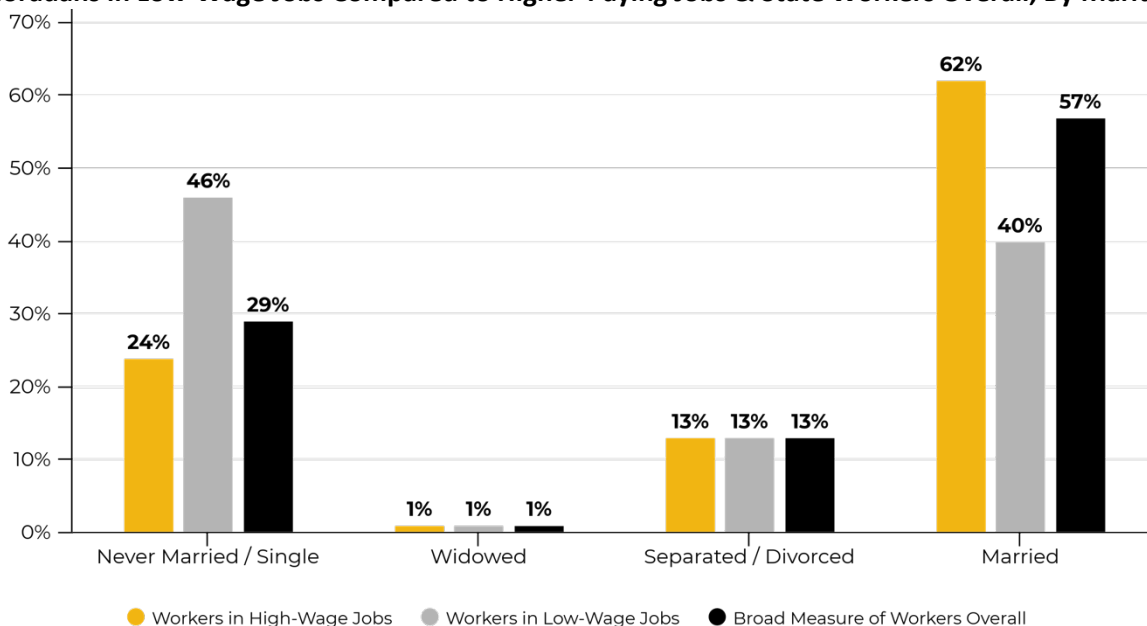
Chart 5: Coloradans in Low-Wage Jobs Compared to Higher-Paying Jobs & State Workers Overall, By Age



Marital Status

Four out of 10 Colorado workers in low-wage jobs are married compared to more than 6 out of 10 (62 percent) who work high-wage jobs and half (52 percent) of Colorado workers overall. Less than half (46 percent) of Coloradans working low-wage jobs are single or never married, compared to 24 percent in high-wage jobs and 35 percent of Colorado workers overall. The same share of each group — 13 percent — is separated or divorced.

Chart 6: Coloradans in Low-Wage Jobs Compared to Higher-Paying Jobs & State Workers Overall, By Marital Status

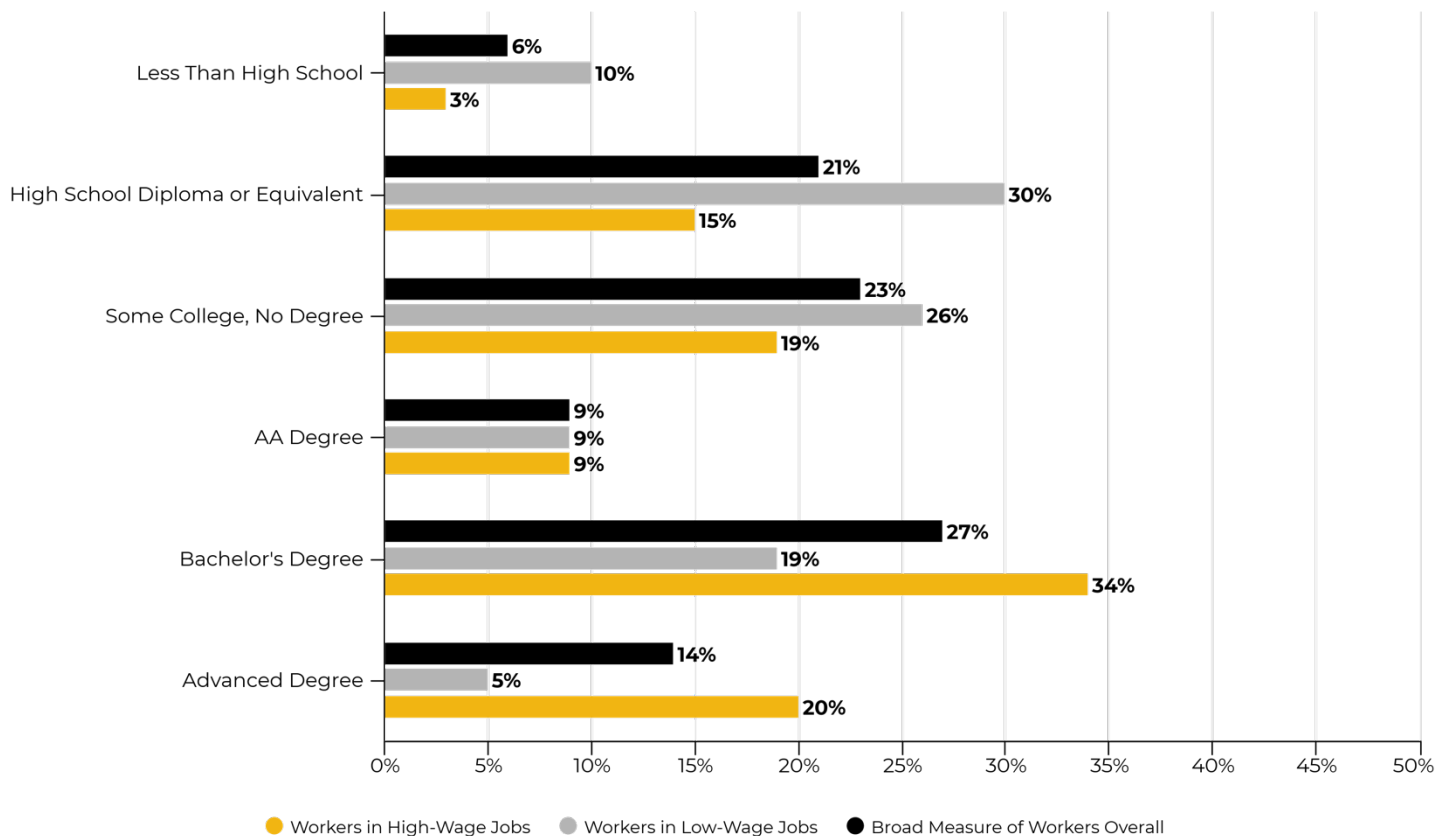


Educational Attainment & Industries/Occupations

Educational Attainment Levels

Colorado workers in low-wage jobs have lower educational attainment levels than those in higher-paying jobs and workers overall. For example, 10 percent of workers in low-wage jobs have less than a high school diploma, compared to 3 percent of workers in high-wage jobs and 6 percent of workers overall. While 3 out of 10 workers in low-wage jobs have a maximum of a high school diploma or its equivalent (GED, for example), one-third of workers with high-wage jobs have the maximum of a bachelor's degree. Although 20 percent of workers in high-wage jobs have advanced degrees, so do 5 percent of workers in low-wage jobs.

Chart 7: Coloradans in Low-Wage Jobs Compared to Higher-Paying Jobs & State Workers Overall, By Education Level



Industries

Ten industries with the most workers in low-wage jobs account for 40 percent of the total number of workers in low-wage jobs. Restaurants and other food services and construction account for 19 percent of workers in low-wage jobs. Ten industries with the most workers in high-wage jobs account for 38 percent of the total number of workers in these jobs. Construction and elementary and secondary schools account for 14 percent of workers in higher-paying jobs.

Occupations

Ten occupations with the most workers in low-wage jobs account for 23 percent of all workers in low-wage jobs. Retail salespersons and cooks represent the occupations with the most workers in low-wage jobs. Ten occupations with the most workers in high-wage jobs also account for 23 percent of the total. Miscellaneous managers and registered nurses are the occupations with the most workers in high-wage jobs. Table 1 and Table 2 on the following pages present more detailed information on these topics.

Table 1: 10 Industries with Most Workers in Low-Wage Jobs & Workers in High-Wage Jobs

Colorado Workers in Low-Wage Jobs			Colorado Workers in High-Wage Jobs		
Industry	Total	Share of Low-Wage Jobs	Industry	Total	Share of High-Wage Jobs
Accommodation & Food Services; Restaurants & Other Food Services	54,253	10%	Construction	139,671	9%
Construction	44,975	9%	Elementary & Secondary Schools	86,301	5%
Educational Services; Elementary & Secondary Schools	30,003	6%	Hospitals	83,594	5%
Health Care & Social Services; Hospitals	16,859	3%	Computer System Design & Related Services	64,430	4%
Retail Trade; Grocery Stores	12,893	2%	Restaurants & Other Food Services	47,179	3%
Retail Trade; Department & Discount Stores	11,549	2%	Colleges, Universities, & Professional Schools	46,839	3%
Financial Activities; Real Estate	11,198	2%	Architectural, Engineering, & Related Services	42,606	3%
Arts, Entertainment, & Recreation; Other Amusement, Gambling, & Recreation Industries	10,757	2%	Justice, Public Order & Safety Activities	40,227	2%
Accommodation & Food Services; Traveler Accommodation	10,152	2%	Insurance Carriers & Related Activities	35,446	2%
Educational Services; Colleges, Universities, Professional Schools	10,047	2%	Real Estate	30,616	2%
Totals	212,686	40%	Totals	616,909	38%

Table 2: 10 Occupations with Most Workers in Low-Wage Jobs & Workers in High-Wage Jobs

Colorado Workers in Low-Wage Jobs			Colorado Workers in High-Wage Jobs		
Occupation	Total	Share of Low-Wage Jobs	Occupation	Total	Share of High-Wage Jobs
Retail Salespersons	18,232	3%	Miscellaneous Managers	83,411	5%
Cooks	16,831	3%	Registered Nurses	41,773	3%
Customers Services Representatives	14,561	3%	Elementary & Middle School Teachers	41,655	3%
Drivers/Sales Workers & Truck Drivers	14,420	3%	Software Developers, Applications & Systems Software	39,989	2%
First-Line Supervisors of Retail Sales Workers	14,354	3%	First-Line Supervisors of Retail Sales Workers	32,784	2%
Waiters & Waitresses	13,350	3%	Accountants & Auditors	29,992	2%
Secretaries & Administrative Assistants	12,657	2%	Secretaries & Administrative Assistants	29,397	2%
Janitors & Building Cleaners	12,596	2%	Drivers/Sales Workers & Truck Drivers	29,244	2%
Laborers & Freight, Stock & Material Movers	11,518	2%	Customer Service Representatives	24,387	2%
Elementary & Middle School Teachers	10,808	2%	Chief Executives & Legislators	22,726	1%
Totals	121,095	23%	Totals	375,358	23%

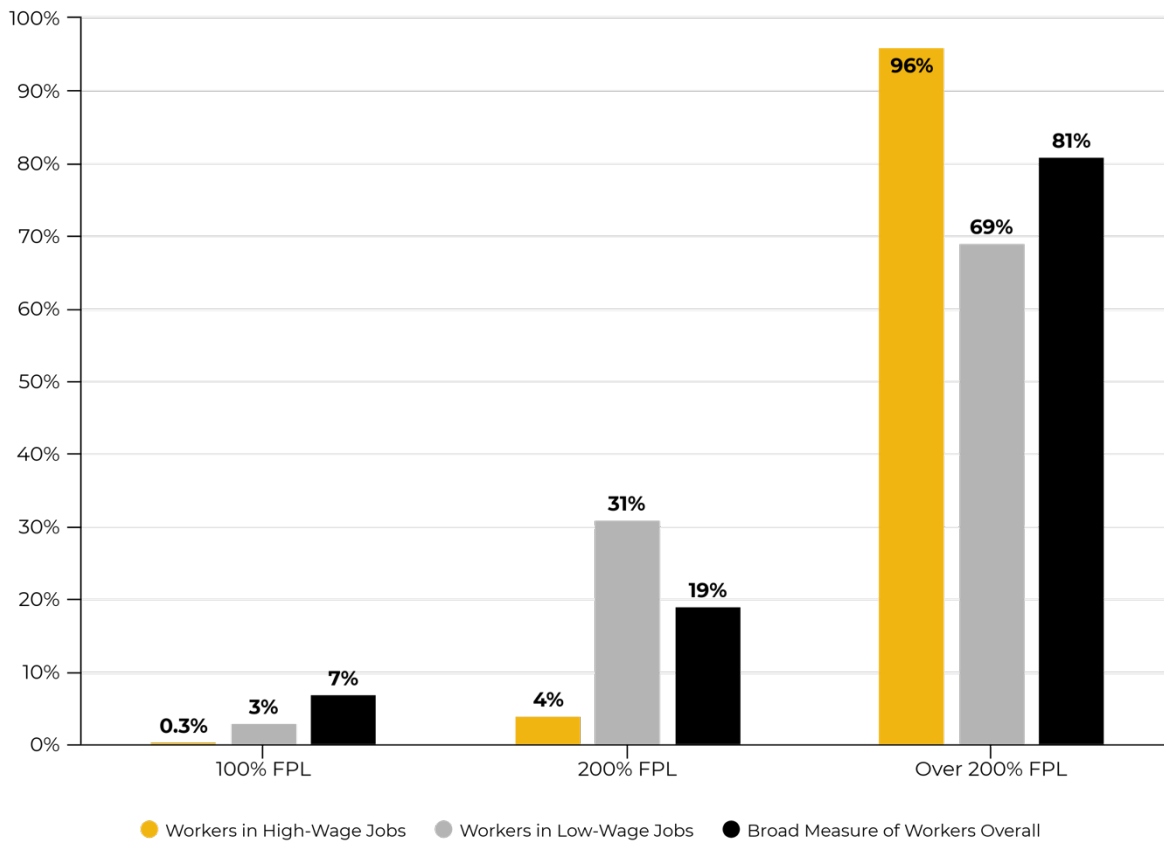
Economic Status of Workers

Workers in Poverty

Families of workers in low-wage jobs are more likely to live in poverty than families of workers in higher wage jobs. Interestingly, a larger portion of Colorado workers overall live in poverty than workers in low-wage jobs. Because some of the overall workers might not be working at least half time throughout the year or may earn less than the minimum wage, their wages put their families below 100 percent of the federal poverty level (FPL).

However, when we consider those families who live at or below 200 percent of FPL — a standard sometimes used as a measure of economic self-sufficiency — we see families of workers in low-wage jobs are 50 percent more likely to live in poverty than are families of Colorado workers overall (31 percent compared to 19 percent). Seven out of 10 families of workers in low-wage jobs live at 200 percent or more of FPL compared to more than 9 out of 10 families of Colorado's workers in higher-paying jobs.

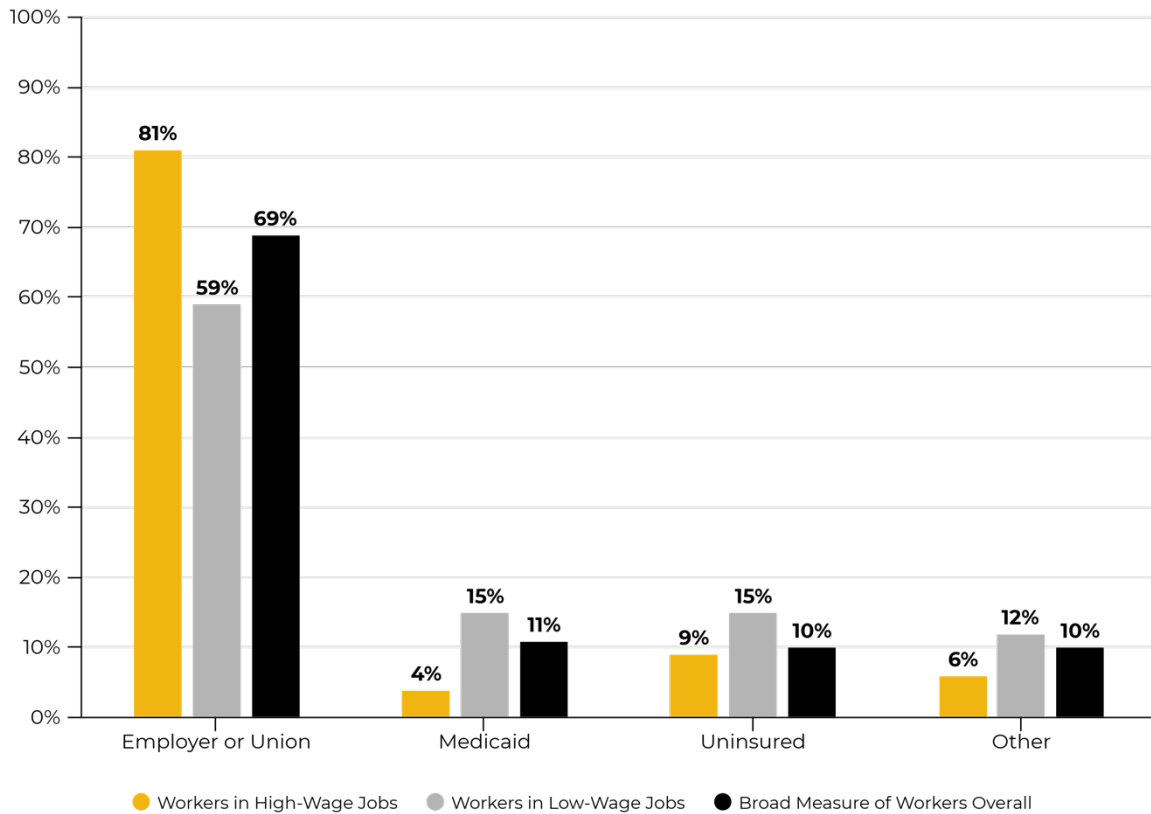
Chart 8: Colorado Families Living in Poverty, By Workers in Different Categories of Jobs



Health Insurance Coverage

Workers in low-wage jobs are more likely not to have health insurance, more likely to participate in Medicaid, and less likely to receive health insurance through an employer or union than are Colorado workers overall. In fact, workers in low-wage jobs about 50 percent more likely to be uninsured and enrolled in Medicaid than Colorado workers overall.

Chart 9: Health Insurance Coverage, By Workers in Different Categories of Jobs



Appendix A: Data on Workers in Three Categories of Jobs

Characteristics	Workers in Low-Wage Jobs		Workers in High-Wage Jobs		Broad Measure of Colorado Workers	
	Number	Share of Low-Wage Jobs	Number	Share of High-Wage Jobs	Number	Share of Broad Measure of Colorado Workers
Number	524,998		1,627,702		2,674,494	
Location						
Statewide	524,998	100%	1,627,702	100%	2,674,494	100%
City of Denver	76,189	14.5%	256,061	15.7%	395,328	15%
Colorado Springs	69,151	13.2%	190,573	11.7%	341,163	13%
Denver-Aurora-Lakewood	274,135	52.2%	965,462	59.3%	1,482,549	55%
Fort Collins	34,107	6.5%	90,190	5.5%	162,545	6%
Grand Junction	12,255	2.3%	27,398	1.7%	55,210	2%
Pueblo	15,234	2.9%	30,085	1.8%	62,410	2%
Non-Metro Areas	120,116	22.9%	323,994	19.9%	570,617	21%
Gender						
Male	259,844	49.5%	939,536	57.7%	1,458,163	54.5%
Female	265,154	50.5%	688,166	42.3%	1,216,331	45.5%
Race						
White	422,832	80.5%	1,413,516	86.8%	2,266,446	84.7%
African American	26,867	5.1%	61,190	3.8%	112,884	4.2%
American Indian	6,873	1.3%	13,570	0.8%	27,684	1.0%
Asian	18,240	3.5%	55,617	3.4%	93,584	3.5%
Other Races	34,196	6.5%	43,363	2.7%	99,005	3.7%
Two Races	14,175	2.7%	37,319	2.3%	67,823	2.5%
Three+ Races	1,815	0.3%	3,127	0.2%	7,068	0.3%
Hispanic Origin	150,539	28.7%	241,429	14.8%	524,886	19.6%
Age						
18-24	102,365	19.5%	51,188	3.1%	364,896	14%
25-34	174,468	33.2%	412,478	25.3%	714,839	27%
35-49	140,661	26.8%	649,143	39.9%	890,172	33%
50-64	107,504	20.5%	514,893	31.6%	704,587	26%
Education						
Less Than H.S.	50,754	9.7%	50,832	3.1%	163,650	6.2%
H.S. Diploma, or Equivalent	156,833	29.9%	249,692	15.3%	555,511	20.9%
Some College, No Degree	135,435	25.8%	307,459	18.9%	607,260	22.8%
AA Degree	47,182	9.0%	141,411	8.7%	226,018	8.5%
BA Degree	101,212	19.3%	545,754	33.5%	726,000	27.3%
Advanced Degree	28,380	5.4%	327,540	20.1%	380,320	14.3%

Appendix A: Data on Workers in Three Categories of Jobs (continued)

Characteristics	Workers in Low-Wage Jobs		Workers in High-Wage Jobs		Broad Measure of Colorado Workers	
	Number	Share in Low-Wage Jobs	Number	Share in High-Wage Jobs	Number	Share of Broad Measure of Colorado Workers
Health Insurance						
Employer or Union	307,640	58.6%	1,315,606	80.8%	1,855,710	69%
Medicaid	78,332	14.9%	66,496	4.1%	287,387	11%
Other	61,657	11.7%	144,534	8.9%	275,880	10%
Uninsured	77,369	14.7%	101,066	6.2%	255,517	10%
Poverty						
100% FPL	17,034	3.2%	5,164	0.3%	186,860	7.0%
200% FPL	162,239	30.9%	59,790	3.7%	510,083	19.1%
Marital Status						
Married	210,270	40.1%	1,011,631	62.2%	1381534	51.7%
Separated/Divorced	68,510	13.0%	215,537	13.2%	338308	12.6%
Widowed	6,615	1.3%	15,924	1.0%	29053	1.1%
Never Married/Single	239,603	45.6%	384,610	23.6%	925599	34.6%