

NEW YEAR, ANOTHER MINIMUM WAGE INCREASE IN NEW JERSEY: AN EMPLOYER'S GUIDE TO 2025

Insights
Oct 16, 2024

For the [seventh year in a row](#), New Jersey will be increasing its minimum wage effective January 1, 2025. Under a law passed in 2019, the New Jersey Department of Labor and Workforce Development (NJDOL) initially set a minimum wage rate through January 1, 2024, and thereafter sets the minimum wage for each coming year based on an increase in Consumer Price Index (CPI) data provided by the U.S. Bureau of Labor Statistics. The NJDOL recently announced that, based on CPI data, the minimum wage will increase by \$0.36 to \$15.49 per hour for most employees as a "critical step towards economic fairness and security for all New Jersey workers" and to "foster a more equitable economy and ensure our workforce can continue to thrive." Here is a summary of the increases that will soon take effect, along with some compliance recommendations to prepare.

Summary of 2025 Minimum Wage Levels

[According to the recent NJDOL announcement](#), the following minimum wage increases will go into effect on January 1, 2025:

- Most employers: increase from \$15.13 to **\$15.49 per hour**
- Tipped employees: increase from \$5.26 with a \$9.87 tip credit to **\$5.62 per hour with a \$9.87 tip credit**
- Seasonal and small employers (fewer than six employees): increase from \$13.73 to **\$14.53 per hour**

Related People



Sarah Wieselthier

Partner

[908.516.1064](tel:908.516.1064)

Service Focus

[Wage and Hour](#)

Industry Focus

[Agriculture](#)

Related Offices

[New Jersey](#)

- Agricultural employees: increase from \$12.81 to **\$13.40 per hour**
- Long-term facility staff: increase from \$18.13 to **\$18.49 per hour**

What Should You Do?

Compliance with the new minimum wage rates is essential for all New Jersey employers. New Jersey's Wage Theft Act criminalizes certain wage and hour violations and the damages, penalties, and fines for violations are significant. If an employee is not paid properly – including not being paid at the correct minimum wage – they may be able to recover liquidated damages of 200% in addition to the original wages they were owed.

Additionally, employers should be cognizant that minimum wage will continue to increase annually based on any increase in the CPI and budget accordingly. As costs continue to rise, lawmakers may introduce new legislation to increase the minimum wage rate further.

Conclusion

If you have any questions about New Jersey's minimum wage laws and how these changes may impact your business, please contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [New Jersey office](#). Make sure you are subscribed to the [Fisher Phillips Insight System](#) to get the most up-to-date information.