



Minimum Wage Increases For Oregon And Washington Starting January 1, 2013

Insights

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On January 1, 2013, the minimum wage for employees working in Washington will increase to **\$9.19** per hour. On the same day, the minimum wage for employees working in Oregon will rise to **\$8.95** per hour. With these increases, Washington and Oregon will remain the states with the two highest minimum wage rates in the entire country. What do employers need to know about this change, aside from increasing their payroll accordingly?

New Postings Required

Both Oregon and Washington have issued new posters that employers will be required to post, as of January 1, 2013, in a conspicuous and accessible place within each establishment where employees are employed. For Oregon employers, the “Oregon Minimum Wage” poster is available for downloading in English and Spanish from the [Oregon Bureau of Labor and Industries website](#). For Washington employers, the “Know Your Rights as a Worker” poster is available for downloading in English and Spanish from the [Washington Department of Labor and Industries website](#). It’s important to note that the posters are in addition to (rather than a substitution for) the federal minimum wage poster. The federal poster remains available from [Department of Labor website](#).

Our Recommendation

With the Oregon and Washington rates rising in January, now is a good time to review your pay practices and ensure compliance with both state law and the federal Fair Labor Standards Act. In both states, wage and hour lawsuits are frequent and ever-increasing. An employer found liable can expect to pay employees all back wages due, plus an equal amount in liquidated damages, plus all costs and attorneys’ fees.

As a result, the amount that is ultimately paid often bears no relationship to the actual damages suffered. For example, an employee may only recover a few hundred dollars in back wages, while his or her attorney collects several thousand in attorneys’ fees in the process.

Consequently, strict compliance is an important measure in preventing costly litigation. Fortunately, wage and hour lawsuits are, for the most part, avoidable. Employees have little incentive to seek legal counsel if they are paid properly. An audit of your payroll practices by a professional knowledgeable in the wage and hour laws may reveal the existence of improper deductions or improperly classified employees. Once identified, these errors can often be corrected prior to the

onset of litigation. In light of the progressive policies in both Oregon and Washington, the employer's maxim has become, "It's better to be safe than sued."

For more information on the new Oregon and Washington minimum wage standards or to schedule a payroll audit, contact your regular Fisher Phillips attorney. Our Portland, Oregon office serves the entire Pacific Northwest region and can be reached at (503) 242-4262.

This Legal Alert provides an overview of two specific state laws. It is not intended to be, and should not be construed as, legal advice for any particular fact situation.