

Craig Smith Discusses Executive Order Raising Minimum Wage for Federal Contractors

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Craig Smith, partner in Wiley's Government Contracts and Employment & Labor practices, was quoted in a *Law360* article about President Biden's April 27 Executive Order (EO) raising the minimum wage to \$15 per hour for federal contractors beginning January 30, 2022.

The order may have a significant impact on contractors in regions where a \$15 minimum wage is higher than typical local wages, according to the article. "Those sorts of companies exit the federal market, because they aren't able to recover the additional costs from their commercial customers," Mr. Smith said.

Mr. Smith said a \$15 minimum wage will lead to the minimum wage being higher than prevailing wage determinations in more areas, particularly less-urbanized areas. "And until [the U.S. Department of Labor] updates those prevailing wages, it starts to get very complicated to deal with price adjustments and with employee relations," he said.

To read the article, [click here](#) (*subscription required*).

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