Heidi Drygas Commissioner www.labor.alaska.gov



P.O. Box 111149 Juneau, AK 99811-1149 907.465.2700

commissioner.labor@alaska.gov

Press Release

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For more information: Heather Beaty, AWIB Executive Director

907-269-3569, Heather.Beaty@alaska.gov

Alaska Minimum Wage to Increase to \$9.80

JUNEAU, Alaska—The Alaska minimum wage will increase from \$9.75 to \$9.80 in 2017. Alaska voters approved a ballot initiative in 2014 that increased the minimum wage from \$8.75 to \$9.75 in 2016 and requires the Alaska minimum wage to be adjusted annually for inflation.

"Alaskan workers deserve a fair process to ensure Alaska's minimum wage keeps up with inflation, and this is the first year the new law requires it to be adjusted," said Labor Commissioner Heidi Drygas. "This modest increase will protect low wage workers and their families against inflation over time."

Alaska Statute 23.10.065(a) requires the Alaska minimum wage to be adjusted using the Consumer Price Index for urban consumers in the Anchorage metropolitan area (Anchorage CPI-U) for the preceding calendar year. The Anchorage CPI-U increased 0.5 percent in 2015, rising from 215.805 to 216.909. As a result, the minimum wage will rise from \$9.75 to \$9.80 effective January 1, 2017.

The Alaska minimum wage applies to all hours worked in a pay period regardless of how the employee is paid: whether by time, piece, commission, or otherwise. All actual hours worked in a pay period multiplied by the Alaska minimum wage is the very least an employee can be compensated by an employer. Tips do not count toward the minimum wage.