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**New Deal on Minimum Wage to Raise the Pay of 315,000 Workers Across the Commonwealth  
*Massachusetts Likely to Have Highest Minimum in the Country by 2008***

BOSTON, MA – The agreement reached today by House and Senate negotiators to raise the Massachusetts minimum wage to \$8.00 per hour by January 1, 2008 would increase the wages of an estimated 315,000 low-wage workers and would likely give the Commonwealth the highest minimum wage in the country in two year’s time.

“Increasing the Massachusetts minimum wage to \$8.00 per hour would raise the pay of an estimated 315,000 low-wage workers who would be able to use the extra earnings to pay for food, clothing, rent, and other basic necessities for themselves and their families,” said Noah Berger, Executive Director of the Massachusetts Budget and Policy Center.

**State-Wide Data**

According to estimates from the Economic Policy Institute, a non-partisan research organization based in Washington, DC, when the new wage takes full effect (January 1, 2008), it will increase the wages of 315,000 workers (including 107,000 currently earning less than \$8.00 an hour and 208,000 earning slightly above that level who will also receive an increase when the wage floor below them rises).

Of the 315,000 workers who will be affected:

- 60 percent are women;
- 76 percent are adults aged 20 and older; and
- 76 percent work 20 hours per week or more (46 percent work full time).

<b>ESTIMATED IMPACT OF AN INCREASE IN MASSACHUSETTS' MINIMUM WAGE</b>		
	<i>Number of workers affected by an increase to \$8.00 per hour in 2008</i>	
Total workers	315,000	
<b><i>Impact</i></b>		
Directly affected	107,000	
Indirectly affected	208,000	
<b><i>Gender</i></b>		
Male	125,000	
Female	190,000	60.3%
<b><i>Age</i></b>		
16 to 19 years	75,000	
20 years and older	239,000	76.1%
<b><i>Weekly Hours Worked</i></b>		
1-19 hours	76,000	
20-34 hours	94,000	
Full-time (35+ hrs.)	145,000	46.0%

## Regional Data

ESTIMATED REGIONAL IMPACT OF AN INCREASE IN MASSACHUSETTS' MINIMUM WAGE			
Region	Largest Cities/Towns in Region	Impact of an increase to \$8.00 per hour in 2008	
		Percent of Region Affected	Number in Region Affected
Western and North Central Massachusetts	Pittsfield, Leominster, Fitchburg	14.2%	32,100
MetroWest	Framingham, Natick, Marlborough	7.7%	19,000
Merrimack Valley	Lowell, Lawrence, Haverhill	10.5%	26,300
North Shore	Lynn, Peabody, Salem	9.7%	20,500
Northern Boston Suburbs	Waltham, Arlington, Woburn	7.4%	14,900
Central Massachusetts	Worcester, Shrewsbury, Westborough	10.6%	24,900
Southern Pioneer Valley	Springfield, Chicopee, Westfield	13.8%	29,800
North of Boston	Cambridge, Somerville, Malden	10.8%	22,800
City of Boston	Boston	12.2%	33,400
Western and Southern Boston Suburbs	Quincy, Newton, Brookline	7.6%	16,200
Southeastern Massachusetts	Brockton, Taunton, Braintree	10.5%	24,700
South Shore, Cape Cod, and the Islands	Weymouth, Plymouth, Barnstable	10.0%	23,900
South Coast	New Bedford, Fall River, Attleboro	14.4%	26,500
<b>TOTAL</b>		<b>10.7%</b>	<b>315,000</b>

## State Comparisons

A minimum wage of \$8.00 per hour in 2008 would likely give the Commonwealth the highest minimum in the country. However, if inflation over the next few years is higher than expected, states like Washington and Oregon, which index their minimum wages to inflation, may end up with higher minimum wages.

### Did You Know?

Massachusetts became the first state in the country to establish a minimum wage in 1912. That legislation stipulated that the minimum wage should be set at rates sufficient 'to supply the necessary cost of living and to maintain the worker in health.'

Local contacts available for quotes. Contact Leora Maccabee, Massachusetts Budget and Policy Center Communications and Outreach Associate at 617-426-1228x111 or 617-272-0617.

*The Massachusetts Budget and Policy Center (MBPC) provides independent research and analysis of state budget and tax policies, as well as economic issues, that affect low- and moderate-income people in Massachusetts.*

State Minimum Wages (effective January 1, 2008)	
Massachusetts	8.00
Washington	7.97 *
Oregon	7.83 *
Connecticut	7.65
Vermont	7.57 *
Rhode Island	7.40
Hawaii	7.25
Alaska	7.15
New Jersey	7.15
Michigan	7.15 **
New York	7.15
District of Columbia	7.00
Maine	7.00
California	6.75
Florida	6.68 *
Illinois	6.50
Wisconsin	6.50
Arkansas	6.25
Delaware	6.15
Minnesota	6.15
Maryland	6.15
All other states	5.15

\*State minimum wage indexed to inflation; rate based on Congressional Budget Office projections of changes in the CPI-U for 2006 through 2008  
\*\*Effective July 1, 2008, rises to \$7.40 per hour