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## **Minimum Wage Rises to \$8.00 an Hour on July 1**

### ***Wage hike helps more than 390,000 hardworking Illinoisans***

**CHICAGO** – The Illinois Department of Labor (IDOL) is reminding Illinois workers that the state’s new minimum wage is \$8.00 an hour, effective July 1. According to the Economic Policy Institute (EPI), the increase in the minimum wage stands to help over 390,000 workers cope with the rising cost of living and pay for basic necessities like groceries, gas, rent, childcare and medicine.

Illinois raised its minimum wage to \$7.50 an hour in July 2007, with automatic increases of 25 cents built in over the next three years to \$7.75 on July 1, 2008; \$8.00 on July 1, 2009; and \$8.25 on July 1, 2010.

“The increase in the minimum wage helps full-time workers meet their family’s basic needs. As of July 1, the Department will be enforcing a higher minimum wage of \$8.00 an hour in Illinois, and will continue to ensure that workers receive the wages they’ve earned,” said IDOL Director Catherine Shannon.

Raising the minimum wage to \$8.00 an hour generates an additional \$520 in annual wages for a full-time minimum wage worker – up to \$16,640 per year. The increase ensures that Illinois workers receiving the minimum wage will stay above the 2008 federal poverty level of \$10,400 a year. Based on research done by the EPI, nearly 80 percent of minimum wage workers in Illinois are working adults, not teenagers. Approximately 99,000 of the workers who would benefit directly from the minimum wage increase are working parents, and nearly 60 percent are women. Increasing the minimum wage will help boost the standard of living for 181,000 Illinois children, according to the EPI.

Research also shows that raising the minimum wage not only aids minimum wage workers and their families but it also helps to stimulate the American economy. A study done by economists at the Federal Reserve Bank of Chicago found that recent increases in the federal minimum wage (July 2007 and July 2008) will have created an estimated \$4.9 billion of spending to date, and that the final federal increase in July 2009 will produce another \$5.5 billion over the next year.

When the final rate of \$8.25 per hour takes effect in 2010, the state will have helped boost the pay for minimum wage workers in Illinois by \$3.10 per hour, or 60 percent in seven years. This makes Illinois a national leader in raising wages for low-income workers.

“There could not be a more appropriate time for this increase to go into effect, when families are faced with the dire conditions of an economic downturn. Workers across Illinois are struggling every day to provide their children with food and healthcare. The increased minimum wage will go a long way toward easing the burden on these families by enabling them to better afford basic necessities,” said Sen. Kimberly Lightford (D-Chicago) who was a Senate sponsor of the original bill in 2006.

The Illinois Department of Labor is also reminding Illinois workers that if they are not receiving at least the minimum wage, they should call the IDOL hotline at **1-800-478-3998** so the State can help them get the wages they’re owed.