

# The Virgin Islands Consortium

## Minimum Wage Goes Up To \$10.50 On June 1 In U.S. Virgin Islands

VIC News / **Published On May 11, 2018 10:13 AM /**

Staff **May 11, 2018**



The territory's minimum wage is set to see its final phased increase to \$10.50 per hour as part of a bill ratified by the 32nd Legislature and [signed into law](#) by Governor Kenneth Mapp. The three-step increase, which saw the hourly wages of Virgin Islands employees going from \$7.25 to \$8.35 in 2016, then from \$8.35 to \$ 9.50 on June 1, 2017, will increase to \$10.50 on June 1 of this year.

According to Government House, during a recent cabinet meeting on St. Croix, Governor Kenneth Mapp instructed commissioners to raise the salaries of government workers in compliance with the minimum wage increase set for next month.

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. Studies have shown that increasing the minimum wage does not have a negative effect on small business, as some have claimed, and in fact contributes to an increase in the overall health of local economies.

The sponsor of the bill, Senator Jean Forde, had said that \$7.25 was simply not enough to earn a decent living. "This is a tremendous victory for working people, as the plain fact is that the minimum wage of \$7.25 is simply not enough to live on," Mr. Forde said after the bill was signed into law. "It is heartbreaking to see people going out and working hard every day, only to find that their paychecks cannot meet even their most basic needs."

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

"Adjusting the minimum wage to take into account the increases in the cost of living, especially around such basic necessities as food, rent, and clothing, will go a long way to eliminating the "working poor" in our community and improving the overall quality of life for all of our residents," said Mr. Mapp after approving the measure.

"While this step is not the answer to all of our economic development and opportunity needs, it is a significant step in the right direction," he added.