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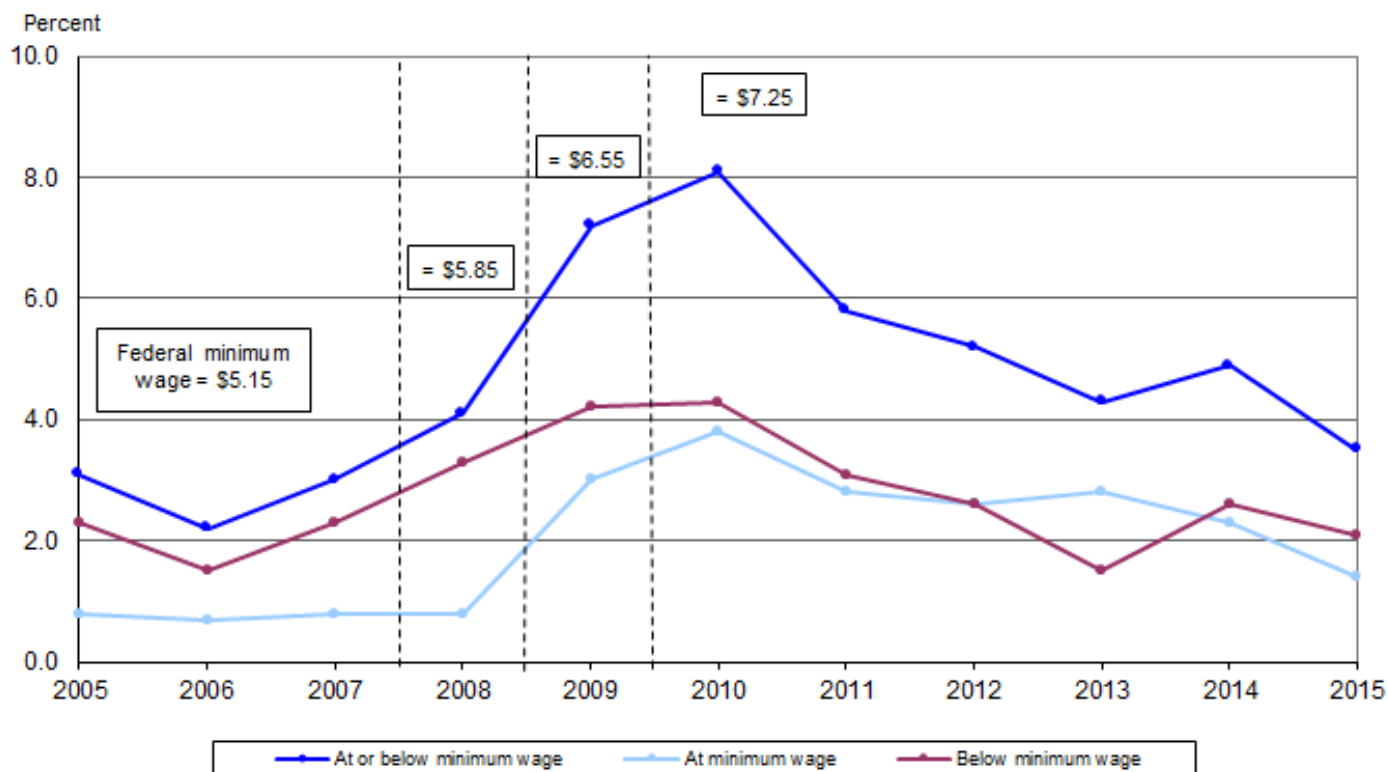
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Minimum Wage Workers in Kentucky – 2015

Of the nearly 1.1 million workers paid hourly rates in Kentucky in 2015, 15,000 earned exactly the prevailing federal minimum wage of \$7.25 per hour, while 23,000 earned less, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the 38,000 workers earning the federal minimum wage or less made up 3.5 percent of all hourly paid workers in the state. Nationwide, those earning the federal minimum or less accounted for 3.3 percent of the hourly paid workforce. (See [table 1](#). 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 were first available in 2000. The 26,000 workers in this category accounted for 2.2 percent of all hourly paid workers in the state. (See [chart 1](#).) In 2007, the federal minimum wage began increasing after holding steady for nearly a decade. Two additional increases in the federal minimum wage followed, resulting in more Kentucky workers falling into this category, peaking at 91,000 in 2010. That number has declined in four of the past five 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, 2005–2015



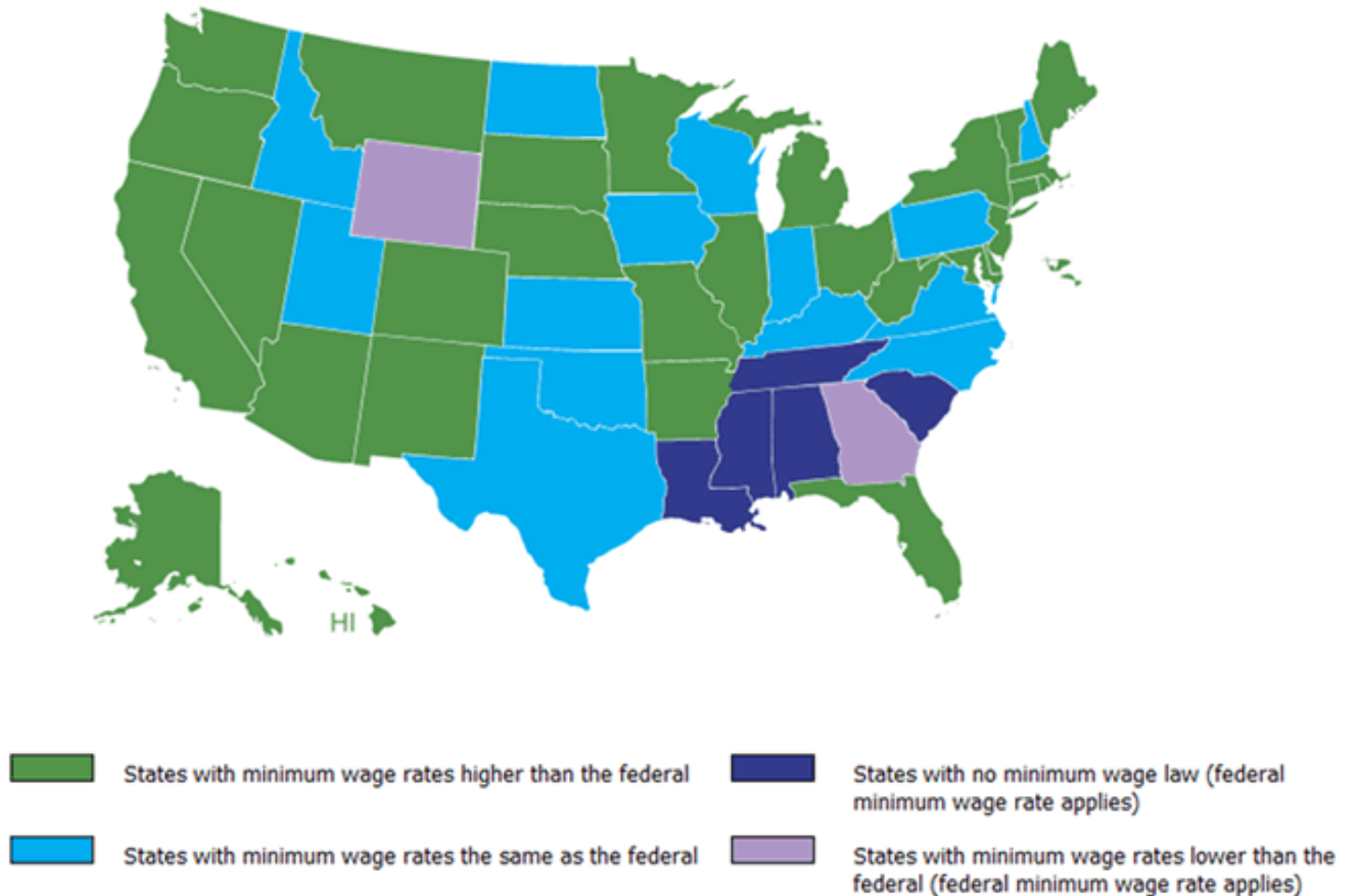
Source: U.S. Bureau of Labor Statistics.

From 2014 to 2015, the portion of hourly paid workers in Kentucky who earned at or below the federal minimum wage declined from 4.9 to 3.5 percent. The percentage of workers earning exactly the minimum wage fell from 2.3 percent to 1.4 percent, while the percentage earning less than the federal minimum dropped from 2.6 percent to 2.1 percent in 2015.

Of the 38,000 workers earning the federal minimum wage or less in Kentucky in 2015, 27,000, or 71.1 percent, were women. (See [table 2](#).) These women represented 4.7 percent of all women paid hourly rates in the state. Men accounted for 11,000, or 28.9 percent, of all Kentucky workers earning the prevailing minimum wage or less; they made up 2.1 percent of men who were paid hourly rates.

In 2015, the states with the highest percentages of hourly paid workers earning at or below the federal minimum wage were in the South: Alabama, Louisiana, Mississippi, and Virginia (all were about 6 percent). The states with the lowest percentages of hourly paid workers earning at or below the federal minimum wage were in the West: Alaska, California, Oregon, and Washington (all were about 1 percent). It should be noted that a number of states have established minimum wage rates that exceed the federal level. As of January 1, 2016, 29 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, 2016



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

Technical Note

The estimates in this release were obtained from the Current Population Survey (CPS), which provides information on the labor force, employment, and unemployment. The survey is conducted monthly for the U.S. Bureau of Labor Statistics (BLS) by the U.S. Census Bureau using a scientifically selected national sample of about 60,000 eligible households in all 50 states and the District of Columbia. The survey also provides data on earnings, which are based on one-fourth of the CPS monthly sample and are limited to wage and salary workers. All self-employed workers, both incorporated and unincorporated, are excluded from these earnings estimates.

Statistics based on the CPS 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.

Some workers reported as earning at or below the prevailing federal minimum wage may not, in fact, be covered by federal or state minimum wage laws because of exclusions and exemptions in the statutes. The presence of workers with hourly earnings below the federal minimum wage does not necessarily indicate violations of the FLSA or state statutes in cases where such standards apply.

Estimates of the number of minimum wage workers in this release pertain only to workers who are paid hourly rates. Salaried workers and other workers who are not paid by the hour are excluded, even though some have earnings that, if converted to hourly rates, would be at or below the federal minimum wage. Consequently, the estimates presented in this release likely understate the actual number of workers with hourly earnings at or below the minimum wage.

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 for the main concepts presented in this report are below.

Wage and salary workers. Workers age 16 and older who receive wages, salaries, commissions, tips, payments in kind, or piece rates on their sole or principal job. This group includes employees in both the private and public sectors. All self-employed workers are excluded whether or not their businesses are incorporated.

Workers paid at or below the prevailing federal minimum wage pertain only to workers who are paid hourly rates. Salaried workers and other nonhourly paid workers are excluded.

Hourly earnings. Hourly earnings data are for wage and salary workers who are paid by the hour and refer to a person's sole or principal job. Hourly earnings for hourly paid workers do not include overtime pay, commissions, or tips received.

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.

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. Wage and salary workers paid hourly rates with earnings at or below the prevailing federal minimum wage, by state, 2015 annual averages

State	Number of workers (in thousands)				Percent distribution				Percentage 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 older	78,232	2,561	870	1,691	100.0	100.0	100.0	100.0	3.3	1.1	2.2
Alabama	1,182	66	40	26	1.5	2.6	4.6	1.6	5.6	3.4	2.2
Alaska	209	3	1	2	0.3	0.1	0.1	0.1	1.2	0.4	0.8
Arizona	1,627	44	6	38	2.1	1.7	0.7	2.2	2.7	0.4	2.3
Arkansas	712	22	10	12	0.9	0.9	1.1	0.7	3.1	1.4	1.7
California	9,667	115	25	90	12.4	4.5	2.9	5.3	1.2	0.3	0.9
Colorado	1,242	22	3	19	1.6	0.9	0.3	1.1	1.8	0.2	1.5
Connecticut	904	27	3	23	1.2	1.0	0.4	1.4	2.9	0.4	2.6
Delaware	236	6	2	4	0.3	0.2	0.2	0.3	2.6	0.7	1.9
District of Columbia	112	3	1	2	0.1	0.1	0.1	0.1	3.0	0.8	2.2
Florida	4,238	160	13	147	5.4	6.2	1.5	8.7	3.8	0.3	3.5
Georgia	2,173	95	46	49	2.8	3.7	5.3	2.9	4.4	2.1	2.3
Hawaii	356	10	5	5	0.5	0.4	0.6	0.3	2.8	1.5	1.3
Idaho	458	21	15	6	0.6	0.8	1.7	0.4	4.6	3.2	1.4
Illinois	3,154	101	15	86	4.0	3.9	1.7	5.1	3.2	0.5	2.7
Indiana	1,779	69	32	37	2.3	2.7	3.7	2.2	3.9	1.8	2.1
Iowa	931	35	17	18	1.2	1.4	2.0	1.0	3.7	1.8	1.9
Kansas	794	33	16	17	1.0	1.3	1.8	1.0	4.1	2.0	2.1
Kentucky	1,090	38	15	23	1.4	1.5	1.7	1.4	3.5	1.4	2.1
Louisiana	1,094	70	38	32	1.4	2.8	4.4	1.9	6.4	3.5	2.9
Maine	359	10	2	8	0.5	0.4	0.2	0.5	2.7	0.5	2.2
Maryland	1,418	31	5	25	1.8	1.2	0.6	1.5	2.2	0.4	1.8
Massachusetts	1,651	48	9	39	2.1	1.9	1.1	2.3	2.9	0.6	2.3
Michigan	2,706	101	13	88	3.5	4.0	1.5	5.2	3.7	0.5	3.3
Minnesota	1,603	26	10	16	2.0	1.0	1.2	0.9	1.6	0.6	1.0
Mississippi	726	45	27	18	0.9	1.8	3.1	1.1	6.2	3.7	2.5
Missouri	1,583	57	13	44	2.0	2.2	1.5	2.6	3.6	0.8	2.8
Montana	294	6	2	4	0.4	0.2	0.2	0.2	2.0	0.7	1.3
Nebraska	558	13	4	9	0.7	0.5	0.5	0.5	2.3	0.7	1.6
Nevada	794	20	9	10	1.0	0.8	1.1	0.6	2.5	1.2	1.3
New Hampshire	389	16	5	11	0.5	0.6	0.5	0.7	4.1	1.2	2.9
New Jersey	1,803	50	8	42	2.3	2.0	0.9	2.5	2.8	0.4	2.3
New Mexico	511	16	3	13	0.7	0.6	0.3	0.8	3.1	0.5	2.5
New York	4,015	97	24	74	5.1	3.8	2.7	4.4	2.4	0.6	1.8
North Carolina	2,374	122	55	66	3.0	4.8	6.4	3.9	5.1	2.3	2.8
North Dakota	222	5	2	4	0.3	0.2	0.2	0.2	2.3	0.7	1.6
Ohio	3,219	93	16	77	4.1	3.6	1.8	4.6	2.9	0.5	2.4
Oklahoma	967	29	15	15	1.2	1.1	1.7	0.9	3.0	1.5	1.5
Oregon	1,015	7	3	5	1.3	0.3	0.3	0.3	0.7	0.3	0.5
Pennsylvania	3,524	150	54	96	4.5	5.9	6.2	5.7	4.3	1.5	2.7
Rhode Island	312	5	0	5	0.4	0.2	0.0	0.3	1.5	0.1	1.5
South Carolina	1,191	56	34	22	1.5	2.2	4.0	1.3	4.7	2.9	1.8
South Dakota	261	6	1	5	0.3	0.2	0.1	0.3	2.4	0.4	2.1
Tennessee	1,649	77	35	42	2.1	3.0	4.0	2.5	4.7	2.1	2.5
Texas	6,070	287	111	176	7.8	11.2	12.8	10.4	4.7	1.8	2.9
Utah	776	25	13	12	1.0	1.0	1.5	0.7	3.3	1.7	1.5
Vermont	175	3	0	3	0.2	0.1	0.0	0.2	1.9	0.2	1.6
Virginia	1,919	120	50	69	2.5	4.7	5.8	4.1	6.2	2.6	3.6
Washington	1,795	19	7	12	2.3	0.7	0.8	0.7	1.1	0.4	0.7
West Virginia	433	15	5	10	0.6	0.6	0.5	0.6	3.4	1.0	2.3
Wisconsin	1,781	61	30	31	2.3	2.4	3.5	1.8	3.4	1.7	1.7
Wyoming	179	6	3	4	0.2	0.2	0.3	0.2	3.5	1.4	2.1

Note: See footnotes at end of table.

Note: Data exclude all self-employed workers, 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. Unrounded data were used in all calculations.

Table 2. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing federal minimum wage and median earnings of hourly paid workers in Kentucky, by gender, annual averages, 2005–2015

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	
Men								
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
2014	546	22	9	13	4.0	1.6	2.4	14.31
2015	514	11	5	6	2.1	1.0	1.2	15.08
Women								
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
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
2014	597	35	18	17	5.9	3.0	2.8	12.12
2015	576	27	10	17	4.7	1.7	3.0	12.58

Note: Data excludes all self-employed persons, whether or not their businesses are incorporated. Data for 2007–2009 reflect changes in the minimum wage that took place in those years.