

# MINNESOTA MINIMUM WAGE REPORT 2021

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## Introduction and summary

With the introduction of municipal minimum wages in Minneapolis and St. Paul (all slated to reach \$15.00 an hour at various points in the 2020s), the minimum wage in Minnesota has become a more nuanced issue. The effective minimum wage – the rate employers are required to pay to covered employees – is the highest of any applicable federal, state or local rate. To understand and appreciate minimum wages in Minnesota, one should compare the new municipal minimum wages with the federal and state minimum wage rates, how these rates have changed and how they will change, relative to prices and other wages over time. This report presents data about these questions.

The following is a summary of findings.

- **Actual minimum wages for Minnesota, Minneapolis and St. Paul** – The Minnesota minimum wage, \$10.08 an hour for large employers in 2021, is adjusted annually for inflation. The minimum wages for employers of different sizes in Minneapolis and St. Paul will reach \$15.00 in various years from 2022 to 2027, and will be adjusted for inflation thereafter (Figure 1).

- **Actual annual earnings at the minimum wage** – For workers earning the Minnesota minimum hourly wage and working 40 hours a week, annual wages in 2021 are \$20,966 for workers at large employers and \$17,077 for workers at small employers. As of July 1, 2021, workers in Minneapolis earn annual full-time wages of \$29,640 at large employers and \$26,000 at small employers, while St. Paul workers earn \$26,000 at large employers and \$22,880 at small employers (Figure 2).
- **Inflation-adjusted minimum wages** – Adjusting for inflation, the 2021 Minnesota large-employer minimum wage of \$10.08 an hour is somewhat below the average rate of the federal minimum wage for 1960 through 1980, which was \$10.66. When the Minneapolis and St. Paul minimum wages reach \$15.00, they will be higher, adjusting for inflation, than the \$12.37 peak reached by the federal minimum wage in 1968 (Figure 3).
- **Inflation-adjusted annual earnings at the minimum wage** – At the 2021 Minnesota large-employer minimum wage of \$10.08, a full-time worker would earn about \$20,966 annually. After the transition periods, full-time annual earnings at the small-employer minimum wages will reach \$30,281 in Minneapolis in 2024, and \$30,152 in St. Paul in 2026, in 2021 dollars (Figure 4).
- **The minimum wage relative to the poverty line** – At the Minnesota large-employer minimum wage, full-time annual earnings are about equal to the poverty threshold for a three-person household. At the Minneapolis and St. Paul minimum wages for 2028, full-time annual earnings will fall about midway between the poverty thresholds for households of four and five persons (Figure 5).
- **The minimum wage relative to hourly earnings in manufacturing** – Relative to average hourly earnings (AHE) of production workers in Minnesota manufacturing, the federal minimum wage peaked at 55% in 1968. After the transition periods in Minneapolis and St. Paul, the \$15.00 minimum wages in the two cities will stand at roughly 58% of manufacturing AHE (Figure 6).
- **The minimum wage relative to hourly wages of nonfarm workers** – The 2021 Minnesota large-employer minimum wage of \$10.08, as adjusted for inflation in future years, is running at less than the 10th percentile of hourly wages of nonfarm wage-and-salary workers in Minnesota. After the transition periods in Minneapolis and St. Paul, the minimum wages in those cities will be about midway between the 10th and 25th percentiles of overall nonfarm wages in the state (Figure 7).

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## **Actual minimum wages for Minnesota, Minneapolis and St. Paul**

Figure 1 shows the minimum wage rates effective in Minnesota and the cities of Minneapolis and St. Paul for 2019 to 2028. As of Jan. 1, 2021, the Minnesota minimum wage is \$10.08 for large employers (see figure for employer size definitions) and \$8.21 for small employers. On Jan. 1, 2022, it will be adjusted for inflation, increasing to \$10.33 for large employers and \$8.42 for small employers.<sup>1</sup>

**Figure 1****Minimum wages effective in Minnesota, Minneapolis and St. Paul, 2019-2028 [1]**

Effective date	Minnesota [2]		Minneapolis [3]		St. Paul [4]			
	Large employers (at least \$500,000 in annual revenue)	Small employers (less than \$500,000 in annual revenue)	Large employers (more than 100 employees)	Small employers (100 or fewer employees)	Macro employers (more than 10,000 employees)	Large employers (101 to 10,000 employees)	Small employers (6 to 100 employees)	Micro employers (5 or fewer employees)
	1/1/2019	\$9.86 [5]	\$8.04 [5]					
7/1/2019			\$12.25	\$11.00				
1/1/2020	\$10.00 [5]	\$8.15 [5]			\$12.50			
7/1/2020			\$13.25	\$11.75		\$11.50	\$10.00	\$9.25
1/1/2021	\$10.08 [5]	\$8.21 [5]						
7/1/2021			\$14.25	\$12.50		\$12.50	\$11.00	\$10.00
1/1/2022	\$10.33 [5]	\$8.42 [5]						
7/1/2022			\$15.00 [6]	\$13.50	\$15.00 [6]	\$13.50	\$12.00	\$10.75
7/1/2023				\$14.50		\$15.00	\$13.00	\$11.50
7/1/2024				Equal to large employers		Equal to macro employers	\$14.00	\$12.25
7/1/2025							\$15.00	\$13.25
7/1/2026							Equal to macro employers	\$14.25
7/1/2027								\$15.00
7/1/2028								Equal to macro employers

1. In each jurisdiction shown, a lower minimum wage applies in various situations involving youth or youth who are in training programs.
2. Data for Minnesota is from Minnesota Statutes §177.24, subd. 1 and [www.dli.mn.gov/business/employment-practices/minimum-wage-minnesota](http://www.dli.mn.gov/business/employment-practices/minimum-wage-minnesota).
3. Data for Minneapolis is from Minneapolis Code of Ordinances, Title 2, Chapter 40 ([library.municode.com/mn/minneapolis/codes/code\\_of\\_ordinances?nodeId=COOR\\_TIT2AD\\_CH40WORE\\_ARTIVMUMIWA](http://library.municode.com/mn/minneapolis/codes/code_of_ordinances?nodeId=COOR_TIT2AD_CH40WORE_ARTIVMUMIWA)) and [minimumwage.minneapolismn.gov](http://minimumwage.minneapolismn.gov).
4. Data for St. Paul is from St. Paul Legislative Code, Chapter 224 ([stpaul.legistar.com/LegislationDetail.aspx?ID=3699492&GUID=F0F09B00-71EB-471D-A774-3B7C33938767&Options=ID%7CText%7C&Search=wage&FullText=1](http://stpaul.legistar.com/LegislationDetail.aspx?ID=3699492&GUID=F0F09B00-71EB-471D-A774-3B7C33938767&Options=ID%7CText%7C&Search=wage&FullText=1)).
5. Adjusted for inflation annually, with new values effective on January 1. As provided by statute, the inflation adjustment index is the implicit price deflator for personal consumption expenditures produced by the U.S. Department of Commerce, Bureau of Economic Analysis (Minnesota Statutes §177.24, subd. 1(f)).
6. Adjusted for inflation annually beginning January 1, 2023. Both the Minneapolis and St. Paul ordinances provide that the respective city minimum wages shall be adjusted by the same adjustment used by DLI for the state minimum wage. (In both cities, the initial adjustment on January 1, 2023 is half the adjustment calculated by DLI for the state minimum.)

Under the Minneapolis and St. Paul minimum wage ordinances, the minimum wages in the two cities will reach \$15.00 under different timelines depending on employer size. The Minneapolis minimum wage for large employers will rise from \$14.25 as of July 1, 2021 to \$15.00 on July 1, 2022, and will be adjusted for inflation every Jan. 1 thereafter. The Minneapolis minimum for small employers has a more delayed phase-in than for large employers, but will attain the same rate as for large employers July 1, 2024.

The St. Paul minimum wage took effect in 2020. For large (non-macro) employers, it will reach \$15.00 on July 1, 2023; small and micro employers will reach the \$15.00 rate in 2025 and 2027, respectively. All employers will reach the same rate as macro employers (an indexed \$15.00 minimum) by 2028.

Given the provisions of the minimum-wage ordinances in Minneapolis and St. Paul, employers of all sizes in the two cities will pay the same indexed minimum wage as of July 1, 2028.<sup>2</sup>

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## Actual annual earnings at the minimum wage

For workers earning the Minnesota minimum hourly wage and working 40 hours a week, annual wages as of Jan. 1, 2021, are \$20,966 for workers at large employers and \$17,077 for workers at small employers. Effective Jan. 1, 2022, annual wages will be \$21,486 for large employers and \$17,514 for small employers (Figure 2).

**Figure 2**

### Annual wage at effective minimum wages in Minnesota, Minneapolis and St. Paul for 2022 [1]

Effective Date	Minnesota [2]		Minneapolis [3]		St. Paul [4]			
	Large employers (at least \$500,000 in annual revenue)	Small employers (less than \$500,000 in annual revenue)	Large employers (more than 100 employees)	Small employers (100 or fewer employees)	Macro employers (more than 10,000 employees)	Large employers (101 to 10,000 employees)	Small employers (6 to 100 employees)	Micro employers (5 or fewer employees)
	7/1/2021			\$29,640	\$26,000	\$26,000	\$26,000	\$22,880
1/1/2022	\$21,486	\$17,514						
7/1/2022			\$31,200	\$28,080	\$31,200	\$28,080	\$24,960	\$22,360

- Hourly wages shown in Figure 1 were converted to annual wages using 2,080 hours annually (52 weeks x 40 hours). Annual amounts are only shown for the dates when the respective minimum wages became effective.
- Data for Minnesota is from Minnesota Statutes §177.24, subd. 1 and [www.dli.mn.gov/business/employment-practices/minimum-wage-minnesota](http://www.dli.mn.gov/business/employment-practices/minimum-wage-minnesota).
- Data for Minneapolis is from Minneapolis Code of Ordinances, Title 2, Chapter 40 ([library.municode.com/mn/minneapolis/codes/code\\_of\\_ordinances?nodeId=COOR\\_TIT2AD\\_CH40WORE\\_ARTIVMUMIWA](http://library.municode.com/mn/minneapolis/codes/code_of_ordinances?nodeId=COOR_TIT2AD_CH40WORE_ARTIVMUMIWA)) and [minimumwage.minneapolismn.gov](http://minimumwage.minneapolismn.gov).
- Data for St. Paul is from St. Paul Legislative Code, Chapter 224 ([stpaul.legistar.com/LegislationDetail.aspx?ID=3699492&GUID=F0F09B00-71EB-471D-A774-3B7C33938767&Options=ID%7CText%7C&Search=wage&FullText=1](http://stpaul.legistar.com/LegislationDetail.aspx?ID=3699492&GUID=F0F09B00-71EB-471D-A774-3B7C33938767&Options=ID%7CText%7C&Search=wage&FullText=1)).

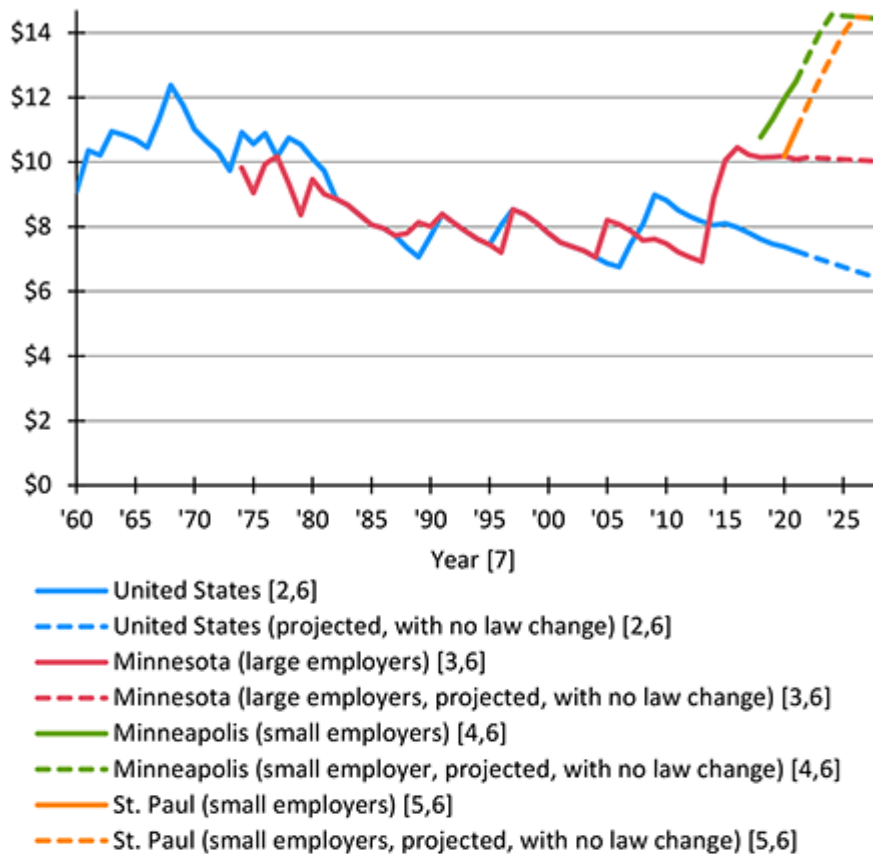
As of July 1, 2021, workers in Minneapolis earn annual full-time wages of \$29,640 at large employers and \$26,000 at small employers, while St. Paul workers earn \$26,000 at large employers and \$22,880 at small employers. Effective July 1, 2022, workers in Minneapolis will earn annual full-time wages of \$31,200 at large employers and \$28,080 at small employers, while St. Paul workers will earn \$28,080 at large employers and \$24,960 at small employers.

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## Inflation-adjusted minimum wages

Figure 3 shows the minimum wages for the United States, Minnesota, Minneapolis and St. Paul for 1960 to 2028, adjusted for inflation (in 2021 dollars). In 2021 dollars, the federal minimum wage reached a peak of \$12.37 an hour in 1968.<sup>3</sup> The current federal minimum wage of \$7.25 (its rate since 2009) is not indexed for inflation. Therefore, in 2021 dollars, the value of the federal minimum wage is projected to decline to \$6.40 by 2028 in the absence of any statutory increases.

**Figure 3**  
**Minimum wage, inflation-adjusted (2021 dollars), United States, Minnesota, Minneapolis and St. Paul, 1960-2028 [1]**



1. In each jurisdiction shown, a lower minimum wage applies in various situations involving youth or youth who are in training programs.
2. Minimum-wage data for the United States is from the U.S. Department of Labor, [www.dol.gov/whd/minwage/chart.htm](http://www.dol.gov/whd/minwage/chart.htm).
3. Minimum-wage data for Minnesota is from internal records at DLI and Minnesota Statutes §177.24, subd. 1, and Figure 1. Minnesota's first minimum wage took effect Jan. 1, 1974. The large-employer minimum wage is shown for Minnesota because it applies to employers with annual revenues as low as \$500,000. The values for 2023 to 2028 are projected using a projection of the implicit price deflator for personal consumption expenditures (see note 5 of Figure 1), from the U.S. Department of Commerce, Bureau of Economic

Analysis, [apps.bea.gov/iTable/iTable.cfm?reqid=19&step=2#reqid=19&step=2&isuri=1&1921=survey](https://apps.bea.gov/iTable/iTable.cfm?reqid=19&step=2#reqid=19&step=2&isuri=1&1921=survey).

4. See note 3 in Figure 1 for source of Minneapolis minimum wage data. The small-employer minimum wage is shown for Minneapolis because it applies to employers with up to 100 employees. The values for 2024 to 2028 are projected using a projection of the implicit price deflator for personal consumption expenditures (see note 6 of Figure 1 and note 3 in this figure).
5. See note 4 in Figure 1 for source of St. Paul minimum-wage data. The small-employer minimum wage is shown for St. Paul because it applies to employers with up to 100 employees. The values for 2026 to 2028 are projected using a projection of the implicit price deflator for personal consumption expenditures (see note 6 of Figure 1 and note 3 in this figure).
6. To express the minimum wages of different years in 2021 constant dollars for this figure, the adjustment factor was the Consumer Price Index for All Urban Consumers (CPI-U) for the Minneapolis-St. Paul metropolitan area. CPI-U data is from the U.S. Bureau of Labor Statistics ([www.bls.gov/data/#prices](http://www.bls.gov/data/#prices)). The values for 2021 to 2028 were projected from earlier years.
7. The minimum wage used for each year is the level in effect as of Dec. 31 of that year.

In 2021 dollars, the current large-employer Minnesota minimum wage of \$10.08 is higher than the U.S. and Minnesota rates of any year from 1981 through 2015, and somewhat below the average rate of the federal minimum wage for 1960 through 1980, which was \$10.66. Although the state minimum wage is currently indexed for inflation, the constant-dollar value of the state minimum wage is projected to decrease slightly through 2028. This is because the Implicit Price Deflator for Personal Consumption Expenditures, which is used under statute to index the state minimum wage, is projected to increase less rapidly than the index used in Figure 3 to express the trends in constant-dollar terms – the Consumer Price Index for Urban Consumers (see footnotes 3 and 6 in Figure 3 and footnote 3 in the text).

The minimum wages shown in Figure 3 for Minneapolis and St. Paul are the small-employer minimum wages. This is because, in contrast to the provision for the state minimum wage, the small-employer categories for the Minneapolis and St. Paul minimum wages include employers with up to 100 employees (see Figure 1 and related discussion). In 2021 dollars, the Minneapolis and St. Paul small-employer minimum wages are projected at \$14.43 an hour for 2028. These values are less than \$15.00 because they are adjusted for projected inflation between 2021 and 2028. Nonetheless, these inflation-adjusted values are \$2.06 an hour higher than the inflation-adjusted peak value of \$12.37 reached by the federal minimum wage in 1968. As noted above, after the initial transition period, employers of all sizes in the two cities will have the same minimum wage (Figure 1).

As with the state minimum wage, the constant-dollar values of the Minneapolis and St. Paul minimum wages are projected to decrease slightly over time after inflation-indexing has begun (after 2024 and 2026, respectively, for the small-employer

minimum wages in the two cities). The reason is the same as with the state minimum wage (see above).

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## **Inflation-adjusted annual earnings at the minimum wage**

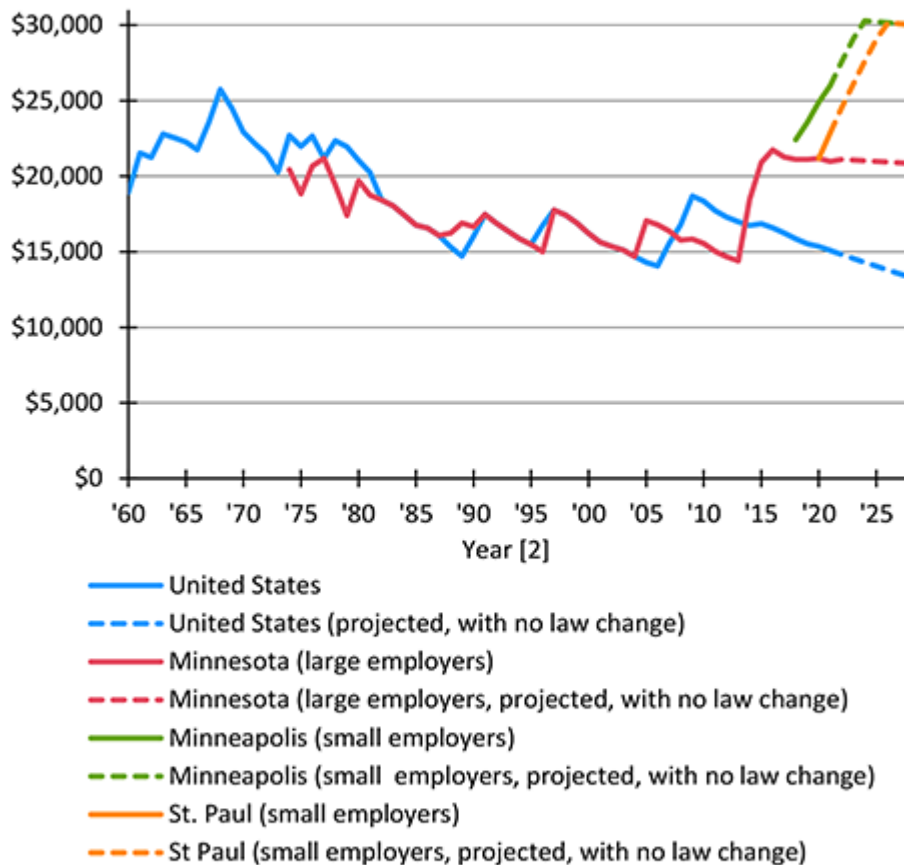
Figure 4 shows full-time annual earnings at the minimum wages for the United States, Minnesota, Minneapolis and St. Paul for 1960 to 2028, adjusted for inflation (in 2021 dollars). This figure is identical to Figure 3 except for the scaling of the left axis (see footnote 1 in Figure 4).

Where the federal and state minimum wages are concerned, inflation-adjusted full-time annual earnings reached a peak of \$25,739 in 1968 at the federal minimum wage. At the state minimum wage (for large employers), full-time inflation-adjusted annual earnings are currently \$20,966. At the small-employer minimum wages in Minneapolis and St. Paul, full-time annual earnings, in 2021 dollars, are projected to reach \$30,281 in Minneapolis in 2024 and \$30,152 in St. Paul in 2026.<sup>4</sup>



## Figure 4

Full-time annual earnings at the minimum wage, inflation-adjusted (2021 dollars), United States, Minnesota, Minneapolis and St. Paul, 1960-2028 [1]



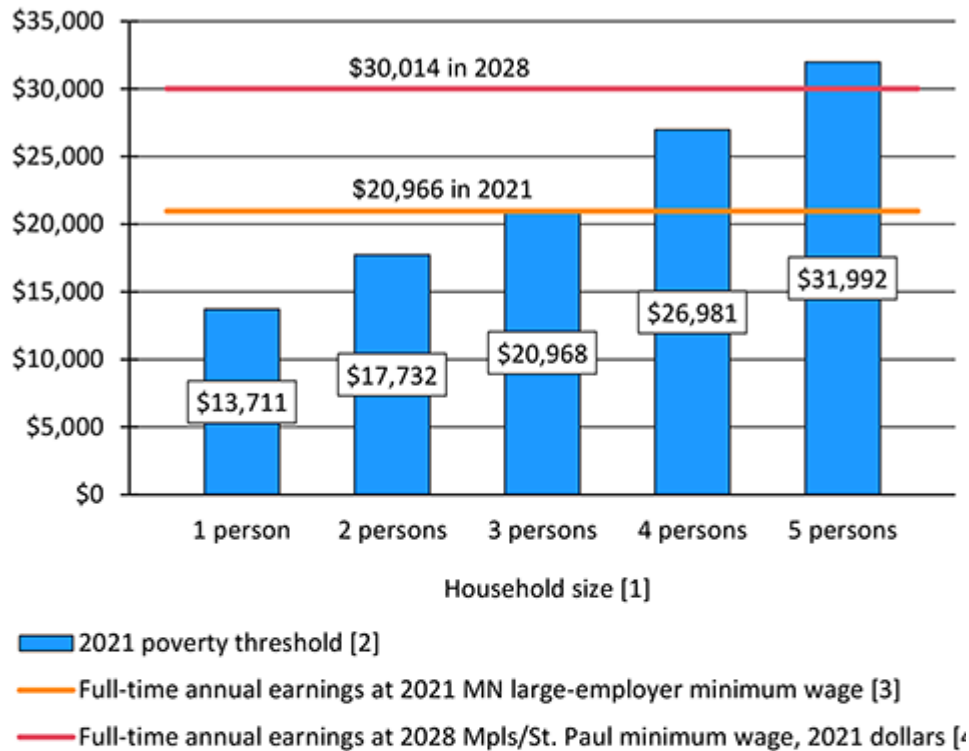
1. Data from Figure 2. The notes in that figure apply. The inflation-adjusted minimum wage was translated to inflation-adjusted full-time annual earnings using an annual hours figure of 2080.
2. The minimum wage used for each year is the level in effect as of Dec. 31 of that year.

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## The minimum wage relative to poverty thresholds

Figure 5 compares minimum-wage earnings to estimated poverty thresholds (projected to 2021) for households of different sizes. At the Minnesota large-employer minimum wage for 2021, full-time annual earnings – \$20,966 in 2021 dollars – were above the poverty thresholds for one-person and two-person households, and equal to the poverty threshold for a three-person household. At the 2028 minimum wage for Minneapolis and St. Paul (see footnote 4 in Figure 5), full-time annual earnings are projected to be about midway between the poverty thresholds for four-person and five-person households when adjusted to 2021 dollars.<sup>5</sup>

**Figure 5**  
**Full-time annual earnings at the minimum wage, Minnesota for 2021 and Minneapolis/St. Paul for 2028 in 2021 dollars, compared with poverty threshold for 2021**



1. Poverty thresholds exist for households larger than five persons but are not shown here.
2. The 2020 poverty thresholds from the U.S. Census Bureau ([www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html](http://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html)) were adjusted to 2021 using a projection of the nationwide Consumer Price Index for All Urban Consumers (CPI-U), available from the U.S. Bureau of Labor Statistics ([www.bls.gov/data/#prices](http://www.bls.gov/data/#prices)).
3. Computed as \$10.08 x 2,080.
4. As of July 1, 2028, the minimum wage will be the same for employers of all sizes in Minneapolis and St. Paul. This minimum wage was projected as \$16.35 using the provisions of the Minneapolis and St. Paul ordinances along with a projection of the Implicit Price Deflator for Personal Consumption Expenditures (see notes 3, 4, and 5 in Figure 3). This minimum wage then was adjusted to 2021 dollars using a projection of the Consumer Price Index for Urban Consumers for the Minneapolis-St. Paul metropolitan area for 2021 to 2028. The value in 2021 dollars was \$14.43. This was multiplied by 2,080 to derive the equivalent full-time annual earnings figure.

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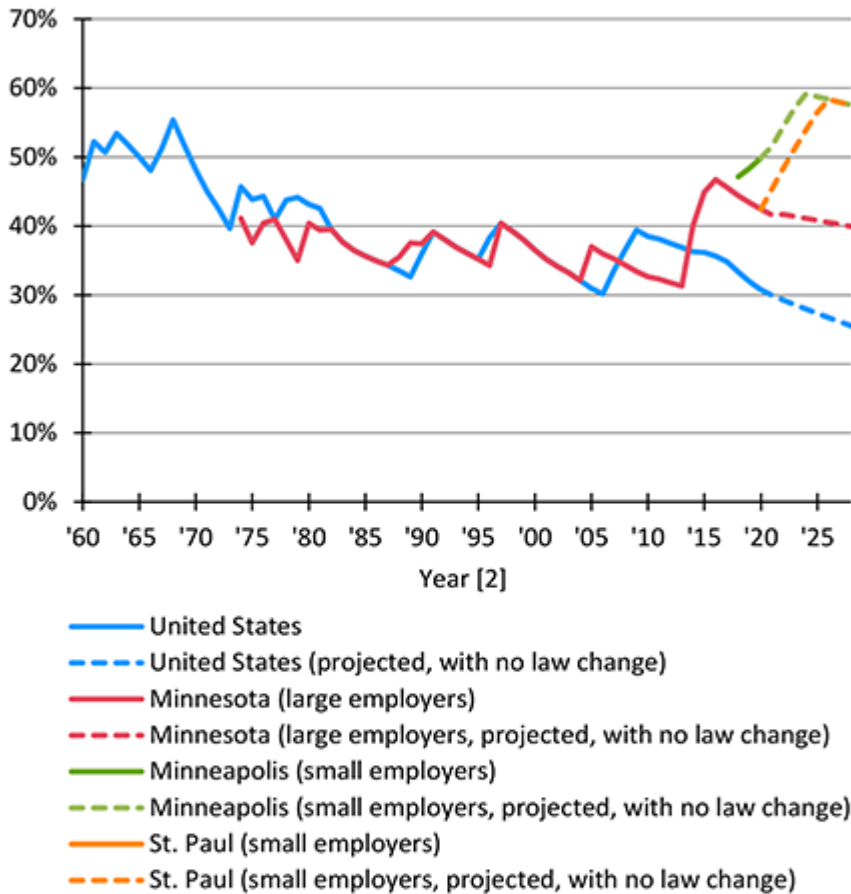
## The minimum wage relative to hourly earnings in manufacturing

It is also relevant to gauge the level of the minimum wage relative to other wages. Figure 6 expresses the minimum wages of the United States, Minnesota, Minneapolis

and St. Paul as percentages of average hourly earnings (AHE) of production workers in Minnesota manufacturing for 1960 to 2028.<sup>6</sup>

**Figure 6**

**Minimum wages of United States, Minnesota, Minneapolis and St. Paul as percentages of average hourly earnings of production workers in Minnesota manufacturing, 1960-2028 [1]**



1. See notes to Figure 3 for data sources along with a description of how the Minnesota, Minneapolis, and St. Paul minimum wages were projected through 2028. Average hourly earnings of production workers in manufacturing is from the Current Employment Statistics survey of the U.S. Bureau of Labor Statistics ([www.bls.gov/ces](http://www.bls.gov/ces)) and the Minnesota Department of Employment and Economic Development. A three-year moving average is used. Minnesota data is not available before 1970. That data was projected for 1960 through 1969 using the trend in average hourly earnings of production workers in manufacturing for the U.S. Earnings data for 2021 through 2028 was also projected.
2. The minimum wage used for each year is the level in effect as of Dec. 31 of that year.

As a percentage of manufacturing AHE, the federal minimum wage reached a peak of roughly 55% in 1968. The Minnesota minimum wage for large employers has been less than that level for its entire history; at its current rate, the Minnesota minimum wage of \$10.08 is about 42% of manufacturing AHE, which is projected to be around \$24 in 2021.

As to the Minneapolis and St. Paul minimum wages for small employers, a pattern arises similar to those in Figures 3 and 4. The initial rates of these minimum wages (\$10.25 in Minneapolis for 2018 and \$10 in St. Paul for 2020) were less than 50% of manufacturing AHE. However, by the time the Minneapolis and St. Paul minimums reach \$15.00, they will be about 59% and 57% of manufacturing AHE, respectively. Both will be above the 55% level reached by the federal minimum wage in 1968.

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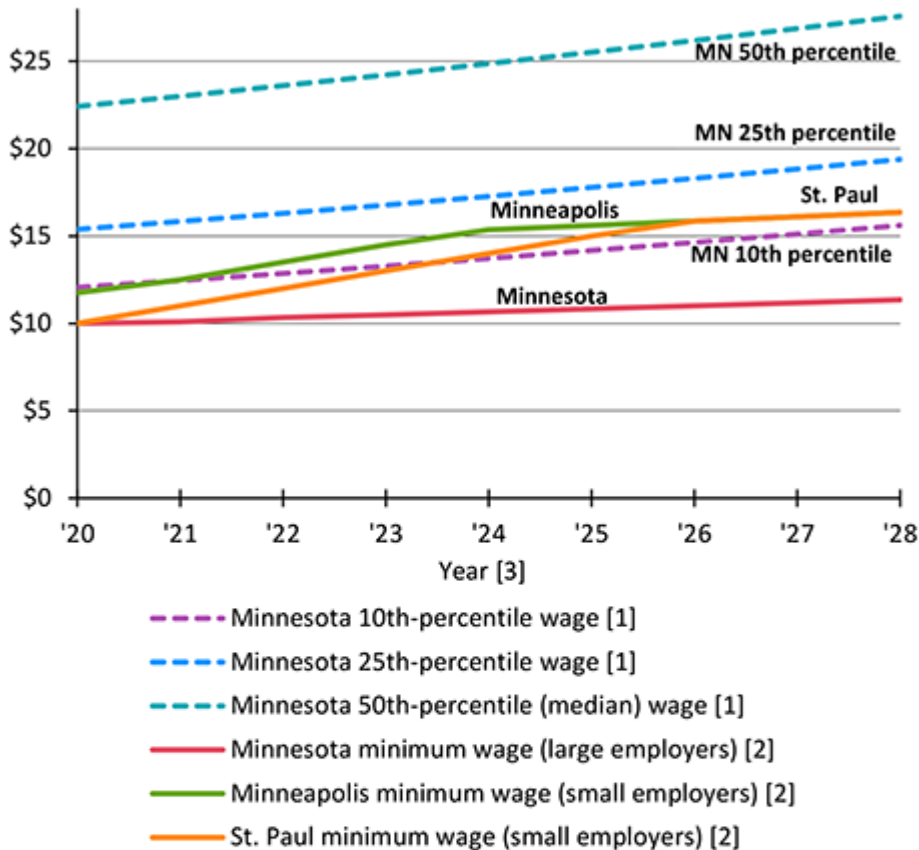
## **The minimum wage relative to hourly wages of nonfarm workers**

Figure 7 gives another perspective on minimum wages relative to other wages in Minnesota. It shows the minimum wages for Minnesota, Minneapolis and St. Paul against different percentile hourly wages for Minnesota nonfarm wage-and-salary workers for 2021 to 2028.

For the entire period shown, the Minnesota large-employer minimum wage is less than the 10th-percentile wage of Minnesota nonfarm wage-and-salary workers. The Minneapolis and St. Paul small-employer minimum wages begin at rates at or below the 10th percentile and then rise, eventually running about midway between the 10th and 25th percentiles of overall nonfarm wages in the state.<sup>7</sup> For instance, by 2026, the Minneapolis and St. Paul small-employer wages are projected to reach \$15.85, which will be below the 25th-percentile wage of \$18.29 for Minnesota nonfarm wage-and-salary workers.

## Figure 7

### Minnesota, Minneapolis and St. Paul minimum wages and selected Minnesota percentile wages, projected, 2021-2028



1. These percentile wages, for Minnesota nonfarm wage-and-salary workers, are from the Occupational Employment Statistics survey of the U.S. Bureau of Labor Statistics ([www.bls.gov/oes](http://www.bls.gov/oes)). The values for 2021 to 2028 were projected from the trends for prior years.
2. The Minnesota minimum wages are actual values for 2020 to 2022 and projected for 2023 to 2028. The Minneapolis minimum wages are actual values for 2020 to 2023 and projected for 2024 to 2028. The St. Paul minimum wages are actual values for 2020 to 2025 and projected for 2026 to 2028. See notes to Figure 3 for data sources along with a description of how the Minnesota, Minneapolis, and St. Paul minimum wages were projected through 2028.
3. The minimum wage used for each year is the level in effect as of Dec. 31 of that year.

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## Endnotes

<sup>1</sup>Note the definition of "small employer" is different for Minnesota than for either Minneapolis or St. Paul. For Minnesota, small employers are those with less than \$500,000 in annual revenue. For Minneapolis and St. Paul, small employers are those with 100 or fewer employees (and more than five employees for St. Paul). According

to data from the U.S. Small Business Administration, businesses in 2012 with one to four employees had an average of \$406,000 in annual revenues ([www.sba.gov/advocacy/firm-size-data](http://www.sba.gov/advocacy/firm-size-data)). Extrapolating from this, a business with five employees would have an average of more than \$406,000 in annual revenues. Thus, the \$500,000 dividing line between "small" and "large" for Minnesota is at the lower end of "small" for Minneapolis or St. Paul (and near the line between "small" and "micro" for St. Paul). In other words, many employers that would be "large" for Minnesota would be "small" for Minneapolis or St. Paul.

<sup>2</sup>The provisions at issue are: (1) the large-employer minimum wage in Minneapolis and the macro-employer minimum wage in St. Paul will both reach \$15.00 on July 1, 2022; (2) the provisions for inflation-indexing are the same in the two cities; and (3) the minimum wages for all employers in the two cities will eventually reach the large-employer rate in Minneapolis and the macro-employer rate in St. Paul.

<sup>3</sup>This report uses the expression "adjusted for inflation" to refer to the statistical adjustment of the minimum-wage amounts for different years in this report to express them in constant 2021 dollars to analyze how they have changed, and will change, over time in purchasing-power terms. This adjustment uses the Consumer Price Index for the Minneapolis-St. Paul Metropolitan Area. This is different from the indexing of the Minnesota, Minneapolis and St. Paul minimum wages under statute and ordinance, which generally increases them each year (or will increase them each year when this provision becomes effective for Minneapolis and St. Paul). This indexing uses the nationwide Implicit Price Deflator for Personal Consumption Expenditures.

<sup>4</sup>As in Figure 3, there is a slight downward drift in the constant-dollar values of the Minnesota minimum wage after 2020 and of the Minneapolis and St. Paul minimum wages after inflation-indexing has begun for them. As in Figure 3, the reason is the index used to increase the state and city minimums is projected to increase less rapidly than the index used in Figure 4 to express the trends in constant-dollar terms.

<sup>5</sup>The comparison would be the same if the poverty thresholds and earnings amounts were expressed in 2028 dollars.

<sup>6</sup>It would be preferable to use a broader wage measure, ideally the average or median wage of the overall state economy, as the basis for comparison, but such a measure is not available for the period concerned.

<sup>7</sup>Raising the minimum wages in Minneapolis and St. Paul will eventually raise the lower portion of the wage distribution and the Minnesota 10th-percentile wage.

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