



State of Vermont
Department of Labor

October 18, 2010

For Immediate Release

Contact: Sheila Manchester Coniff, 802-828-5896

Email: sheila.coniff@state.vt.us

MINIMUM WAGE INCREASE

Montpelier, VT . . . The Department of Labor announced the state minimum wage will be increasing to \$8.15 per hour from \$8.06 per hour on January 1, 2011. Vermont's minimum wage increases at the same rate as the Consumer Price Index (CPI), as calculated in August, for the preceding year. This August, the CPI increased by one and one tenth percent (1.1%).

Additionally, the basic wage rate for "service and tipped" employees is tied to the CPI. As such, the basic wage for such employees will be increasing to \$3.95 per hour from \$3.91. Service or tipped employees are individuals working in hotels, motels, tourist places, and restaurants who customarily and regularly receive more than **\$120.00** a month in tips for direct and personal service.

Tipped employees', like other workers, total earnings during a pay period must equal or exceed \$8.15 per hour. If a combination of tips and the basic wage do not meet that requirement, the employer must make up the difference.

Vermont law requires all employers to post the minimum wage rates. Updated posters may be obtained from Labor's website under the "News" section found at www.labor.vermont.gov.

In January 2011 the minimum wage in neighboring states range from a high of \$8.00 in Massachusetts to a low of \$7.25 in New York and New Hampshire. Vermont's minimum wage is the highest in the region, but six states nationwide have higher minimum wage rates than Vermont.

Anyone with a question about the minimum wage or other wage and hour regulations impacting Vermont's workforce may visit the Department of Labor online at www.labor.vermont.gov or contact the Department of Labor, Wage and Hour program at 802-828-0267.

For further questions about this release, please contact Sheila Manchester Coniff, Performance and Compliance Unit Chief, at (802) 828-5896.

