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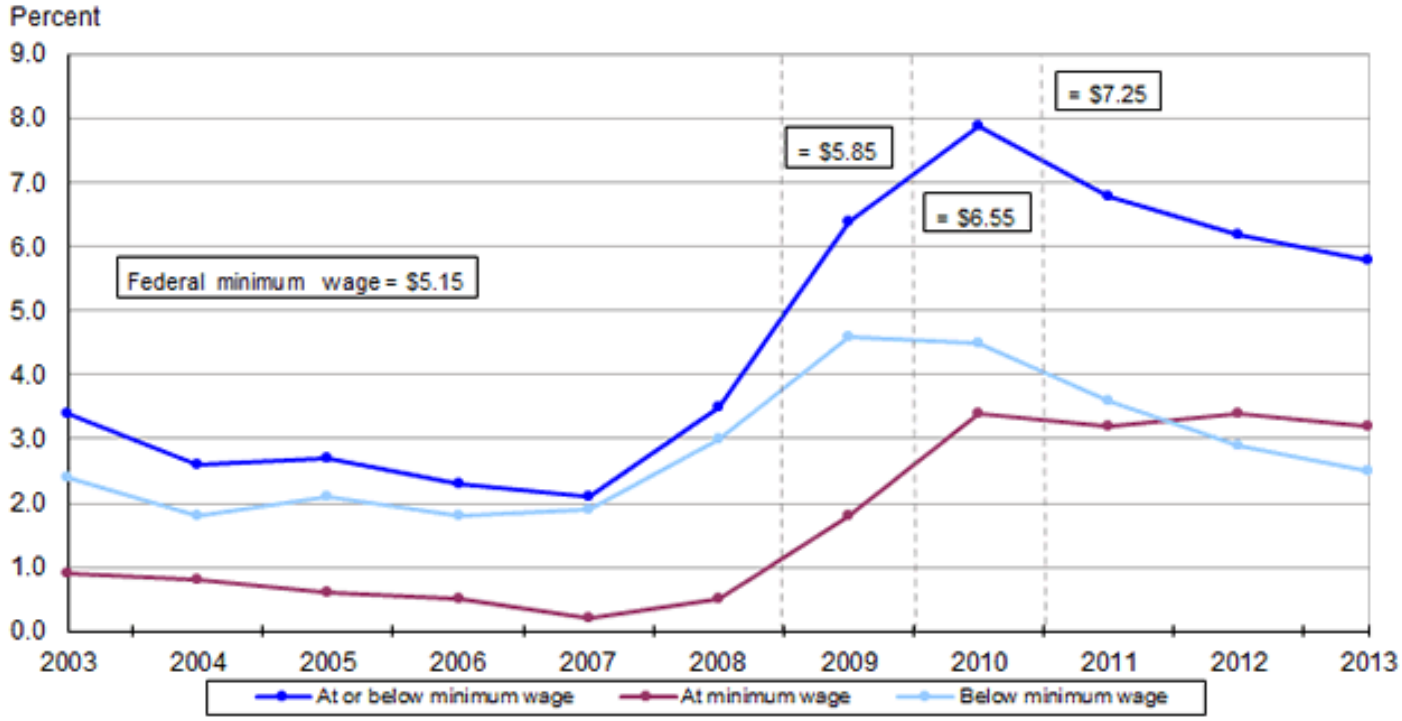
# Minimum Wage Workers In North Carolina-2013

Of the 2.3 million workers paid hourly rates in North Carolina in 2013, 73,000 earned exactly the prevailing federal minimum wage of $7.25 per hour, while 57,000 earned less, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the 130,000 workers earning the federal minimum wage or less made up 5.8 percent of all hourly-paid workers in the state. Nationwide, those earning the federal minimum or less accounted for 4.3 percent of the hourly-paid workforce. (The North Carolina minimum wage is equal to the prevailing federal minimum wage.)

In 2007, 46,000 hourly-paid workers earned the prevailing federal minimum wage or less in North Carolina—the lowest level since data were first available in 1998. (See chart 1.) It was also in 2007 that the federal minimum wage began increasing after holding steady for almost a decade. The initial result in North Carolina was that more workers fell into this category, peaking at 168,000 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 North Carolina, annual averages, 2003-2013**




Source: U.S. Bureau of Labor Statistics.

Over the year, the portion of hourly-paid workers in North Carolina who earned at or below the federal minimum wage declined from 6.2 to 5.8 percent. The percentage of workers earning less than the federal minimum fell 0.4 percentage point in 2013 and the share earning exactly the minimum wage was down 0.2 percentage point. As a result, 2013 was the second year that the percentage of workers with earnings *at* the federal minimum rate exceeded the portion with wages *below* the minimum.

Of the 130,000 workers earning the prevailing federal minimum wage or less in North Carolina in 2013, 77,000, or 59.2 percent, were women. These women represented 6.7 percent of all women paid hourly rates in North Carolina. Men accounted for 53,000, or 40.8 percent, of all North Carolina workers earning the prevailing minimum wage or less; they made up 4.8 percent of all men who were paid hourly rates. (See table A.)

Overall, employed wage and salary workers earning hourly rates in the state had median hourly earnings of $12.12 in 2013; nationally, the median was $12.93. The median hourly rates for men and women in North Carolina in 2013 were $12.88 and $11.66, 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 workers [1] paid hourly rates with earnings at or below the prevailing federal minimum wage in North Carolina, by sex, annual averages, 2003-2013**

| North Carolina | 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 | 2,086 | 70 | 19 | 51 | 3.4 | 0.9 | 2.4 | 10.10 |

Note: See footnotes at end of table.

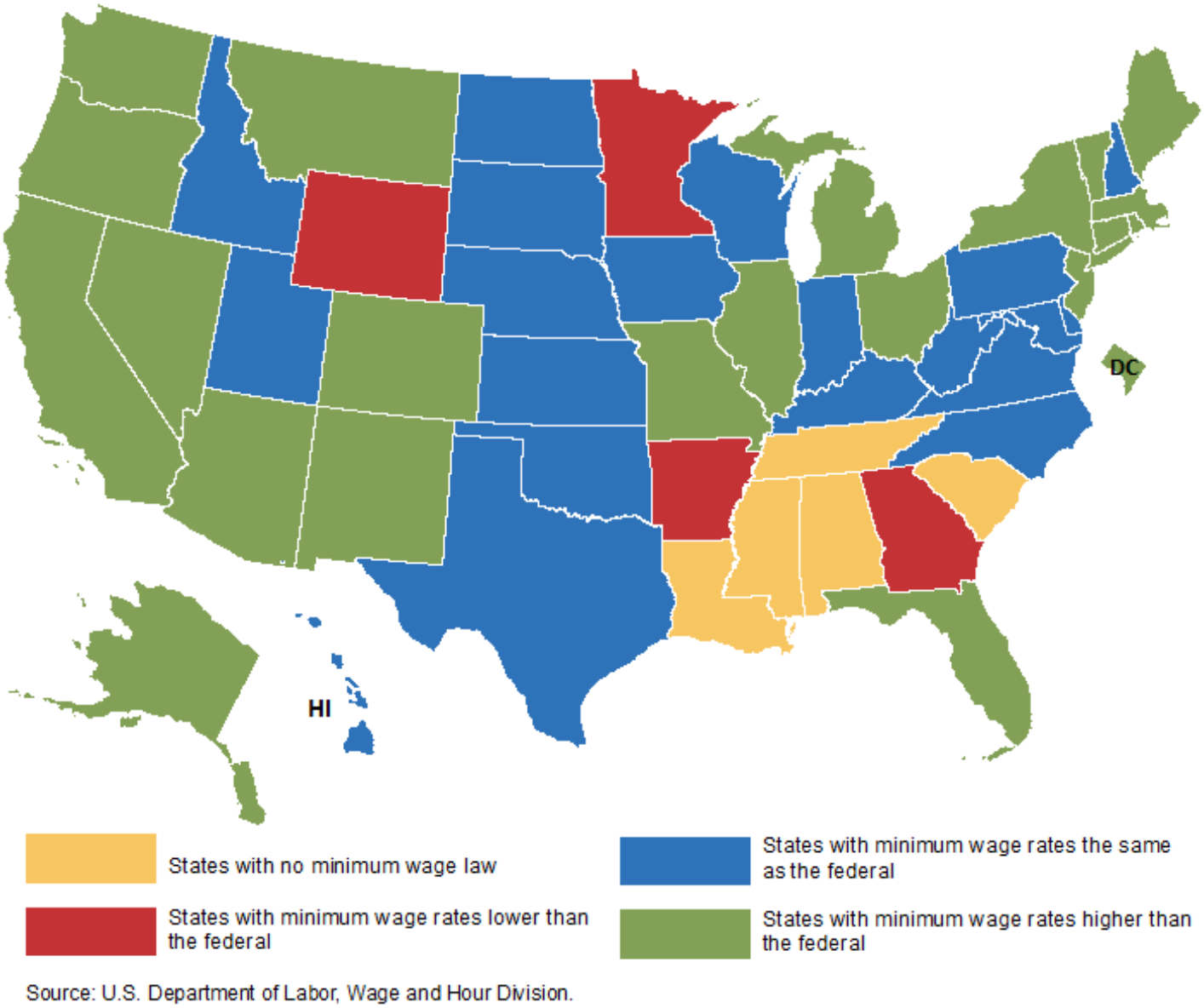
**Table A. Employed wage and salary workers [1] paid hourly rates with earnings at or below the prevailing federal minimum wage in North Carolina, by sex, annual averages, 2003-2013 - Continued**

| North Carolina | 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 | |
| 2004 | 2,099 | 54 | 16 | 38 | 2.6 | 0.8 | 1.8 | 10.13 |
| 2005 | 2,176 | 58 | 13 | 45 | 2.7 | 0.6 | 2.1 | 10.48 |
| 2006 | 2,246 | 52 | 12 | 40 | 2.3 | 0.5 | 1.8 | 10.74 |
| 2007 | 2,156 | 46 | 4 | 42 | 2.1 | 0.2 | 1.9 | 10.77 |
| 2008 | 2,235 | 78 | 11 | 67 | 3.5 | 0.5 | 3.0 | 11.26 |
| 2009 | 2,132 | 136 | 38 | 98 | 6.4 | 1.8 | 4.6 | 11.93 |
| 2010 | 2,121 | 168 | 73 | 95 | 7.9 | 3.4 | 4.5 | 11.78 |
| 2011 | 2,055 | 140 | 65 | 75 | 6.8 | 3.2 | 3.6 | 11.83 |
| 2012 | 2,206 | 137 | 74 | 63 | 6.2 | 3.4 | 2.9 | 11.98 |
| 2013 | 2,251 | 130 | 73 | 57 | 5.8 | 3.2 | 2.5 | 12.12 |
| **Total, men** | | | | | | | | |
| 2003 | 993 | 22 | 10 | 12 | 2.2 | 1.0 | 1.2 | 10.90 |
| 2004 | 1,052 | 20 | 5 | 15 | 1.9 | 0.5 | 1.4 | 10.79 |
| 2005 | 1,088 | 15 | 5 | 10 | 1.4 | 0.5 | 0.9 | 11.08 |
| 2006 | 1,115 | 18 | 4 | 14 | 1.6 | 0.4 | 1.3 | 11.85 |
| 2007 | 1,053 | 16 | 1 | 15 | 1.5 | 0.1 | 1.4 | 11.60 |
| 2008 | 1,094 | 26 | 7 | 19 | 2.4 | 0.6 | 1.7 | 12.04 |
| 2009 | 1,022 | 48 | 17 | 31 | 4.7 | 1.7 | 3.0 | 12.40 |
| 2010 | 1,018 | 65 | 33 | 32 | 6.4 | 3.2 | 3.1 | 12.11 |
| 2011 | 1,018 | 56 | 31 | 25 | 5.5 | 3.0 | 2.5 | 12.25 |
| 2012 | 1,088 | 46 | 28 | 18 | 4.2 | 2.6 | 1.7 | 12.86 |
| 2013 | 1,107 | 53 | 35 | 18 | 4.8 | 3.2 | 1.6 | 12.88 |
| **Total, women** | | | | | | | | |
| 2003 | 1,093 | 48 | 9 | 39 | 4.4 | 0.8 | 3.6 | 9.73 |
| 2004 | 1,046 | 32 | 10 | 22 | 3.1 | 1.0 | 2.1 | 9.91 |
| 2005 | 1,088 | 43 | 8 | 35 | 4.0 | 0.7 | 3.2 | 9.99 |
| 2006 | 1,131 | 34 | 8 | 26 | 3.0 | 0.7 | 2.3 | 10.10 |
| 2007 | 1,103 | 30 | 4 | 26 | 2.7 | 0.4 | 2.4 | 10.20 |
| 2008 | 1,141 | 51 | 3 | 48 | 4.5 | 0.3 | 4.2 | 10.80 |
| 2009 | 1,110 | 89 | 22 | 67 | 8.0 | 2.0 | 6.0 | 11.13 |
| 2010 | 1,103 | 103 | 40 | 63 | 9.3 | 3.6 | 5.7 | 11.22 |
| 2011 | 1,037 | 85 | 35 | 50 | 8.2 | 3.4 | 4.8 | 11.20 |
| 2012 | 1,118 | 91 | 46 | 45 | 8.1 | 4.1 | 4.0 | 11.25 |
| 2013 | 1,144 | 77 | 38 | 39 | 6.7 | 3.3 | 3.4 | 11.66 |

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

In 2013, North Carolina's proportion of hourly-paid workers earning at or below the prevailing federal minimum wage ranked 10th among the 50 states and the District of Columbia. Tennessee and Idaho had the highest percentages of hourly-paid workers earning at or below the prevailing federal minimum wage, at 7.4 and 7.1 percent, respectively. 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 workers with reported wages below the federal minimum wage does not necessarily indicate violations of the Fair Labor Standards Act, as there are exemptions to the minimum wage provisions of the law. Estimates of the numbers of minimum and subminimum wage workers presented in this release pertain to workers paid at hourly rates; salaried and other non-hourly workers are excluded. Consequently, the actual number of workers with earnings at or below the prevailing minimum is likely 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 on their sole or principal job. The group includes employees in both the private and public sectors. All self-employed workers are excluded 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