Department of Labor (/)

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New York State Department of Labor Announces $15 Minimum Wage Phase-in to Continue as Report Shows New York State Labor Markets Recovering from Global Pandemic

Increase to Take Effect on December 31, 2020

Announcement Follows Division of Budget Report that Shows, Prior to the Pandemic, New York State Economy Achieved Record Low Unemployment as Minimum Wage Rose

Minimum Wage Workers Disproportionately Impacted by the COVID-19 Economic Downturn

The New York State Department of Labor today announced the state's $15 minimum wage phase-in will continue, with the next stage taking effect December 31, 2020. This announcement comes after a statutorily required report (https://www.ny.gov/sites/ny.gov/files/atoms/files/DOB_MinWage_FinalReport_Dece by the Division of the Budget found the Upstate, Long Island and Westchester labor markets -- where the minimum wage is scheduled to rise -- are leading New York's economic recovery from the downturn caused by the global pandemic. The report found that, just prior to the pandemic, the State had achieved record low unemployment following four years of increases to the minimum wage. In addition, the report

showed that minimum wage workers need support today, as they were disproportionally impacted by the pandemic's economic toll, with those earning the minimum wage representing a large portion of the hardest-hit industries, including retail trade and leisure and hospitality.

The minimum wage rose to $15 per hour for companies with 10 or fewer employees in New York City last year and remains at that level. It will rise to $14 per hour on Long Island and in Westchester, and to $12.50 in the rest of the state.

"Even as we continue to battle the pandemic, we are working to build back in an equitable and just way," Labor Commissioner Roberta Reardon said. "Before this crisis, we achieved record low unemployment rates while increasing the minimum wage - improving the lives of thousands of New Yorkers - and we will rebuild our economy while continuing to lead the nation in the fight for economic justice. This investment in our workers once again proves that in New York we believe a fair day's work deserves a fair day's pay."

The report produced by the Division of the Budget is required by the minimum wage statute to review the state of the economy in each region and the effect of minimum wage increases to determine whether increases move forward as scheduled or should be delayed.

Key findings from the Division of the Budget's Minimum Wage Report include:

- Just prior to the pandemic, the State achieved a record low unemployment rate of 3.7% while raising the minimum wage for four years.
- The Long Island/Westchester county regional unemployment rate has fallen from its April peak of 15.9 percent to 7.1 percent in October, while the remainder of Upstate has fallen from its 15.4 percent April peak to 6.8 percent in October.
- According the December edition of the Federal Reserve Beige Book, as employment rebounds Upstate, an employment agency observed: "scattered signs of a pickup in hiring, especially for lower-wage workers" and "particular difficulty in recruiting customer-service

representatives." The agency also noted "a particular upward trend in wages at the lower end of the pay scale."

- The report concludes: close examination of the available economic data by region suggests that the labor market recoveries on Long Island and in Westchester and the remainder of Upstate are proceeding apace and are not likely to be substantially harmed by the minimum wage increases scheduled for the end of this year

Since he first took office, Governor Cuomo has worked to restore economic parity and social justice for working families in New York State, including passing a $15 minimum wage to restore economic fairness, enacting the nation's strongest job-protected paid family leave program and extending protections to public sector employees in local and state government following the devastating "Janus" Supreme Court decision. The Governor also enacted the Farm Workers Bill, giving thousands of farm workers in New York the right to collectively bargain and other crucial protections.

General Minimum Wage Rate Schedule

Location	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	2021*
NYC - Large Employers (of 11 or more)	$11.00	$13.00	$15.00			
NYC - Small Employers (of 10 or less)	$10.50	$12.00	$13.50	$15.00		
Long Island & Westchester	$10.00	$11.00	$12.00	$13.00	$14.00	$15.00
Remainder of New York State	$9.70	$10.40	$11.10	$11.80	$12.50	*

*Future increases will be based on an indexed schedule to be set by the Director of the Division of the Budget in consultation with the Department of Labor following an annual review of the impact.

More information is available at www.ny.gov/minimumwage (http://www.ny.gov/minimumwage) .

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