

Global Immigration alert

July 2025

Germany

Minimum wage increase

Executive summary

The Minimum Wage Commission in Germany recently announced its decision to increase the minimum wage. This increase will occur in two stages, ultimately reaching a minimum wage of EUR 14.60 gross per hour by 2027. The Federal Ministry of Labor is expected to formally implement the commission's decision in the coming months.

Background

The minimum wage in Germany is a labor law requirement that in general applies across all business sectors for employed work. It was first introduced in 2015, and since then has seen several increases. As of 2025, the minimum wage stands at EUR 12.82 gross per hour, which is approximately EUR 2,222 gross per month for a full-time position of 40 hours per week.

In practice, this labor law minimum wage usually does not directly impact German immigration matters, even though it establishes an absolute minimum. Instead, German immigration usually focuses on either a fixed salary threshold or a comparable salary as the key criteria.

For the standard EU Blue Card, the minimum annual gross salary for 2025 is EUR 48,300 (or EUR 4,025 gross per month). For other EU Blue Card categories, such as those for IT professionals and young professionals, a lower minimum annual gross salary of EUR 43,759.80 (or EUR 3,646.65 gross per month) is required. In addition to this, applicants in non-standard EU Blue Card categories must also meet a comparable salary requirement, similar to other local application types outside of the EU Blue Card. The German immigration minimum annual salary for EU Blue Card categories is adjusted annually and is typically effective from 1 January.

For categories other than the EU Blue Card, the key salary criterion is comparability. This comparable salary varies by region and business sector or job profile and is determined by the labor authorities on a case-by-case basis, referencing the regional median salary for a specific job profile and other applicant criteria, such as professional experience. For example, in 2025, the salary range for an accountant in Bavaria is between EUR 3,456 and EUR 5,474 per month, with a median salary of EUR 4,319 per month. The labor authorities will determine the comparable salary for each candidate based on the specific facts of each case.

For skilled/qualified workers, the comparable salary is often significantly higher than the labor law minimum wage. Therefore, the new minimum wage threshold is unlikely to directly impact the German immigration requirement for a comparable salary. However, the increase may lead to changes in the comparable salaries for skilled/qualified workers if corresponding job profiles begin to receive higher salaries.

Key developments

Since 1 January 2025, the minimum wage in Germany stands at EUR 12.82 per hour. The first stage will increase the minimum wage to EUR 13.90 per hour starting in 2026. The second stage will increase the minimum wage to EUR 14.60 per hour starting in January 2027.

Impact on employers

Employers may review the applicable salary requirements for the foreign workers they sponsor and make adjustments as needed to ensure compliance and mitigate business disruptions.



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Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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