Blogs

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Oregon's Minimum Wage Set to Increase in July 2025



Oregon's minimum wage rates are expected to rise on July 1, 2025, due to increasing inflation. The state uses a tiered system with three minimum wage categories based on geographic regions: Standard, Portland metro, and Non-urban. The applicable minimum wage is determined by where workers spend at least half of their weekly work hours.

Standard Minimum Wage: Currently \$14.70, this rate covers areas including Benton, Clatsop, Columbia, Deschutes, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Polk, Tillamook, Wasco, Yamhill, and parts of Clackamas, Multnomah, and Washington Counties outside the urban growth boundary. It will remain unchanged until June 30, 2025, but is expected to increase on July 1, 2025, since it is adjusted annually for inflation based on the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average. The CPI-U has increased by 0.2 percent each month from July to October 2024. Oregon's two other minimum wage rates are tethered to the Standard minimum wage.

Portland Metro Area: Currently \$15.95, this rate covers parts of Clackamas, Multnomah, and Washington Counties within the urban growth boundary. It is set at \$1.25 above the Standard minimum wage and will likely increase on July 1, 2025.

Non-urban Minimum Wage: Currently \$13.70, this rate covers the counties of Baker, Coos, Crook, Curry, Douglas, Gilliam, Grant, Harney, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, and Wheeler. This rate is set at \$1 less than the Standard minimum wage and will also likely increase on July 1, 2025.

Employers should review their employees' salaries and wages to ensure all non-exempt employees are earning at least the minimum wage based on where they work. The Oregon Bureau of Labor & Industries (BOLI) will calculate an adjustment of the standard minimum wage rate by April 30 of each year and maintains a <u>list</u> of applicable rates. BOLI provides an interactive map to help identify the applicable wage category for each

geographic area.

Authors

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