

The Virgin Islands Consortium

Reminder: Minimum Wage Goes To \$9.50 Per Hour Thursday

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The territory's minimum wage will rise from \$8.35 per hour to 9.50 per hour on Thursday.

According to the Fair Labor Standards Act, state governments have the right to set a higher minimum wage than the current federal minimum wage rate. Roughly 29 states, including California, Florida, New York and New Jersey have enacted legislation increasing their state's minimum wage.

The first increase from \$7.25 to \$8.35 took effect June of last year; the last increase — from \$9.50 to \$10.50 — will take effect in 2018, according to the law. Additionally, the tourist service industry and restaurant workers who are tipped employees must be

compensated at a rate of not less than 40 percent of the prevailing minimum wage.

Federal minimum wages have not been increased since 2010, while the cost of living has seen a sharp uptick throughout the country, particularly here in the Virgin Islands where the cost of electricity alone rose by 11 percent between the years of 2010 through 2015.

Correction: May 31, 2017

A previous version of this story, because of a text error included the wrong date for the minimum wage increase. It's Thursday, June 1, not today.

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