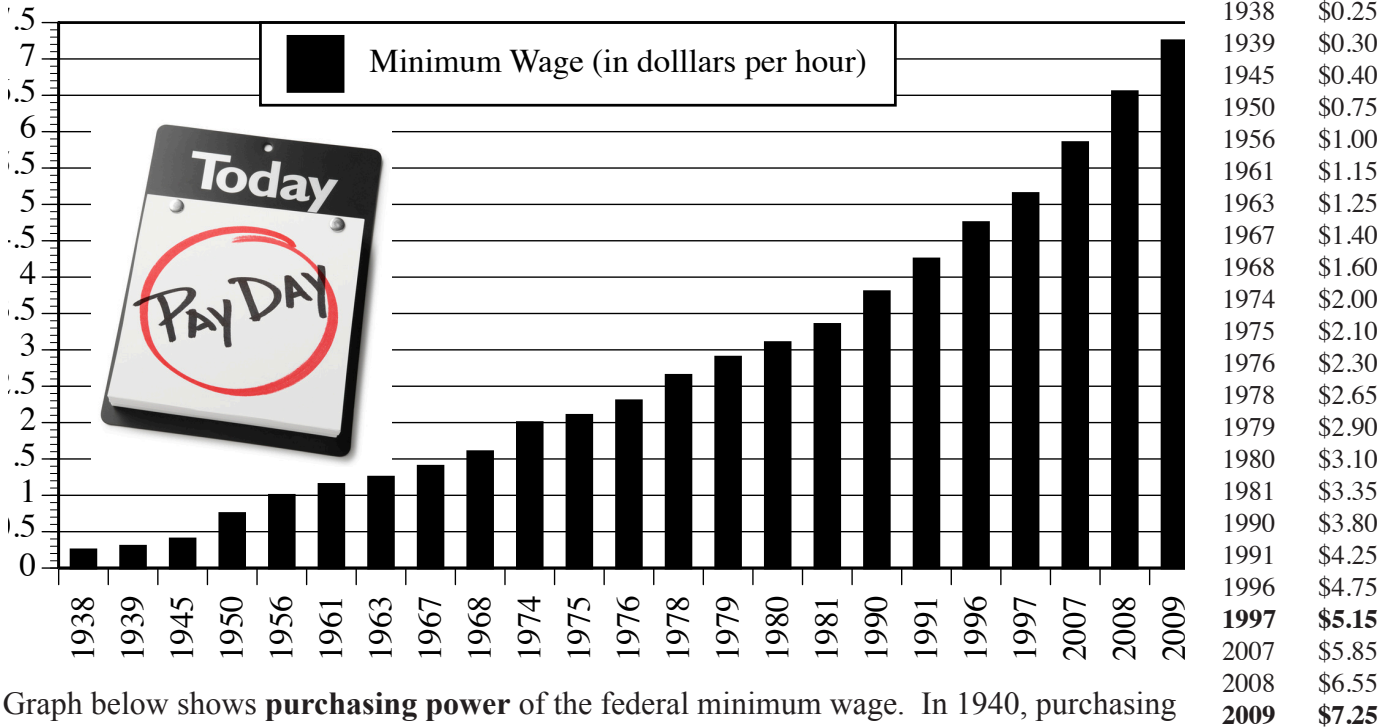


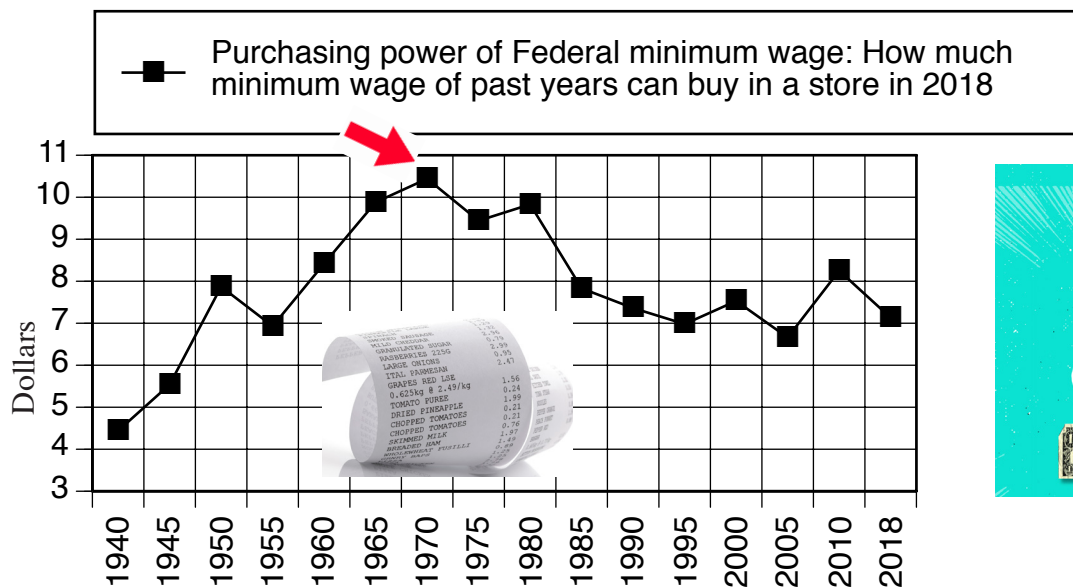
Minimum Wages 2019

The very first federal minimum wage was established on October 24, 1938. Here is a graph that shows the minimum wage increases since 1938.

Federal Minimum Wage Increases



Graph below shows **purchasing power** of the federal minimum wage. In 1940, purchasing power of a 40¢ minimum wage was worth \$7.13 when compared to value of money in 2018. This means that a worker could spend 40¢ in a store in 1940, and buy items (or have **purchasing power**) equal to \$7.13 in a store in 2018. In 1970, a worker could spend the \$1.60 minimum wage (for one hour of work) in a store, and buy items (have **purchasing power**) equal to \$10.49 in a store in 2018. When store prices go up (called inflation), your purchasing power goes down. Some think that when store prices go up (inflation), minimum wage needs to go up also — so workers keep same purchasing power. What happens if store prices go up (inflation), but minimum wage does not go up? This happened since 1970 (see arrow).



Here is a list of the minimum wages in the U.S. for the year 2019. When a state's minimum wage is higher than the federal minimum wage, employers usually have to pay workers the higher minimum wage.

State	Minimum Wage	State	Minimum Wage
Alabama	None	Missouri	\$8.60
Alaska	\$9.89	Montana	\$8.50
Arkansas	\$9.25	Nebraska	\$9.00
Arizona	\$11.00	Nevada	\$8.25 if no health insurance
California	\$11.00 (25 workers or less) \$12.00 (26 workers or more)	New Hampshire	\$7.25
Colorado	\$11.10	New Jersey	\$8.85
Connecticut	\$10.10	New Mexico	\$7.50
Delaware	\$8.75 (\$9.25 on 10/1/2019)	New York	\$11.10
<i>District of Columbia</i>	\$13.25 (\$14.00 on 7/1/2019)	North Carolina	\$7.25
Florida	\$8.46	North Dakota	\$7.25
Georgia	\$5.15	Ohio	\$8.55
Hawaii	\$10.10	Oklahoma	\$7.25
Idaho	\$7.25	Oregon	\$10.75 (\$11.25 on 7/1/2019)
Illinois	\$8.25	Pennsylvania	\$7.25
Indiana	\$7.25	Rhode Island	\$10.50
Iowa	\$7.25	South Carolina	None
Kansas	\$7.25	South Dakota	\$9.10
Kentucky	\$7.25	Tennessee	None
Louisiana	None	Texas	\$7.25
Maine	\$11.00	Utah	\$7.25
Maryland	\$10.10	Vermont	\$10.78
Massachusetts	\$12.00	Virginia	\$7.25
Michigan	\$9.25 (\$9.45 on 4/1/2019)	Washington	\$12.00
Minnesota	\$8.04 for small employer \$9.86 for large employers	West Virginia	\$8.75
Mississippi	None	Wisconsin	\$7.25
		Wyoming	\$5.15



QUICK CHECK:

- When was federal minimum wage established?
- a) What was the federal minimum wage in 1950? b) 1960? c) 1970? d) 1980? e) 2019?
- Between which years was or is there a 10 year gap between federal minimum wage increases?
- a) Define "purchasing power." b) In 1940, what was purchasing power of 40¢ compared to value of money in 2018? c) When store prices go up, what happens to your purchasing power?
- What is it called when store prices increase?
- Graph on Page 1: a) In what year was minimum wage purchasing power the highest?
- What has happened to the purchasing power: b) From 1970 to 1995? c) Since 2010?
- When state minimum wage is different from the federal minimum wage, which wage does the employer usually have to pay?
- a) List 13 **states** with minimum wage \$10 or over. b) What is the minimum wage for the federal district of Washington, D.C.?
- How much would a worker earn for 8 hour work shift: a) In Massachusetts? b) In Utah?
- List 5 states with no minimum wage.
- What number of states have exact same minimum wage as federal minimum wage?
- a) Do you think minimum wage in your state needs to be higher or lower? b) Explain reasons for your opinion in essay of 50 words or more.