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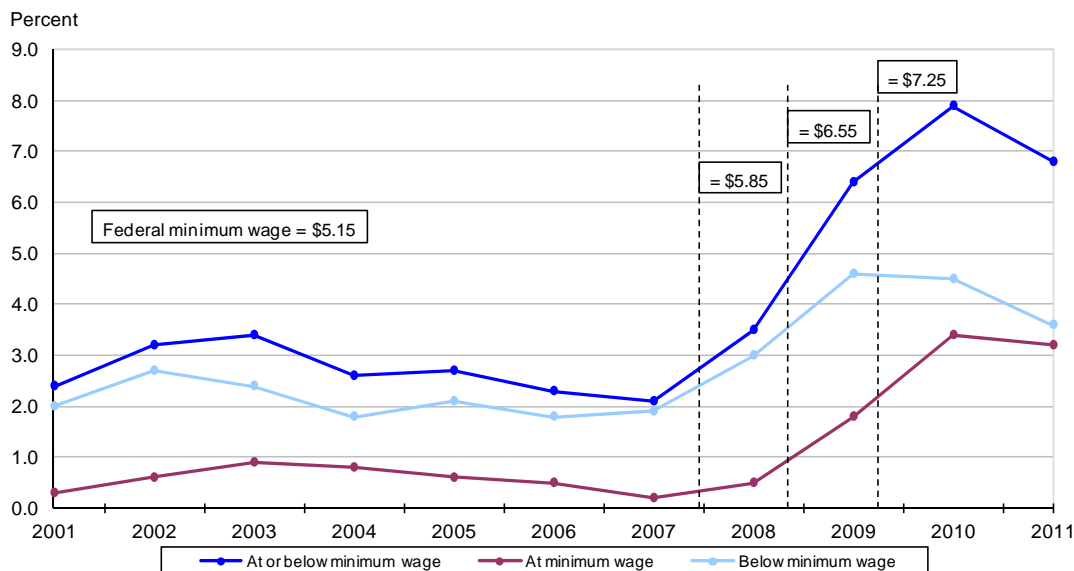
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MINIMUM WAGE WORKERS IN NORTH CAROLINA—2011

Of the 2.1 million workers paid hourly rates in North Carolina in 2011, 65,000 earned exactly the prevailing Federal minimum wage of \$7.25 per hour, while 75,000 earned less, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the 140,000 workers earning the Federal minimum wage or less made up 6.8 percent of all hourly-paid workers in the state. Nationwide, those earning the Federal minimum or less accounted for 5.2 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. It was also in 2007 that the Federal minimum wage began increasing after holding steady for almost a decade. (See chart 1.) The initial result was that more North Carolina workers fell into this category, peaking at 168,000 in 2010.

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, 2001-2011



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 7.9 to 6.8 percent. The percentage of workers earning less than the Federal minimum declined 0.9 percentage points in 2011, while the share earning exactly the minimum wage was little changed. This resulted in the share of those earning below the minimum wage to be closest to the share of those earning the minimum since 1998.

Of the 140,000 workers earning the prevailing Federal minimum wage or less in North Carolina in 2011, 85,000, or 61 percent, were women. These women represented 8.2 percent of all women paid hourly rates in North Carolina. Men accounted for 56,000, or 40 percent, of all North Carolina workers earning the prevailing minimum or less; they made up just 5.5 percent of all men who were paid hourly rates. (See table A; numbers may not sum to total due to rounding.)

Overall, wage and salary workers earning hourly rates in the state had median hourly earnings of \$11.83 in 2011; nationally, the median was \$12.71. The median hourly rates for men and women in North Carolina in 2011 were \$12.25 and \$11.20, respectively. For the nation, the comparable figures were \$13.80 per hour for men and \$11.98 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 North Carolina, by sex, annual averages, 2001-2011

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 ²	At minimum wage	Below minimum wage	Total ²	At minimum wage	Below minimum wage	
Total, both								
2001	2,166	51	7	44	2.4	0.3	2.0	\$9.97
2002	2,037	66	12	54	3.2	0.6	2.7	10.16
2003	2,086	70	19	51	3.4	0.9	2.4	10.10
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 ³	2,156	46	4	42	2.1	0.2	1.9	10.77
2008 ³	2,235	78	11	67	3.5	0.5	3.0	11.26
2009 ³	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
Total, men								
2001	1,055	17	3	14	1.6	0.3	1.3	10.73
2002	1,002	24	4	20	2.4	0.4	2.0	11.14
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 ³	1,053	16	1	15	1.5	0.1	1.4	11.60
2008 ³	1,094	26	7	19	2.4	0.6	1.7	12.04
2009 ³	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
Total, women								
2001	1,111	33	3	30	3.0	0.3	2.7	9.34
2002	1,034	42	8	34	4.1	0.8	3.3	9.49
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 ³	1,103	30	4	26	2.7	0.4	2.4	10.20
2008 ³	1,141	51	3	48	4.5	0.3	4.2	10.80
2009 ³	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

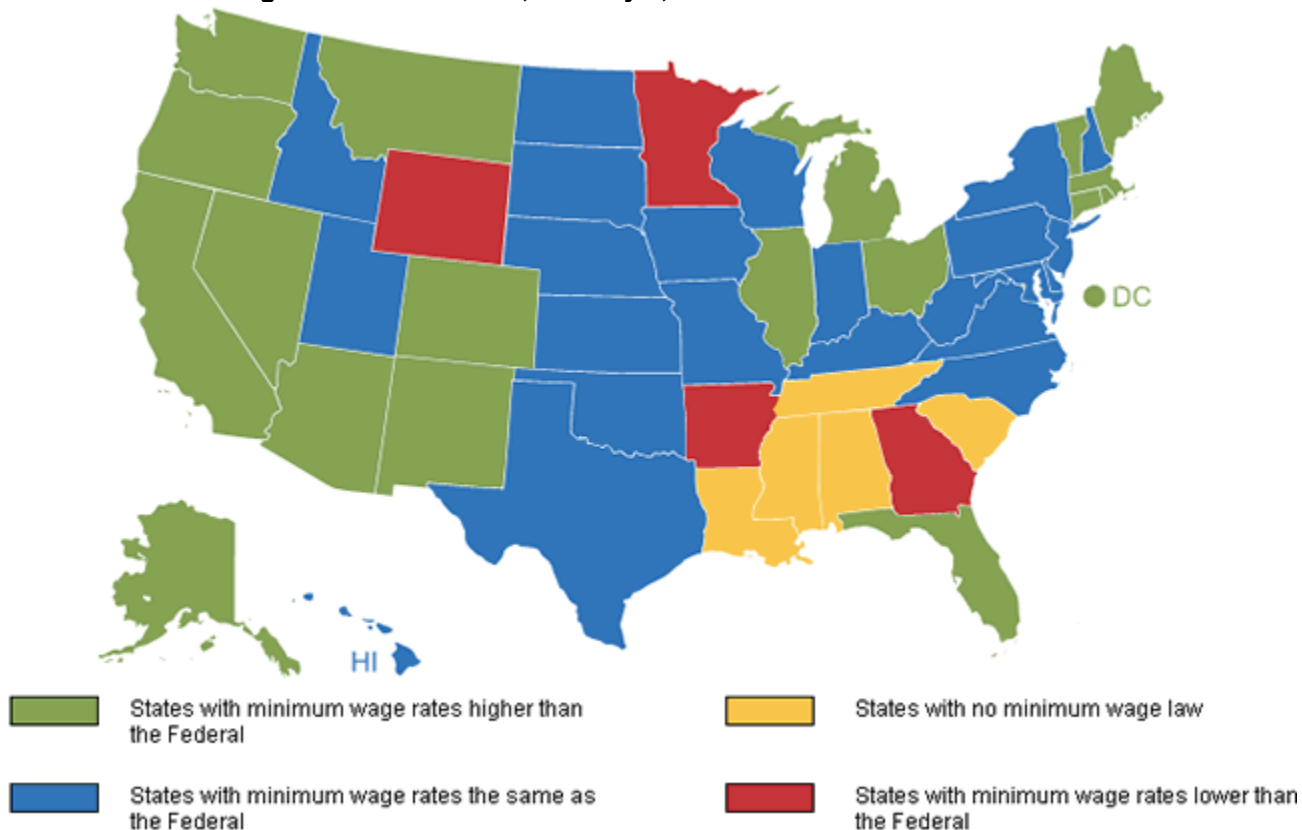
¹ All self-employed persons are excluded, whether or not their businesses are incorporated.

² Data may not add to totals due to rounding.

³ Data for 2007-09 reflect changes in the minimum wage that took place in those years.

In 2011, North Carolina's proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage ranked in the top quarter among the 50 states and the District of Columbia in 2011. Georgia had the highest proportion of hourly-paid workers earning at or below the prevailing Federal minimum wage, 9.6 percent, followed by Mississippi at 8.5 percent and Texas at 8.0 percent. States with shares of 7.0 percent or higher were Louisiana, West Virginia, South Carolina, Missouri, Virginia, and Kansas. The states with the lowest percentage of workers earning the Federal minimum or below included Oregon, California, Washington, and Alaska, all less than 2.0 percent. It should be noted that, as of January 1, 2012, 18 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, 2012



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

Technical Note

The Bureau of Labor Statistics' data on minimum wage earners are derived from the Current Population Survey (CPS). This survey is conducted monthly for the Bureau of Labor Statistics by the U.S. Census Bureau, using a national sample of about 60,000 households, with coverage in all 50 states and the District of Columbia. The earnings data are collected from one-fourth of the CPS monthly sample. 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, TDD message referral phone number: 1-800-877-8339.

Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage by State, 2011 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 ¹	At minimum wage	Below minimum wage		Total ¹	At minimum wage	Below minimum wage	Total	At minimum wage	Below minimum wage
Total, 16 years and over	73,926	3,829	1,677	2,152	100.0	100.0	100.0	100.0	5.2	2.3	2.9
Alabama	1,147	74	43	31	1.6	1.9	2.6	1.4	6.5	3.7	2.7
Alaska	212	4	1	3	0.3	0.1	0.1	0.1	1.9	0.5	1.4
Arizona	1,517	85	20	65	2.1	2.2	1.2	3.0	5.6	1.3	4.3
Arkansas	746	49	33	16	1.0	1.3	2.0	0.7	6.6	4.4	2.1
California	8,706	139	53	86	11.8	3.6	3.2	4.0	1.6	0.6	1.0
Colorado	1,222	49	9	40	1.7	1.3	0.5	1.9	4.0	0.7	3.3
Connecticut	870	25	4	21	1.2	0.7	0.2	1.0	2.9	0.5	2.4
Delaware	213	11	3	8	0.3	0.3	0.2	0.4	5.2	1.4	3.8
District of Columbia	94	4	1	3	0.1	0.1	0.1	0.1	4.3	1.1	3.2
Florida	3,891	246	73	173	5.3	6.4	4.4	8.0	6.3	1.9	4.4
Georgia	2,041	196	105	91	2.8	5.1	6.3	4.2	9.6	5.1	4.5
Hawaii	321	15	8	7	0.4	0.4	0.5	0.3	4.7	2.5	2.2
Idaho	379	19	12	7	0.5	0.5	0.7	0.3	5.0	3.2	1.8
Illinois	3,095	109	29	80	4.2	2.8	1.7	3.7	3.5	0.9	2.6
Indiana	1,730	108	54	54	2.3	2.8	3.2	2.5	6.2	3.1	3.1
Iowa	941	53	28	25	1.3	1.4	1.7	1.2	5.6	3.0	2.7
Kansas	802	56	27	29	1.1	1.5	1.6	1.3	7.0	3.4	3.6
Kentucky	1,077	63	30	33	1.5	1.6	1.8	1.5	5.8	2.8	3.1
Louisiana	1,011	75	33	42	1.4	2.0	2.0	2.0	7.4	3.3	4.2
Maine	381	14	3	11	0.5	0.4	0.2	0.5	3.7	0.8	2.9
Maryland	1,274	65	27	38	1.7	1.7	1.6	1.8	5.1	2.1	3.0
Massachusetts	1,539	60	11	49	2.1	1.6	0.7	2.3	3.9	0.7	3.2
Michigan	2,550	117	29	88	3.4	3.1	1.7	4.1	4.6	1.1	3.5
Minnesota	1,544	78	47	31	2.1	2.0	2.8	1.4	5.1	3.0	2.0
Mississippi	686	58	37	21	0.9	1.5	2.2	1.0	8.5	5.4	3.1
Missouri	1,543	109	54	55	2.1	2.8	3.2	2.6	7.1	3.5	3.6
Montana	271	10	6	4	0.4	0.3	0.4	0.2	3.7	2.2	1.5
Nebraska	532	29	15	14	0.7	0.8	0.9	0.7	5.5	2.8	2.6
Nevada	670	22	9	13	0.9	0.6	0.5	0.6	3.3	1.3	1.9
New Hampshire	368	14	4	10	0.5	0.4	0.2	0.5	3.8	1.1	2.7
New Jersey	1,795	99	41	58	2.4	2.6	2.4	2.7	5.5	2.3	3.2
New Mexico	459	20	6	14	0.6	0.5	0.4	0.7	4.4	1.3	3.1
New York	3,930	199	91	108	5.3	5.2	5.4	5.0	5.1	2.3	2.7
North Carolina	2,055	140	65	75	2.8	3.7	3.9	3.5	6.8	3.2	3.6
North Dakota	208	11	6	5	0.3	0.3	0.4	0.2	5.3	2.9	2.4
Ohio	3,224	150	27	123	4.4	3.9	1.6	5.7	4.7	0.8	3.8
Oklahoma	828	56	36	20	1.1	1.5	2.1	0.9	6.8	4.3	2.4
Oregon	1,010	12	4	8	1.4	0.3	0.2	0.4	1.2	0.4	0.8
Pennsylvania	3,400	193	97	96	4.6	5.0	5.8	4.5	5.7	2.9	2.8
Rhode Island	289	11	3	8	0.4	0.3	0.2	0.4	3.8	1.0	2.8
South Carolina	1,078	79	42	37	1.5	2.1	2.5	1.7	7.3	3.9	3.4
South Dakota	253	13	7	6	0.3	0.3	0.4	0.3	5.1	2.8	2.4
Tennessee	1,455	101	48	53	2.0	2.6	2.9	2.5	6.9	3.3	3.6
Texas	5,896	473	259	214	8.0	12.4	15.4	9.9	8.0	4.4	3.6
Utah	765	35	15	20	1.0	0.9	0.9	0.9	4.6	2.0	2.6
Vermont	182	4	1	3	0.2	0.1	0.1	0.1	2.2	0.5	1.6
Virginia	1,697	121	57	64	2.3	3.2	3.4	3.0	7.1	3.4	3.8
Washington	1,686	31	6	25	2.3	0.8	0.4	1.2	1.8	0.4	1.5
West Virginia	462	34	20	14	0.6	0.9	1.2	0.7	7.4	4.3	3.0
Wisconsin	1,711	78	32	46	2.3	2.0	1.9	2.1	4.6	1.9	2.7
Wyoming	167	10	5	5	0.2	0.3	0.3	0.2	6.0	3.0	3.0

¹Data may not add to totals due to rounding.

NOTE: Data exclude all self-employed persons whether or not their businesses are incorporated. Users are reminded that 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. It is not possible to determine clearly whether workers surveyed in the CPS are actually covered by the Fair Labor Standards Act (FLSA) or by individual State minimum wage laws. Thus, some workers reported as earning the prevailing Federal minimum wage may not in fact be covered by Federal or State minimum wage laws. Also, there are a number of States that have minimum wages that exceed the Federal minimum wage. At the same time, the presence of a sizable number of workers with wages below the prevailing Federal minimum wage does not necessarily indicate violations of the FLSA or applicable State laws, because there are numerous exclusions and exemptions to these minimum wage statutes. Hourly earnings do not include overtime pay, commissions, or tips.