



## Commissioner Brad Avakian

Bureau of Labor and Industries

### Press Release

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### **Commissioner Avakian Announces 2009 Minimum Wage**

*A significant increase in inflation mandates a \$0.45 increase in the state's minimum wage, effective Jan. 1, 2009*

PORTLAND- State Labor Commissioner Brad Avakian announced today that Oregon's minimum wage will increase by \$0.45 per hour next year. The 5.37% increase in the cost of living (since August 2007) will bring the state's minimum hourly wage to \$8.40, effective Jan. 1, 2009. As a result of Ballot Measure 25, passed by voters in 2002, the minimum wage is adjusted annually based on changes in inflation as measured by the Consumer Price Index (CPI). The Commissioner of the Bureau of Labor and Industries (BOLI) is charged with adjusting the minimum wage for inflation every September, rounded to the nearest five cents. The new wage becomes effective the following January.

"This increase is the direct result of the rapidly rising cost of living facing Oregon workers," Avakian said. "By helping workers and their families preserve their purchasing power in difficult times, our strong minimum wage law also benefits our local economies, where workers spend most of their paychecks."

Minimum wage workers represent about 7.5% of Oregon's workforce and 143,000 individuals struggle to support themselves and their families on these wages (Oregon Employment Department- 4<sup>th</sup> Quarter 2007 Wage Data). Several other states, including Washington, Vermont, Nevada, Montana, Missouri, Florida, Colorado, and Arizona, annually adjust their minimum wage based on inflation and the CPI. The CPI, which is published by the United States Bureau of Labor Statistics, is a measure of the average change in prices over time in a fixed "market basket" of goods and services, such as food, shelter, medical care, transportation fares and other goods and services people purchase for day-to-day living. Washington, which already has a higher rate, will continue to have the highest state minimum wage in the nation.

State Rep. Diane Rosenbaum (D-Portland), who was the Chief Petitioner for Ballot Measure 25, said "Thousands of Oregon families are struggling to escape poverty while working full-time at minimum wage jobs." Rosenbaum said "this increase helps low-wage workers put food on the table and a roof over their heads."

The Bureau of Labor and Industries works to protect the rights of workers and citizens to equal, nondiscriminatory treatment and encourages and enforces compliance with state laws relating to wages, hours, terms and conditions of employment. In addition, the Bureau works to promote the development of a highly skilled, competitive workforce in Oregon through the apprenticeship program. The Bureau's Technical Assistance for Employers Unit exists to train employers to understand and comply with the law both wage and hour and civil rights law. Employers will be receiving revised minimum wage posters reflecting the new minimum wage from the Bureau in December 2008.

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*The mission of the Bureau of Labor and Industries is to protect employment rights, advance employment opportunities, and protect access to housing and public accommodations free from discrimination.*