

Commissioner Brad Avakian

Bureau of Labor and Industries

Press Release

For Immediate Distribution **September 15, 2011**

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BOLI Announces 2012 Minimum Wage

New rate of \$8.80 per hour takes effect on January 1

PORTLAND- State Labor Commissioner Brad Avakian announced today that Oregon's minimum wage will rise to \$8.80 per hour next year. The 30-cent increase mirrors a 3.77% increase in the Consumer Price Index since August 2010. Oregon's minimum wage rate remains \$8.50 per hour for all hours worked in 2011. Washington, where the minimum wage is currently \$8.67 per hour, will announce its 2012 minimum wage on September 30th.

"Safeguarding the wages of low-income workers is especially critical in a tough economy," Avakian said. "Oregon's economy will not rebound if we allow 144,538 minimum wage earners to fall behind inflation."

Ballot Measure 25, enacted by Oregon voters in 2002, requires a minimum wage adjustment 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 directed to adjust the minimum wage for inflation every September, rounded to the nearest five cents. (Read the statute detailing the adjustment, ORS 653.025, here.)

"During my tenure, BOLI has fought to return nearly \$12 million to Oregonians unfairly denied their wages or faced with discrimination," Avakian continued. "Thousands of Oregon families are fighting to keep food on the table and a roof over their heads by working full-time at minimum wage jobs and this agency is committed to defending their wages."

Oregon is one of ten states, with Washington, Vermont, Ohio, Nevada, Montana, Missouri, Florida, Colorado, and Arizona, that annually adjusts the minimum wage based on inflation and the CPI. The CPI, published by the United States Bureau of Labor Statistics, is a measure of the average change in prices over time for 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.

"Oregonians recognize the rising cost of living facing every one of us, and our strong minimum wage law is essential insurance that Oregon workers and their families can maintain their purchasing power and continue to contribute to our local economies," said Avakian. "At the same time, although five out of six Oregon employers don't offer minimum wage jobs, I know that it's important to continue my dialogue with the businesses, many of them small operations, that do. Understanding their challenges will benefit our entire economy."

Revised minimum wage posters reflecting the new rate will be available for free download from BOLI's website in December. That site, which includes additional information about all of BOLI's activities, is http://www.oregon.gov/BOLI.

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