




City of Cambridge

Executive Department

YI-AN HUANG
City Manager

February 14, 2025

To: Department Heads

From: Yi-An Huang
City Manager 

Re: The Living Wage Ordinance Cost of Living Adjustment

The Living Wage Ordinance (2.121) provides, at 2.121.030 (b), that the wage shall be upwardly adjusted each year no later than March 1st in proportion to the increase in the Annual Average Consumer Price Index for the prior calendar year for All Urban Consumers (CPI-U) in the Boston area, as published by the federal Bureau of Labor Statistics.

For calendar year 2024 the CPI-U increased by 3.18%. **Therefore, the new living wage as of March 1, 2025 is \$19.70.** This amount should be communicated to vendors subject to the Living Wage Ordinance and will be used to adjust pay for appropriate city employees. A list of your department's affected employees will be forwarded to you separately. This will show old and new wage rates.

The Human Resources Department will take the necessary steps to adjust affected employee wages in the HR/Payroll system during the week of March 1. There will be no need for retroactive payments, as we are making the change at the beginning of a pay week. If you have any questions pertaining to these new rates, please contact the Human Resources Department at humanresources@cambridgema.gov.

The adjustment does not affect any existing contractual agreements unless the terms of those agreements so require. Questions concerning applicability and enforcement of the ordinance should be directed to the Law Department or the Purchasing Department.