

State of California
 Department of Industrial Relations

Labor Commissioner's Office | Minimum Wage

Minimum Wage

Although there are some exceptions, almost all employees in California must be paid the minimum wage as required by state law. Effective January 1, 2017, the minimum wage for all industries will be increased yearly. From January 1, 2017, to January 1, 2022, the minimum wage will increase for employers employing 26 or more employees. This increase will be delayed one year for employers employing 25 or fewer employees, from January 1, 2018, to January 1, 2023. The scheduled increases may be temporarily suspended by the Governor, based on certain determinations. (Please see the chart below for the complete schedule of rate increases).

For more information and guidance on how to count employees for the purpose of determining whether an employer qualifies as an employer with 25 employees or less please see [New Minimum Wage Phase- in Requirements 2017-2023](#), [SB 3 Frequently Asked Questions page](#).

There are some employees who are exempt from the minimum wage law, such as outside salespersons, individuals who are the parent, spouse, or child of the employer, and apprentices regularly indentured under the State Division of Apprenticeship Standards.

[Minimum Wage Order \(MW-2017\)](#)

There is an exception for [learners](#), regardless of age, who may be paid not less than 85 percent of the minimum wage rounded to the nearest nickel during their first 160 hours of employment in occupations in which they have no previous similar or related experience.

There are also exceptions for employees who are mentally or physically disabled, or both, and for nonprofit organizations such as sheltered workshops or rehabilitation facilities that employ disabled workers. Such individuals and organizations may be issued a special license by the Division of Labor Standards Enforcement authorizing employment at a wage less than the legal minimum wage. Labor Code Sections [1191](#) and [1191.5](#)

Schedule for California Minimum Wage rate 2017-2023.

Date	Minimum Wage for Employers with 25 Employees or Less	Minimum Wage for Employers with 26 Employees or More
January 1, 2017	\$10.00/hour	\$10.50/hour
January 1, 2018	\$10.50/hour	\$11.00/hour
January 1, 2019	\$11.00/hour	\$12.00/hour
January 1, 2020	\$12.00/hour	\$13.00/hour
January 1, 2021	\$13.00/hour	\$14.00/hour
January 1, 2022	\$14.00/hour	\$15.00/hour
January 1, 2023	\$15.00/hour	

Frequently Asked Questions

1. What is the minimum wage?

Effective January 1, 2017 the minimum wage for all industries will be \$10.50 per hour for employers with 26 more or more employees and shall remain at \$10 per hour for employers with 25 or fewer employees. The minimum wage shall be adjusted on a yearly basis through 2023 according to the pre-set schedule shown above.

The minimum monthly salary for [shepherders](#) is \$1,866.88 per month for employers with 26 or more employees and \$1,777.98 per month for employers with 25 or fewer employees. The minimum monthly salary for shepherders is specially set under IWC Wage Order 14-2001. Wages paid to shepherders may not be offset by meals or lodging provided by the employer. Instead, there are provisions in [IWC Order 14-2007, Sections 10\(F\), \(G\) and \(H\)](#) that apply to shepherders with respect to monthly meal and lodging benefits required to be provided by the employer.

2. What is the difference between the local, state and federal minimum wage?

Most employers in California are subject to both the federal and state minimum wage laws. Also, local entities (cities and counties) are allowed to enact minimum wage rates and [several cities*](#) have recently adopted ordinances which establish a higher minimum wage rate for employees working within their local jurisdiction. The effect of this multiple coverage by different government sources is that when there are conflicting requirements in the laws, **the employer must follow the stricter standard; that is, the one that is the most beneficial to the employee.** Thus, since California's current law requires a higher minimum wage rate than does the federal law, all employers in California who are subject to both laws must pay the state minimum wage rate unless their employees are exempt under California law. Similarly, if a local entity (city or county) has adopted a higher minimum wage, employees must be paid the local wage where it is higher than the state or federal minimum wage rates.

3. May an employee agree to work for less than the minimum wage?

No. The minimum wage is an obligation of the employer and cannot be waived by any agreement, including collective bargaining agreements. Any remedial legislation written for the protection of employees may not be violated by agreement between the employer and employee. [Civil Code Sections 1668](#) and [3513](#)

4. Is the minimum wage the same for both adult and minor employees?

Yes. There is no distinction made between adults and minors when it comes to payment of the minimum wage.

5. I work in a restaurant as a waitperson. Can my employer use my tips as a credit toward its obligation to pay me the minimum wage?

No. An employer may not use an employee's tips as a credit toward its obligation to pay the minimum wage.

6. What can I do if my employer doesn't pay me at least the minimum wage?

You can either [file a wage claim](#) with the Division of Labor Standards Enforcement (the Labor Commissioner's Office), or file a lawsuit in court against your employer to recover the lost wages. Additionally, if you no longer work for this employer, you can make a claim for the waiting time penalty pursuant to [Labor Code Section 203](#).

7. What is the procedure that is followed after I file a wage claim?

After your claim is completed and filed with a local office of the Division of Labor Standards Enforcement (DLSE), it will be assigned to a Deputy Labor Commissioner who will determine, based upon the circumstances of the claim and information presented, how best to proceed. Initial action taken regarding the claim can be referral to a conference or hearing, or dismissal of the claim.

If the decision is to hold a conference, the parties will be notified by mail of the date, time and place of the conference. The purpose of the conference is to determine the validity of the claim, and to see if the claim can be resolved without a hearing. If the claim is not resolved at the conference, the next step usually is to refer the matter to a hearing or dismiss it for lack of evidence.

At the hearing the parties and witnesses testify under oath, and the proceeding is recorded. After the hearing, an Order, Decision, or Award (ODA) of the Labor Commissioner will be served on the parties.

Either party may appeal the ODA to a civil court of competent jurisdiction. The court will set the matter for trial, with each party having the opportunity to present evidence and witnesses. The evidence and testimony presented at the Labor Commissioner's hearing will not be the basis for the court's decision. In the case of an appeal by the employer, DLSE may represent an employee who is financially unable to afford counsel in the court proceeding.

See the [Policies and Procedures of Wage Claim Processing](#) pamphlet for more detail on the wage claim procedure.

8. What can I do if I prevail at the hearing and the employer doesn't pay or appeal the Order, Decision, or Award?

When the Order, Decision, or Award (ODA) is in the employee's favor and there is no appeal, and the employer does not pay the ODA, the Division of Labor Standards Enforcement (DLSE) will have the court enter the ODA as a judgment against the employer. This judgment has the same force and effect as any other money judgment entered by the court. Consequently, you may either try to collect the judgment yourself or you can assign it to DLSE.

9. What can I do if my employer retaliates against me because I questioned him about not being paid the minimum wage?

If your employer discriminates or retaliates against you in any manner whatsoever, for example, he discharges you because you asked him why you weren't being paid the minimum wage, or because you file a claim or threaten to file a claim with the Labor Commissioner, you can [file a discrimination/retaliation complaint](#) with the Labor Commissioner's Office. Alternatively, you can file a lawsuit in court against your employer.

The UC Berkeley Labor Center keeps a detailed national list of local minimum wage ordinances. The Department of Industrial Relations does not monitor or verify this list but includes it here as a reference for the public: [UC Berkeley Labor Center Inventory of US City and County Minimum Wage Ordinances](#)

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