Oregon’s minimum wage increase will kick in on July 1

An estimated 162,000 Oregon workers will get a 50-cent per hour raise on July 1, marking the fourth increase in the state’s minimum wage in the last four years.

Oregon’s standard minimum wage will rise to $11.25 an hour. The rate for workers inside the Portland Metro area will go to $12.50 per hour, and the minimum wage rate for nonurban counties will rise to $11 an hour.

Labor Commissioner Val Hoyle said Thursday that the minimum wage increase will help protect the buying power Oregon’s low-income workers. She contrasted the state’s steady increases with the federal minimum wage, which has now stayed flat for a decade at $7.25 an hour.

“Oregonians believe that working for minimum wage shouldn’t leave people stuck in poverty,” Hoyle said.

The latest minimum wage increase is the result of Senate 1532, a 2016 law that locked in annual increases until 2022, when it will top out at $14.75 per hour in the Portland metro area. After that, future minimum wage increases will be tied to inflation.

SB 1532 also created Oregon’s unique three-tier minimum wage system to take into account differences in the state’s urban and rural regions. (See map of three regions below)

Hoyle, who helped shepherd SB 1532 through the state Legislature as House Majority Leader, said she was pleased the law has boosted thousands of paychecks without causing significant job losses in Oregon.

“We took a careful approach with these minimum wage increases,” she said. “We responded to the needs of the workers who were falling behind, but we also listened to what small businesses could handle and recognized the regional differences in our state’s economy.”

The minimum wage increase will affect just over 7 percent of Oregon’s employees.

One common misconception about employees earning the minimum wage is that they are mostly teenagers. However, national data from the U.S. Bureau of Labor and Statistics shows that less than half of minimum wage earners are younger than 25.
Roughly two-thirds of those workers are women, meanwhile.

Oregon employers are required to post minimum wage posters. The required minimum wage poster is available in English and Spanish for free on BOLI’s Technical Assistance for Employers’ website here and here. Low-cost composite posters are also available here.