

Decision of the Minimum Wage Commission pursuant to Section 9 MiLoG

Adjustment decision

At its meeting on June 27, 2025, the Minimum Wage Commission unanimously approved the chairperson's mediation proposal to increase the statutory minimum wage in the following levels:

From January 1, 2026: € 13.90

From January 1, 2027: €14.60

In each case, gross per hour worked.

Reason

The Minimum Wage Commission has examined, as part of an overall assessment, what level of minimum wage is appropriate to contribute to adequate minimum protection for employees, enable fair and functioning conditions of competition, and not jeopardize employment.

In doing so, it has been guided by the criteria set out in the Minimum Wage Act and the rules of procedure of the Minimum Wage Commission.

The decision was made during a period of ongoing economic stagnation. Large parts of the German economy are facing economic and structural challenges as well as external shocks. Consumer prices have normalized after a sharp rise between 2021 and 2023. The measures announced by the federal government give hope that the economic situation will improve in 2026.

The increase is the result of an overall assessment that consolidates the minimum protection function of the statutory minimum wage and takes into account the expected developments on the labor market and in the economy.

The Commission has comprehensively documented the available findings on the effects of the statutory minimum wage based on the evaluation criteria specified in the Minimum Wage Act in its Fifth Report to the Federal Government. The report is published together with this decision. The Minimum Wage Commission has made use of the option to hold a hearing in accordance with Section 10 (3) MiLoG. The comments are contained in a supplement publication to the Minimum Wage Commission's Fifth Report.

Individual aspects were discussed and assessed differently within the Commission. Against the background of the current economic forecasts and the findings on the employment and competitive situation, the Minimum Wage Commission considers the chair's proposal to increase the minimum wage in these steps to be reasonable in order to effectively improve the minimum protection of employees.

Berlin, June 27, 2025