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Lidl Increases Pay for British Staff for Fifth Time in Two Years

August 15, 2025
— Categories: Economics

Lidl has confirmed its fifth pay rise for British hourly paid staff within the past two years, with entry-level workers set to earn £13.00 per hour from 1 September, matching the rate recently introduced by competitor Aldi.

The pay rise applies to Lidl's British workforce beginning next month. From 1 September, entry-level hourly rates will increase from £12.75 to

£13.00, while employees with longer service will see their pay rise to £13.95 per hour. Staff in London will receive an additional location-based premium.

The pay adjustments come during a period when official UK labour market data from the Office for National Statistics (ONS) shows six consecutive months of payroll number declines and a drop in job vacancies. Despite these figures, ONS reports indicate that average wage growth remains above inflation. The Bank of England has noted that wage growth can influence inflation and has been cautious about lowering interest rates.

By increasing rates, Lidl matches Aldi's recently announced pay levels for store assistants, also due in September. Tesco has confirmed an upcoming rise in its minimum store pay to £12.64 an hour. All these rates exceed the current government-mandated minimum wage of £12.21, which the Low Pay Commission has recommended could increase to £12.71 next year, subject to approval.

Lidl states that its pay strategy is intended to retain experienced employees, maintain morale, and remain competitive within the grocery retail sector. Management indicated that regular pay reviews are now part of a formal long-term staffing policy, reflecting competition for skilled staff.

The decision is part of a wider trend in UK retail, with wage rates becoming a primary factor in attracting and retaining workers. Industry data shows inflation continues to affect household purchasing power, making competitive pay an important factor in reducing staff turnover.

According to economists, sustained wage increases can influence the Bank of England's interest rate policy by adding to inflationary pressures. Labour market reports suggest that while job growth is slowing, wage growth has not yet declined significantly.

Lidl's announcement is expected to prompt other retailers to assess their pay structures in order to remain competitive. The move reflects an industry-wide shift toward pay rates above the statutory minimum, with supermarkets positioning wage policy as a recruitment and retention tool.

By awarding British staff a fifth pay rise in two years, Lidl aligns itself with the highest-paying supermarket employers in the UK, ensuring pay parity with key rivals and continuing a trend in retail towards higher wages as a means of maintaining workforce stability.