

Tight Job Conditions Boost Wages

Stensholt, John; Rattner, Nate . Wall Street Journal , Eastern edition; New York, N.Y. [New York, N.Y]. 01 June 2022: B.1.

[ProQuest document link](#)

FULL TEXT

Wages for the median workers at the majority of big American companies are higher than they were before the pandemic, with the tight job market helping to lift paydays for many bank tellers, factory workers and software programmers.

Compensation in 2021 for the median worker at 275 companies in the S&P 500 index was higher than in 2019, including 150 companies where it increased 10% or more from 2019, according to a Wall Street Journal analysis. Half as many firms reported their median worker's 2021 compensation decreased 10% or more.

More than 140 companies, including Netflix Inc. and steelmaker Nucor Corp., said their median worker was paid at least \$100,000 last year. Over three dozen companies, including Walmart Inc. and Home Depot Inc., said their median worker made less than \$30,000 in 2021.

Competition for hourly workers intensified last year across industries. Some companies paid bonuses to attract new workers or keep them in jobs, as stores, offices and airports reopened or increased capacity. White-collar workers, especially in technology and finance roles, have been in demand during much of the past two years. The U.S. unemployment rate was 3.6% in April, nearly matching the half-century low of 3.5% reached just before the pandemic took hold in the U.S., in early 2020. There were 11.5 million job openings in March, or nearly two openings for every unemployed person seeking work, while the number of times workers quit their jobs reached 4.5 million for the month – both record highs.

Bigger paydays are on the way for many workers this year – for top earners and those lower down the scales. Amazon.com Inc. is raising its cap on base pay to \$350,000 from \$160,000, while Apple Inc. said it would raise salaries and its minimum hourly wage for U.S. workers to \$22. Starbucks Corp. has promised raises of at least 5% for baristas who have worked for two or more years, and Bank of America Corp. is lifting its minimum U.S. wage to \$22 an hour starting in July.

The Journal analyzed annual disclosures by nearly 450 companies using data from securities filings provided by MyLogIQ. Since about 2018, U.S. publicly traded companies have been required to identify the median worker from their global workforce and disclose that person's compensation, including overtime and benefits, in the same way that they calculate total compensation for chief executive officers and other top executives.

Although companies must calculate the total compensation of their median workers under strict rules, they have leeway in identifying the median employee in the first place. Some use salary or wages alone to sort employees from highest- to lowest-paid, while others also include bonuses, commissions or stock awards. The Journal contacted companies in the analysis and reflected responses from those that responded.

Here are some key takeaways from the Journal's analysis:

Pay Above \$100,000

Twelve of the top 25 best-paid median workers in 2021 were at tech companies or tech-driven media platforms, including Facebook parent Meta Platforms Inc. and Netflix.

Atop the Journal's analysis was Google's parent company, Alphabet Inc., where the median employee received \$295,884, up 14% from 2019 and an 8% increase from 2020.

Cybersecurity firm Fortinet Inc. shows the quick-rising salaries in the technology sector. Fortinet's median worker,

the same person for the past three years, had pay of \$202,875 last year, up from \$122,329 in 2019.

Buoyed by pandemic profits, most Wall Street banks and financial institutions are paying their staff more than they were three years ago. The only financial firm in the top 25, however, was Atlanta-based investment management firm Invesco Ltd., where the median worker's pay rose 50% from \$125,282 in 2019 to \$187,854 last year.

Under \$30,000

Forty-one companies said they paid their median workers below \$30,000 in 2021. In 2019, that figure was 56. Most of the companies were retailers, supermarkets and fast-food chains that employ many hourly or part-time workers. The median Home Depot worker received \$28,697 last year, up 27% from \$22,652 in 2019. The retailer undertook several pandemic salary initiatives in 2020, including adding \$100 to full-time paychecks and paying double overtime.

Median pay at Walmart rose 21% in 2021 from the previous year, with the country's largest private employer giving raises to more than 565,000 of its 1.6 million U.S. workers in December. More recently, Walmart has raised starting pay for in-house truck drivers to as much as \$110,000 annually.

The lowest in the Journal's analysis was auto-parts supplier Aptiv PLC, where the median worker was paid \$7,402 in 2021, in line with the previous two years. The median employee is "a full-time hourly employee located in Mexico, where competitive wages vary greatly from standard U.S. hourly rates," the company said.

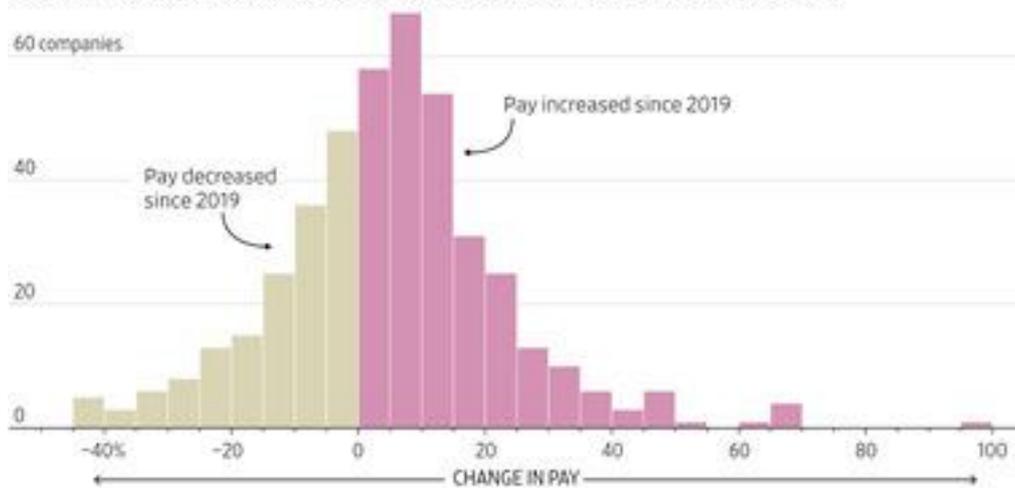
Biggest Swings

Pay for Marathon Petroleum Corp.'s median worker surged during the pandemic, to \$148,805 last year from \$27,507 in 2019. But the 2019 figure included workers from the Speedway convenience-store chain that the oil refiner sold to 7-Eleven Inc. last year.

Without Speedway and its many part-time retail workers, Marathon said the median worker's pay fell 29% from \$210,248 in 2019.

The level of compensation at Marathon is commensurate with the specialization of its employees, a spokesman said.

Change in median-employee pay from 2019 to 2021 among S&P 500 companies*



Median-employee earnings among S&P 500 companies in 2021, by sector



*Marathon Petroleum, which sold its line of convenience stores since 2019, isn't shown; its change in median pay was 44%.
 Note: Excludes companies that didn't report data.
 Source: MyLogIQ

Enlarge this image.

Credit: By John Stensholt and Nate Rattner

DETAILS

Subject: Workers; Employees; Executive compensation; Pandemics; Wages & salaries; Part time employment

Business indexing term: Subject: Workers Employees Executive compensation Wages & salaries Part time employment; Corporation: Netflix Inc Walmart Inc

Location:	United States--US
Company / organization:	Name: Netflix Inc; NAICS: 512120, 518210, 532282; Name: Walmart Inc; NAICS: 454110, 455110, 455211
Publication title:	Wall Street Journal, Eastern edition; New York, N.Y.
First page:	B.1
Publication year:	2022
Publication date:	Jun 1, 2022
Publisher:	Dow Jones &Company Inc
Place of publication:	New York, N.Y.
Country of publication:	United States, New York, N.Y.
Publication subject:	Business And Economics--Banking And Finance
ISSN:	00999660
Source type:	Newspaper
Language of publication:	English
Document type:	News
ProQuest document ID:	2671873135
Document URL:	https://www.proquest.com/newspapers/tight-job-conditions-boost-wages/docview/2671873135/se-2?accountid=44910
Copyright:	Copyright 2022 Dow Jones &Company, Inc. All Rights Reserved.
Last updated:	2022-06-01
Database:	ABI/INFORM Collection,U.S. Major Dailies

Database copyright © 2022 ProQuest LLC. All rights reserved.

[Terms and Conditions](#) [Contact ProQuest](#)