

Wage indexation as of 1 October 2021

On Friday 1 October 2021, the National Institute of Statistics and Economic Studies ("STATEC") confirmed that the annual inflation rate of the national consumer price index reached 2.7% in September 2021, meaning that the triggering threshold of 2.5% for automatic wage indexation has been exceeded.

Subject to final confirmation and the detailed results of the national consumer price index to be published on 6 October 2021 following the monthly meeting of the Index Commission, the **new index rate of 855.62 points** will be effective as of 1 October 2021 (former index rate: 834.76).

Consequently, a **2.5% increase in the salaries, wages and pensions** will apply in Luxembourg as of 1 October 2021.

The gross monthly minimum statutory wage will also be increased proportionally to EUR 2,256.96 for non-qualified employees and to EUR 2,708.35 for qualified employees.

For any further information please contact us or visit our website at www.elvingerhoss.lu.

The information contained herein is not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific legal advice concerning particular situations.

We undertake no responsibility to notify any change in law or practice after the date of this newsletter.