

Structure of Earnings Survey

1 out of 6 employees in the European Union is a low-wage earner

Situations differ widely across Member States

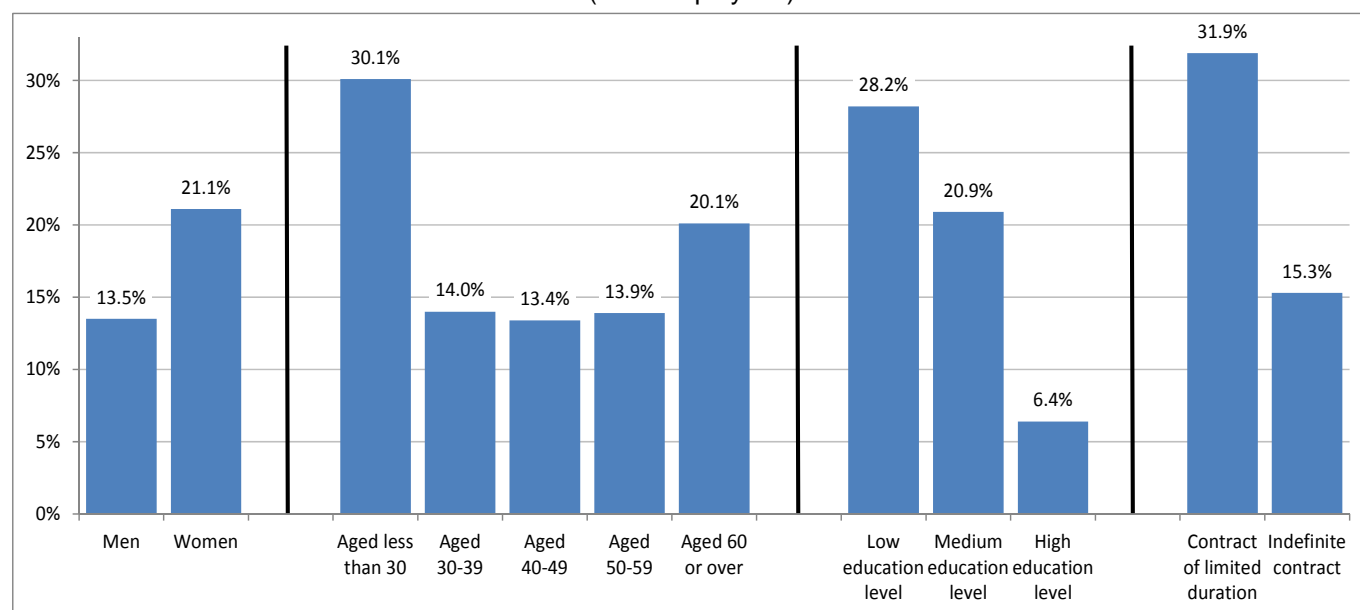
The proportion of low-wage earners among employees amounted to 17.2% in 2014 in the **European Union (EU)**. This means that they earned two-thirds or less of their national median gross hourly earnings.

There are large differences between genders and age groups regarding the proportion of low-wage earners. In the **EU** in 2014, 21.1% of female employees were low-wage earners, compared with 13.5% of male employees. Moreover, almost a third (30.1%) of employees aged less than 30 were low wage earners, compared with 14% or less for age groups between 30 and 59.

The level of education also plays an important role: the lower the level, the higher is the likelihood of being a low-wage earner. In the **EU** in 2014, while 28.2% of employees with a low education level were low-wage earners, the proportion decreased to 20.9% for those with a medium education level and to less than 7% (6.4%) for employees with a high education level. The type of contract also has a significant impact. In the **EU** in 2014, 31.9% of employees with a contract of limited duration were low-wage earners, compared with 15.3% of those with an indefinite contract.

These data, issued by **Eurostat, the statistical office of the European Union**, are based on the latest results of the four-yearly Structure of Earnings Survey. They are complemented with a more detailed [on-line article](#).

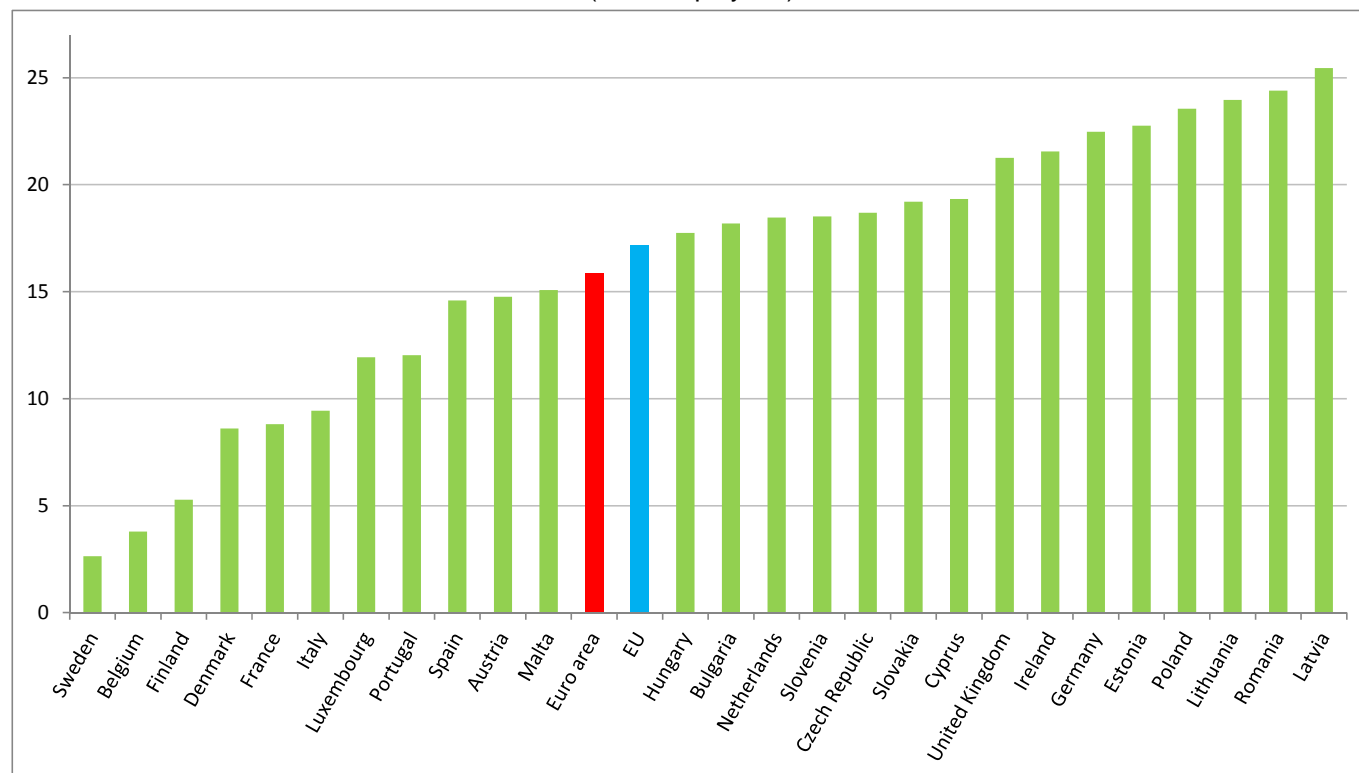
Low wage earners in the EU, by sex, age groups, level of education and type of contract, 2014
(% of employees)



Highest share of low-wage earners in Latvia, lowest in Sweden

The proportion of low wage earners continued to vary significantly between Member States in 2014. The highest percentages were observed in **Latvia** (25.5%), **Romania** (24.4%), **Lithuania** (24.0%) and **Poland** (23.6%), followed by **Estonia** (22.8%), **Germany** (22.5%), **Ireland** (21.6%) and the **United Kingdom** (21.3%). In contrast, less than 10% of employees were low wage earners in **Sweden** (2.6%), **Belgium** (3.8%), **Finland** (5.3%), **Denmark** (8.6%), **France** (8.8%) and **Italy** (9.4%).

Low wage earners in the EU Member States, 2014
(% of employees)



Greece and Croatia: data not available

Median gross hourly earnings vary by 1 to 5 between Member States when expressed in PPS...

Across Member States, the highest national median gross hourly earning was 5 times higher than the lowest when expressed in Purchasing Power Standards (PPS), which eliminates price level differences between countries. As measured in October 2014, the highest median gross hourly earnings in PPS were recorded in **Denmark** (18.5 PPS) and **Ireland** (18.4 PPS), ahead of **Belgium** (15.4 PPS), **Germany** and **Luxembourg** (both 15.0 PPS), the **Netherlands** and **Sweden** (both 14.5 PPS). At the opposite end of the scale, the lowest median gross hourly earnings in PPS were registered in **Bulgaria** (3.6 PPS) and **Romania** (4.0 PPS), followed by **Latvia** (5.0 PPS) and **Lithuania** (5.1 PPS).

... and by 1 to 15 when expressed in euros

Differences between Member States are even more pronounced when median gross hourly earnings are expressed in euros. The highest median gross hourly earning in euro was recorded in **Denmark** (€25.5), ahead of **Ireland** (€20.2), **Sweden** (€18.5), **Luxembourg** (€18.4), **Belgium** (€17.3) and **Finland** (€17.2). In contrast, the lowest median gross hourly earnings in euro were registered in **Bulgaria** (€1.7) and **Romania** (€2.0), followed by **Lithuania** (€3.1), **Latvia** (€3.4) and **Hungary** (€3.6). In other words, across Member States, the highest national median gross hourly earning was 15 times higher than the lowest when expressed in euros.

Median earnings and low-wage earners, 2014

	Median gross hourly earnings (in PPS)	Median gross hourly earnings (in euro)	Low-wage threshold (in euro* per hour)	Proportion of low wage earners (%)
EU	-	13.2	-	17.2
Euro area	-	14.1	-	15.9
Belgium	15.4	17.3	11.6	3.8
Bulgaria	3.6	1.7	1.1	18.2
Czech Republic	7.0	4.6	3.0	18.7
Denmark	18.5	25.5	17.0	8.6
Germany	15.0	15.7	10.5	22.5
Estonia	6.6	4.9	3.3	22.8
Ireland	18.4	20.2	13.4	21.6
Greece	:	:	:	:
Spain	10.8	9.8	6.6	14.6
France	13.3	14.9	10.0	8.8
Croatia	:	:	:	:
Italy	12.3	12.5	8.3	9.4
Cyprus	9.7	8.4	5.6	19.3
Latvia	5.0	3.4	2.2	25.5
Lithuania	5.1	3.1	2.1	24.0
Luxembourg	15.0	18.4	12.3	11.9
Hungary	6.5	3.6	2.4	17.8
Malta	11.2	8.5	5.7	15.1
Netherlands	14.5	16.0	10.7	18.5
Austria	12.6	14.0	9.4	14.8
Poland	7.4	4.3	2.9	23.6
Portugal	6.3	5.1	3.4	12.0
Romania	4.0	2.0	1.4	24.4
Slovenia	9.1	7.3	4.9	18.5
Slovakia	6.5	4.4	2.9	19.2
Finland	13.9	17.2	11.5	5.3
Sweden	14.5	18.5	12.3	2.6
United Kingdom	12.9	14.8	9.9	21.3
Iceland	12.0	14.3	9.5	7.5
Norway	19.4	28.0	18.7	8.3
Switzerland	19.3	29.5	19.6	9.4
Montenegro	6.9	3.4	2.3	27.3
FYR of Macedonia	5.3	2.2	1.5	25.1
Serbia	5.7	2.6	1.8	22.9
Turkey	4.8	2.4	1.6	0.5

* Expressed in national currency, the low wage thresholds are per hour: Bulgaria: BGN 2.17; Czech Republic: CZK 83.62; Denmark: DKK 126.83; Hungary: HUF 738.96; Poland: PLN 11.97; Romania: RON 6.01; Sweden: SEK 112.00; United Kingdom: GBP 7.96; Iceland: ISK 1473.40; Norway: NOK 155.92; Switzerland: CHF 23.85; FYR of Macedonia: MKD 90.33; Serbia: RSD 206.02; Turkey: TRY 4.67.

: Data not available

- Not applicable

The source datasets can be found [here](#) for median hourly earnings and [here](#) for proportions of low-wage earners.

Geographical information

The **European Union** (EU) includes Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

In this News Release, EU aggregates exclude Greece and Croatia for which data are not available.

The **euro area** includes Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland.

In this News Release, euro area aggregates exclude Greece for which data are not available.

Methods and definitions

Data presented in this News Release come from the four-yearly Structure of Earnings Survey which provides detailed information on the structure and the distribution of earnings in the EU. Apprentices are excluded.

The Structure of Earnings Survey 2014 (SES 2014) covers enterprises with at least 10 employees in all economic activities except agriculture, forestry, fishing, public administration and defence, private households and extra-territorial organisations (NACE Rev. 2 classification: sections B to S excluding O). More information on SES 2014 can be found [here](#).

Median earnings is the level of earnings which divides the employees into two equal groups. Half earn less than the median and half earn more.

Gross hourly earnings refer to the wages and salaries earned by full-time and part-time employees, per hour paid, in the reference month (generally October 2014) before any tax and social security contributions are deducted. Wages and salaries include any overtime pay, shift premiums, allowances, bonuses, commission, etc. The 2014 annual averages of the exchange rate were used in converting national (non-euro) currencies into euro.

The **Purchasing Power Standard** (PPS) is an artificial currency unit that eliminates price level differences between countries. Thus one PPS buys the same volume of goods and services in all countries. This unit allows meaningful volume comparisons of economic indicators across countries. Aggregates expressed in PPS are derived by dividing aggregates in current prices and national currency by the respective Purchasing Power Parity (PPP).

The **low-wage threshold** corresponds to two-thirds of the median gross hourly earnings.

Low education level refers to ISCED (International Standard Classification of Education) 2011 level 0-2: less than primary, primary and lower secondary education.

Medium education level refers to ISCED (International Standard Classification of Education) 2011 level 3-4: upper secondary and post-secondary non-tertiary education.

High education level, meaning tertiary educational attainment, refers to ISCED (International Standard Classification of Education) 2011 level 5-8: tertiary education.

Timetable

A news release on earnings disparities is scheduled for 12 December 2016.

For more information

Eurostat [website section](#) dedicated to statistics on earnings.

Eurostat [database](#) on earnings.

Eurostat [metadata](#) on the Structure of Earnings Survey 2014.

Eurostat [Statistics Explained](#) article on earnings.

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