

Congress approves increase in minimum wage

by UPI

WASHINGTON - Congress voted Thursday to raise the minimum wage in the United States to \$7.25 an hour, the first increase in 10 years.

The minimum wage and tax breaks for small businesses were added to legislation passed by the House and Senate appropriating more money for the Iraq War, The New York Times reported. President George W. Bush has agreed to sign the bill.

The minimum wage, now \$5.15 an hour, would increase to \$7.25 over two years in three phases. It appears to be likely to be the first item on the Democratic agenda to become law since the party gained majorities in both houses of Congress in the November 2006 election.

"After 10 years of indifference, we are raising wages for the hardest-working Americans," said House Speaker Nancy Pelosi, D-Calif.

Seven states have minimums higher than \$7.25, and half of state minimum wages are above the current federal minimum wage. But the Economic Policy Institute estimates that 5.6 million people, or about 4 percent of the U.S. workforce, are paid less than \$7.25 an hour.

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