



Press Release

For Immediate Release

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Avakian announces 2014 minimum wage increase for nearly 100,000 workers

Wage floor adjustment will boost consumer buying power, strengthen economy, says Avakian

PORTLAND—Oregon Labor and Industries Commissioner Brad Avakian today announced that Oregon’s minimum wage will increase to \$9.10 on January 1, 2014, providing a .15 per hour raise for 98,000 minimum wage workers.

“Oregon can build a stronger economy by making sure that workers have the purchasing power they need to keep pace with the rising cost of everyday goods,” said Commissioner Avakian. “With this increase in Oregon’s wage floor, nearly 100,000 Oregonians will earn more money for groceries, school supplies, gas and other household essentials. That’s good not just for individual workers, but for our state’s economy.”

The adjustment will mean that directly-affected employees working 30 hours a week will have \$234 more to spend on goods in 2014. The increase is expected to generate more than \$20 million in new consumer spending for Oregon’s economy.

A 2002 ballot measure supported by a coalition of senior, labor and religious leaders – and sponsored by Senate Majority Leader Diane Rosenbaum – directs the Oregon Bureau of Labor and Industries to adjust the state’s minimum wage annually based on inflation. Each year, Commissioner Avakian calculates the adjustment by measuring the increase to the Consumer Price Index (CPI), a figure published by the United States Bureau of Labor Statistics to track prices for a fixed “market basket” of goods.

Earlier this year, Commissioner Avakian testified before the U.S. Senate’s Health, Education, Labor and Pensions (HELP) Committee about Oregon’s successful experience indexing its minimum wage to provide businesses with a high level of predictability for payroll expenses over time, avoiding major spikes. A chart tracking minimum wage adjustments since 2002 is available upon request.

One common misconception about employees earning a minimum wage is that they are mostly teenagers. However, according to the Economic Policy Institute, roughly 80-percent of all affected minimum wage workers living in states with an indexed minimum wage last year were at least 20 years old.

“A strong minimum wage can help address growing income inequality while supporting local businesses that rely on strong consumer demand,” said Commissioner Avakian. “Oregon’s successful experience with an indexed minimum wage should serve as a model for others looking to support their workforce and provide businesses with stable, predictable wage adjustments over time.”

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The Bureau of Labor and Industries (BOLI) protects Oregon's workforce, supports local businesses with technical assistance, and enforces our state's civil rights and wage and hour laws so that workers are protected and responsible employers have a level playing field on which to operate. As Commissioner of Labor and Industries, Brad Avakian works to strength our state's economy and workforce with smart, targeted investment in career and technical education. For more information about BOLI, visit <http://www.oregon.gov/BOLI>.