

LABOR AND EMPLOYMENT LAW

INFORMATION MEMO

SEPTEMBER 29, 2021

New York Minimum Wage Increases for 2022

Under the New York State Minimum Wage Act, minimum wage rates in New York increase each year on December 31 until reaching \$15.00 per hour. In New York City and for large fast-food companies throughout the state, the minimum wage has already reached its \$15.00 maximum.

On Sept. 22, 2021, the New York State Division of the Budget issued its [report](#) on the minimum wage rates scheduled to take effect on Dec. 31, 2021. Nassau, Suffolk and Westchester counties will now join New York City and large fast-food companies with a minimum wage of \$15.00 per hour, which is an increase from the current rate of \$14.00 per hour. For companies upstate (outside of fast food), the minimum wage will increase to \$13.20, which is an increase from \$12.50 per hour.

The Division of Budget's report also examined the labor market recovery in the wake of the COVID-19 pandemic. The report noted that prior to COVID-19, the low-wage sector was growing in New York City, Long Island and Westchester. While for Upstate, the low-wage sector declined, including a decline in .4% in 2019.

As has been well chronicled, the COVID-19 pandemic caused an unprecedented loss of 1.9 million jobs in the private sector in New York over March and April 2020. Much of this loss was focused in the low-wage sector, particularly in the retail trade, health care and social assistance, and leisure and hospitality industries. 2020 as a whole saw a major decline in the percentage of low-wage employment throughout the state with a decline of 14.8% statewide, 17.5% for New York City, 13.0% for Long Island and Westchester and 12.3% for Upstate.

When broken down even further, the report shows that the leisure and hospitality industry took the greatest hit from the COVID-19 pandemic. For low-wage employment in the leisure and hospitality industry in 2020, the report noted a decline of 33.9% statewide, 41% for New York City, 26.2% for Long Island and Westchester and 27.8% for Upstate.

As of July 2021, New York has regained about 1.1 million, or 56.4%, of the private sector jobs lost. Upstate has seen the swiftest recovery in low-wage employment with 68.7% of jobs recovered. New York City is the slowest to recover with 46.3% of jobs recovered through July 2021. The rest of downstate has recovered 63.6% of private sector jobs through July 2021.

If you have any questions about the information presented in this memo, please contact [Mallory Campbell](#), any [attorney](#) in Bond's [Labor and Employment practice](#) or the Bond attorney with whom you are regularly in contact.

