

What Wage Hike Means for Owners

Publication

6.15.07

Congress recently passed, and President Bush signed into law, a measure that will raise the federal minimum wage to \$7.25 an hour from \$5.15 an hour. Many managers and business owners see this as a threat to their cash flow, both because of the perceived drastic nature of the wage increase and because of the effects they think it may have on their higher-salaried work force.

As the minimum wage rises, you may want to consider alternatives for hourly employees who make more than the current minimum wage. If you are satisfied your pay scale is competitive, consider offering noncash compensation such as more desirable perks, employee discounts or advantages, or increased vacation time. Beyond complying with the new wage regulations, it is your choice how you handle your employees' pay.

This article appeared in the June 15, 2007 issue of the [Charlotte Business Journal](#).

Related People



Kevin J. Dalton

Partner

704.334.4565

Email