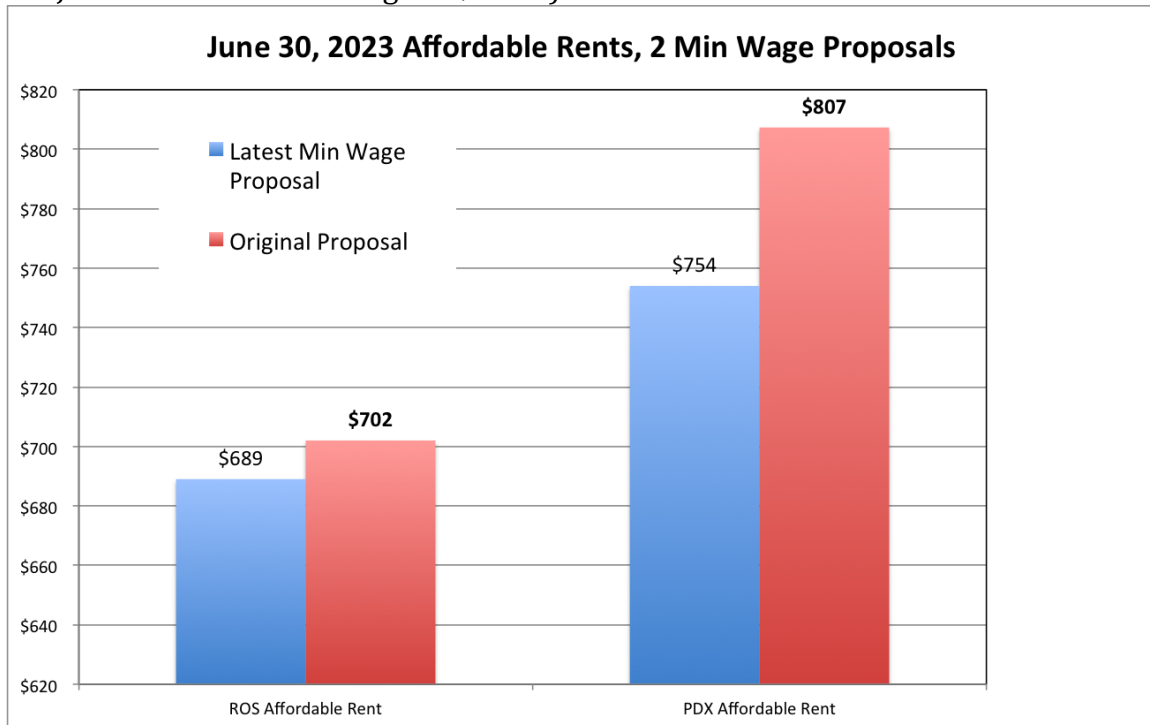


## Latest Minimum Wage Proposal vs. Original Proposal from Governor Would Reduce 2023 Affordable Rents in PDX by 6.6% vs.1.9% in Rest of State.

The graph below illustrates my calculation of the difference in affordable rents for a full time minimum wage worker in June of 2023 for the 3 county Portland metro area and the rest of the state comparing the original and the latest proposed minimum wage from Governor Brown.

The chart illustrates that the PDX June 2023 affordable rent with the latest minimum wage proposal (hourly wage of \$14.50 ) is 6.6% [\$53 a month] below the affordable rent using the original proposed minimum wage (hourly wage of \$15.53 ).

The difference in June 2023 affordable rents at the minimum wage in the rest of the state is only 1.9%.[13 a month] based on an original proposed minimum wage of \$13.50 vs. a revised proposed June 2023 minimum wage of \$13.25).



Not shown here: I calculate that over 7 years the Rest of the State minimum wage workers would lose an average of \$483 in annual wages in the revised proposal compared to the original proposal. Portland metro minimum wage workers would lose even more, an average annual loss of \$1,738 in wages.

Short version: Appears to me that PDX minimum wage workers would see a significantly greater reduction in wage income and affordable rents vs Rest of State minimum wage workers under the revised proposal.

Either proposal would likely produce a higher 2023 minimum wage than using the current Cost of Living adjustment. IF the COLI increases by 2.5% annually from 2016 to 2023 I project that the statewide minimum wage would only be about \$11 an hour in CY 2023. At that wage level an affordable rent would only be \$572 monthly, far less than the affordable rent level with either of the Governor's proposals.

Originally created and posted on the [Oregon Housing Blog](#),