

## **PRESS RELEASE**

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## New Minimum Wage to Take Effect July 1

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The Government of the Virgin Islands has announced that effective July 1, the new minimum wage in the Territory will be \$7.25 per hour.

Cabinet at its meeting of 28 May 2025, approved the increase that will be adjusted using a phased approach, as recommended in the comprehensive review conducted by the Minimum Wage Advisory Committee, which was established under Section 38(1)(c) of the Labour Code, 2010.

In addition to the phased approach to increasing the minimum wage, a number of targeted interventions to support the increase will be introduced. As each initiative is introduced, the public will be informed.

Employers are reminded that failure to pay wages at or above the prescribed rate of \$7.25 per hour, constitutes an offence under Section 79(1) of the Labour Code, 2010. Non-compliance is punishable on summary conviction by a fine not exceeding five thousand dollars (\$5,000).

This wage adjustment is part of the Government's broader strategy to alleviate the financial pressures faced by residents due to rising living costs. By increasing the minimum wage in a phased approach, and implementing targeted measures to support the increase, the Government seeks to foster a more equitable and stable economic environment, while supporting the well-being of workers across the territory.

Businesses and employees are encouraged to view this change as a positive step towards promoting economic resilience and sustainable growth for the Virgin Islands.

The committee's report, which formed the basis of this decision, can be accessed at

https://bvi.gov.vg/sites/default/files/resources/virgin\_islands\_minimum\_wage\_review\_report\_2024\_- final.pdf.

For further information regarding the new minimum wage, please contact the Department of Labour at 468-4790.