



For Release: Tuesday, April 22, 2014

14-496-ATL

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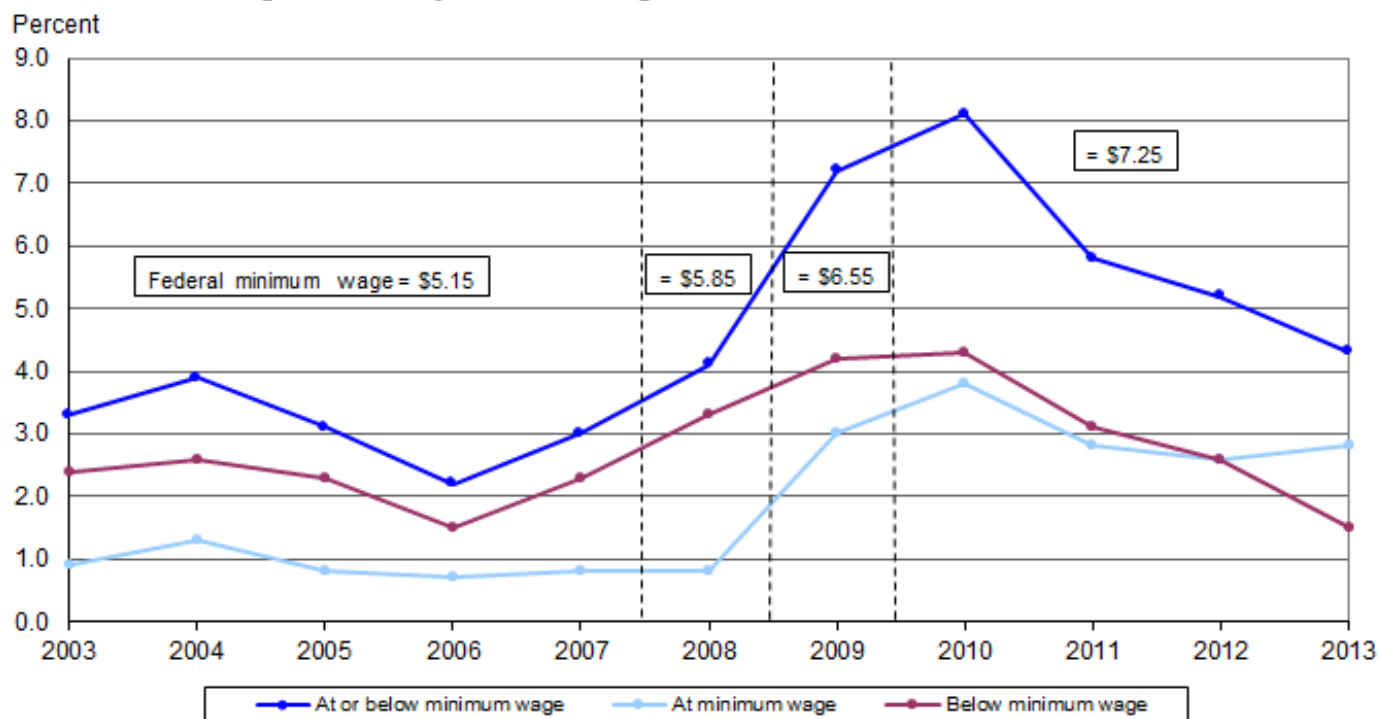
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Minimum Wage Workers in Kentucky-2013

Of the 1.2 million workers paid hourly rates in Kentucky in 2013, 32,000 earned exactly the prevailing federal minimum wage of \$7.25 per hour, while 17,000 earned less, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the 49,000 Kentucky workers earning the federal minimum wage or less made up 4.3 percent of all hourly-paid workers in the state, matching the 4.3 percent of the hourly-paid workforce earning the federal minimum wage or less nationwide. (The Kentucky minimum wage is equal to the prevailing federal minimum wage.)

In 2006, 26,000 hourly-paid workers earned the prevailing Federal minimum wage or less in Kentucky—the lowest level since data was first available in 2000—accounting for 2.2 percent of all workers paid an hourly wage. (See [chart 1](#)). In 2007, the Federal minimum wage began increasing after holding steady for nearly a decade. The initial result in Kentucky was that more workers fell into this category, peaking at 91,000 in 2010, before declining in each of the last three years.

Chart 1. Percentage of hourly-paid wage and salary workers with earnings at or below the prevailing federal minimum wage in Kentucky, annual averages, 2003-2013



Source: U.S. Bureau of Labor Statistics.

From 2012 to 2013, the portion of hourly-paid workers in Kentucky who earned at or below the federal minimum wage declined from 5.2 to 4.3 percent. The percentage of workers earning less than the federal minimum declined 1.1 percent in 2013, while the share earning exactly the minimum wage increased 0.2 percent. As a result, 2013 was the first year in Kentucky that the percentage of workers with earnings *at* the federal minimum wage rate was greater than the portion with wages *below* the minimum.

Of the 49,000 workers earning the prevailing federal minimum wage or less in Kentucky in 2013, 34,000, or 69 percent, were women. These women represented 5.8 percent of all women paid hourly rates in the state. There were 16,000 men earning the prevailing minimum wage or less in Kentucky; they made up 2.9 percent of all men who were paid hourly rates in the state. (See [table A.](#))

Overall, employed wage and salary workers earning hourly rates in Kentucky had median hourly earnings of \$12.42 in 2013; nationally, the median was \$12.93. The median hourly rates for men and women in Kentucky in 2013 were \$13.50 and \$11.96, respectively. (See [table A.](#)) For the nation, the comparable figures were \$14.00 per hour for men and \$12.12 per hour for women.

Table A. Employed wage and salary workers¹ paid hourly rates with earnings at or below the prevailing federal minimum wage in Kentucky, by sex, annual averages, 2003-2013

Kentucky	Number of workers (in thousands)				Percent of workers paid hourly rates			Median earnings (in dollars)
	Total paid hourly rates	At or below minimum wage			At or below minimum wage			
		Total	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage	
Total, both sexes								
2003	1,103	36	10	26	3.3	0.9	2.4	10.17
2004	1,148	45	15	30	3.9	1.3	2.6	10.37
2005	1,120	35	9	26	3.1	0.8	2.3	11.01
2006	1,175	26	8	18	2.2	0.7	1.5	11.19
2007	1,152	35	9	26	3.0	0.8	2.3	11.41
2008	1,101	45	9	36	4.1	0.8	3.3	11.67
2009	1,070	77	32	45	7.2	3.0	4.2	11.70
2010	1,119	91	43	48	8.1	3.8	4.3	12.18
2011	1,077	63	30	33	5.8	2.8	3.1	12.08
2012	1,147	60	30	30	5.2	2.6	2.6	12.42
2013	1,150	49	32	17	4.3	2.8	1.5	12.42
Total, men								
2003	533	13	5	8	2.4	0.9	1.5	11.73
2004	578	22	8	14	3.8	1.4	2.4	11.65
2005	547	7	2	5	1.3	0.4	0.9	12.04
2006	591	13	4	9	2.2	0.7	1.5	12.40
2007	584	15	5	10	2.6	0.9	1.7	12.75
2008	559	17	2	15	3.0	0.4	2.7	12.96
2009	522	25	6	19	4.8	1.1	3.6	12.62
2010	521	27	14	13	5.2	2.7	2.5	13.94
2011	508	21	12	9	4.1	2.4	1.8	12.85
2012	563	19	11	8	3.4	2.0	1.4	13.68
2013	559	16	10	6	2.9	1.8	1.1	13.50
Total, women								
2003	570	24	5	19	4.2	0.9	3.3	9.27
2004	571	23	7	16	4.0	1.2	2.8	9.79
2005	573	28	8	20	4.9	1.4	3.5	10.08
2006	583	13	5	8	2.2	0.9	1.4	10.35
2007	568	20	4	16	3.5	0.7	2.8	10.19
2008	541	28	7	21	5.2	1.3	3.9	10.62
2009	549	52	26	26	9.5	4.7	4.7	10.84

Note: See footnotes at end of table.

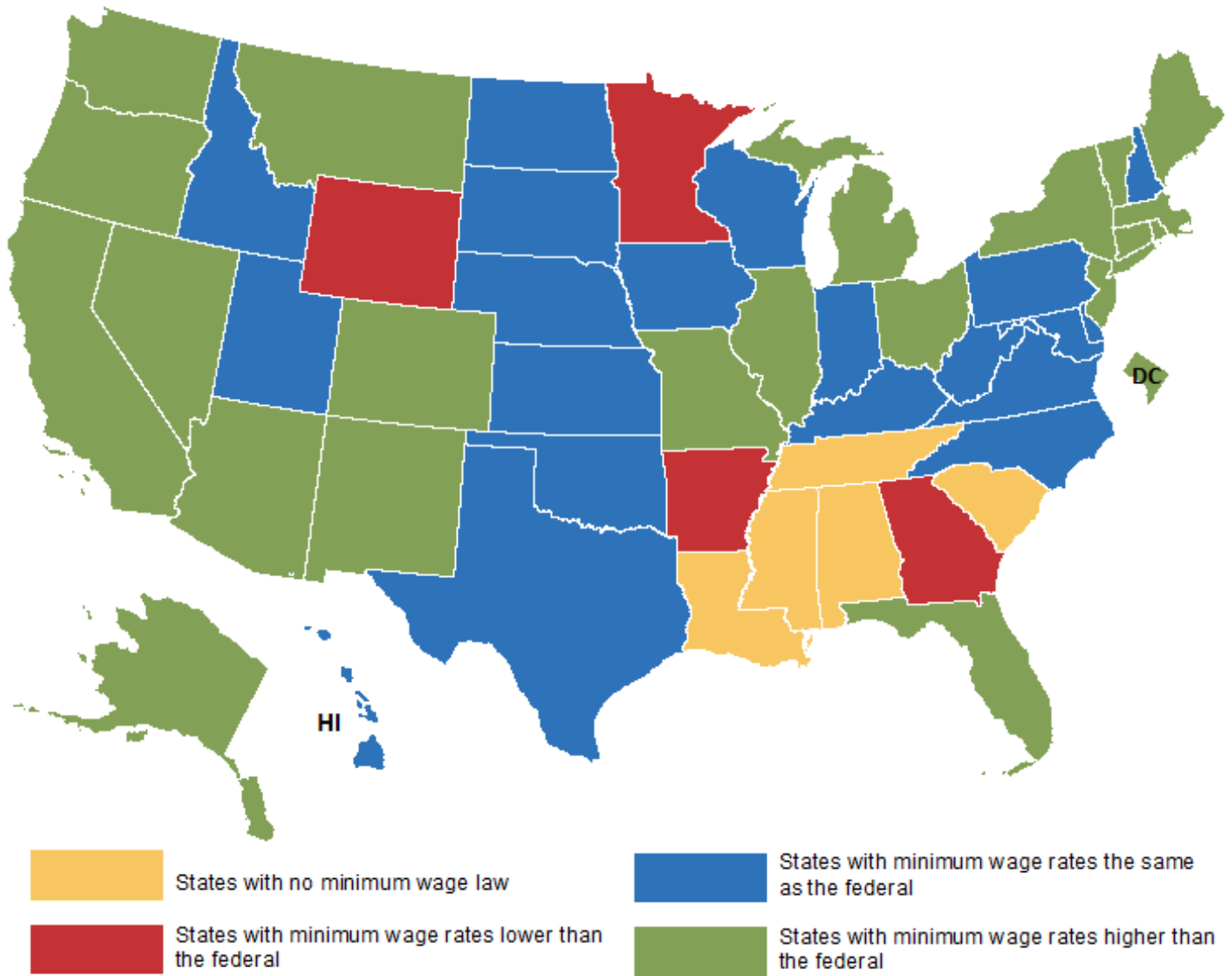
Table A. Employed wage and salary workers¹ paid hourly rates with earnings at or below the prevailing federal minimum wage in Kentucky, by sex, annual averages, 2003-2013 - Continued

Kentucky	Number of workers (in thousands)			Percent of workers paid hourly rates			Median earnings (in dollars)	
	Total paid hourly rates	At or below minimum wage			At or below minimum wage			
		Total	At minimum wage	Below minimum wage	Total	At minimum wage		Below minimum wage
2010	598	62	28	34	10.4	4.7	5.7	11.04
2011	568	42	18	24	7.4	3.2	4.2	11.58
2012	583	42	20	22	7.2	3.4	3.8	11.52
2013	591	34	23	11	5.8	3.9	1.9	11.96

¹ All self-employed persons are excluded, whether or not their businesses are incorporated.

In 2013, Kentucky’s proportion of hourly-paid workers earning at or below the federal minimum wage ranked near the middle among the 50 states and the District of Columbia. Tennessee had the highest proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage, 7.4 percent, followed by Idaho at 7.1 percent. The states with the lowest percentage of workers earning the federal minimum wage or below included Oregon, California, and Washington, all less than 2.0 percent. It should be noted that, as of January 1, 2014, 21 states and the District of Columbia had laws establishing minimum wage standards that exceeded the federal level of \$7.25 per hour.(See [table 1](#) and [chart 2](#).)

Chart 2. Minimum wage laws in the states, January 1, 2014



Source: U.S. Department of Labor, Wage and Hour Division.

Technical Note

The estimates in this release are obtained from the Current Population Survey (CPS), which provides the basic information on the labor force, employment, and unemployment. This survey is conducted monthly for the U.S. Bureau of Labor Statistics by the U.S. Census Bureau, using a scientifically selected national sample of about 60,000 eligible households representing all 50 states and the District of Columbia. Information on earnings is collected from one-fourth of the CPS sample each month. Data in this summary are annual averages.

Statistics based on the CPS data are subject to both sampling and nonsampling error. The differences among data for the states reflect, in part, variations in the occupation, industry, and age composition of each state's labor force. In addition, sampling error for the state estimates is considerably larger than it is for the national data.

Minimum wage worker data, particularly levels, for each year are not strictly comparable with data for earlier years because of the introduction of revised population controls used in the CPS. For technical documentation and related information, including reliability of the CPS estimates, see www.bls.gov/cps/documentation.htm.

It should be noted that the presence of a sizable number of workers with reported wages below the minimum does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law. The estimates of the numbers of minimum and subminimum wage workers presented in the accompanying tables pertain to workers paid at hourly rates; salaried and other non-hourly workers are excluded. As such, the actual number of workers with earnings at or below the prevailing minimum is undoubtedly understated.

The prevailing federal minimum wage was \$2.90 in 1979, \$3.10 in 1980, and \$3.35 in 1981-89. The minimum wage rose to \$3.80 in April 1990, \$4.25 in April 1991, \$4.75 in October 1996, and \$5.15 in September 1997. On July 24, 2007, the federal minimum wage increased to \$5.85 per hour; on July 24, 2008, to \$6.55 per hour; and on July 24, 2009, to \$7.25 per hour.

The principal definitions used in connection with the earnings series in this release are described below:

Median hourly earnings. The median is the amount which divides a given earnings distribution into two equal groups, one having earnings above the median and the other having earnings below the median. The median is less sensitive to extreme wages than the mean; this makes it a better measure for highly skewed distributions.

Wage and salary workers. Workers age 16 and over who receive wages, salaries, commissions, tips, payment in kind, or piece rates. Data refer to earnings on a person's sole or principal job. The group includes employees in both the private and public sectors but, for the purposes of the earnings series, excludes all self-employed persons, regardless of whether or not their businesses are incorporated.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 800-877-8339.

Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing federal minimum wage by State, 2013 annual averages

State	Number of workers (in thousands)				Percent distribution				Percent of workers paid hourly rates		
	Total paid hourly rates	At or below minimum wage			Total paid hourly rates	At or below minimum wage			At or below minimum wage		
		Total	At minimum wage	Below minimum wage		Total	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Total, 16 years and over.....	75,948	3,300	1,532	1,768	100.0	100.0	100.0	100.0	4.3	2.0	2.3
Alabama.....	1,125	77	44	33	1.5	2.3	2.9	1.9	6.8	3.9	2.9
Alaska.....	202	6	4	2	0.3	0.2	0.3	0.1	3.0	2.0	1.0
Arizona.....	1,421	58	24	34	1.9	1.8	1.6	1.9	4.1	1.7	2.4
Arkansas.....	651	44	30	14	0.9	1.3	2.0	0.8	6.8	4.6	2.2
California.....	8,915	118	48	70	11.7	3.6	3.1	4.0	1.3	0.5	0.8
Colorado.....	1,238	39	7	32	1.6	1.2	0.5	1.8	3.2	0.6	2.6
Connecticut.....	845	22	5	17	1.1	0.7	0.3	1.0	2.6	0.6	2.0
Delaware.....	203	11	5	6	0.3	0.3	0.3	0.3	5.4	2.5	3.0
District of Columbia.....	108	4	1	3	0.1	0.1	0.1	0.2	3.7	0.9	2.8
Florida.....	4,058	181	39	142	5.3	5.5	2.5	8.0	4.5	1.0	3.5
Georgia.....	2,162	103	54	49	2.8	3.1	3.5	2.8	4.8	2.5	2.3
Hawaii.....	325	15	10	5	0.4	0.5	0.7	0.3	4.6	3.1	1.5
Idaho.....	411	29	21	8	0.5	0.9	1.4	0.5	7.1	5.1	1.9
Illinois.....	3,026	96	22	74	4.0	2.9	1.4	4.2	3.2	0.7	2.4
Indiana.....	1,731	108	61	47	2.3	3.3	4.0	2.7	6.2	3.5	2.7
Iowa.....	921	50	30	20	1.2	1.5	2.0	1.1	5.4	3.3	2.2
Kansas.....	773	35	21	14	1.0	1.1	1.4	0.8	4.5	2.7	1.8
Kentucky.....	1,150	49	32	17	1.5	1.5	2.1	1.0	4.3	2.8	1.5
Louisiana.....	1,000	53	27	26	1.3	1.6	1.8	1.5	5.3	2.7	2.6
Maine.....	390	13	4	9	0.5	0.4	0.3	0.5	3.3	1.0	2.3
Maryland.....	1,334	66	30	36	1.8	2.0	2.0	2.0	4.9	2.2	2.7
Massachusetts.....	1,573	54	12	42	2.1	1.6	0.8	2.4	3.4	0.8	2.7
Michigan.....	2,531	96	17	79	3.3	2.9	1.1	4.5	3.8	0.7	3.1
Minnesota.....	1,533	64	43	21	2.0	1.9	2.8	1.2	4.2	2.8	1.4
Mississippi.....	637	39	20	19	0.8	1.2	1.3	1.1	6.1	3.1	3.0
Missouri.....	1,561	73	31	42	2.1	2.2	2.0	2.4	4.7	2.0	2.7
Montana.....	285	6	2	4	0.4	0.2	0.1	0.2	2.1	0.7	1.4
Nebraska.....	567	29	17	12	0.7	0.9	1.1	0.7	5.1	3.0	2.1
Nevada.....	757	20	8	12	1.0	0.6	0.5	0.7	2.6	1.1	1.6
New Hampshire.....	369	11	6	5	0.5	0.3	0.4	0.3	3.0	1.6	1.4
New Jersey.....	1,908	92	34	58	2.5	2.8	2.2	3.3	4.8	1.8	3.0
New Mexico.....	460	20	2	18	0.6	0.6	0.1	1.0	4.3	0.4	3.9
New York.....	4,188	178	88	90	5.5	5.4	5.7	5.1	4.3	2.1	2.1
North Carolina.....	2,251	130	73	57	3.0	3.9	4.8	3.2	5.8	3.2	2.5
North Dakota.....	221	7	4	3	0.3	0.2	0.3	0.2	3.2	1.8	1.4
Ohio.....	3,304	137	32	105	4.4	4.2	2.1	5.9	4.1	1.0	3.2
Oklahoma.....	947	60	29	31	1.2	1.8	1.9	1.8	6.3	3.1	3.3
Oregon.....	978	12	4	8	1.3	0.4	0.3	0.5	1.2	0.4	0.8
Pennsylvania.....	3,471	189	96	93	4.6	5.7	6.3	5.3	5.4	2.8	2.7
Rhode Island.....	286	12	2	10	0.4	0.4	0.1	0.6	4.2	0.7	3.5
South Carolina.....	1,128	65	40	25	1.5	2.0	2.6	1.4	5.8	3.5	2.2
South Dakota.....	254	12	6	6	0.3	0.4	0.4	0.3	4.7	2.4	2.4
Tennessee.....	1,575	117	51	66	2.1	3.5	3.3	3.7	7.4	3.2	4.2
Texas.....	6,270	400	223	177	8.3	12.1	14.6	10.0	6.4	3.6	2.8
Utah.....	773	36	22	14	1.0	1.1	1.4	0.8	4.7	2.8	1.8
Vermont.....	182	7	2	5	0.2	0.2	0.1	0.3	3.8	1.1	2.7
Virginia.....	1,806	112	58	54	2.4	3.4	3.8	3.1	6.2	3.2	3.0
Washington.....	1,793	30	18	12	2.4	0.9	1.2	0.7	1.7	1.0	0.7
West Virginia.....	446	22	12	10	0.6	0.7	0.8	0.6	4.9	2.7	2.2
Wisconsin.....	1,728	91	59	32	2.3	2.8	3.9	1.8	5.3	3.4	1.9
Wyoming.....	176	9	5	4	0.2	0.3	0.3	0.2	5.1	2.8	2.3

Note: See footnotes at end of table.

Note: Data exclude all self-employed persons whether or not their businesses are incorporated. These data are based on a sample and therefore are subject to sampling error; the degree of error may be quite large for less populous states