

Labour costs in the EU

Hourly labour costs ranged from €5.4 to €43.5 across the EU Member States in 2018

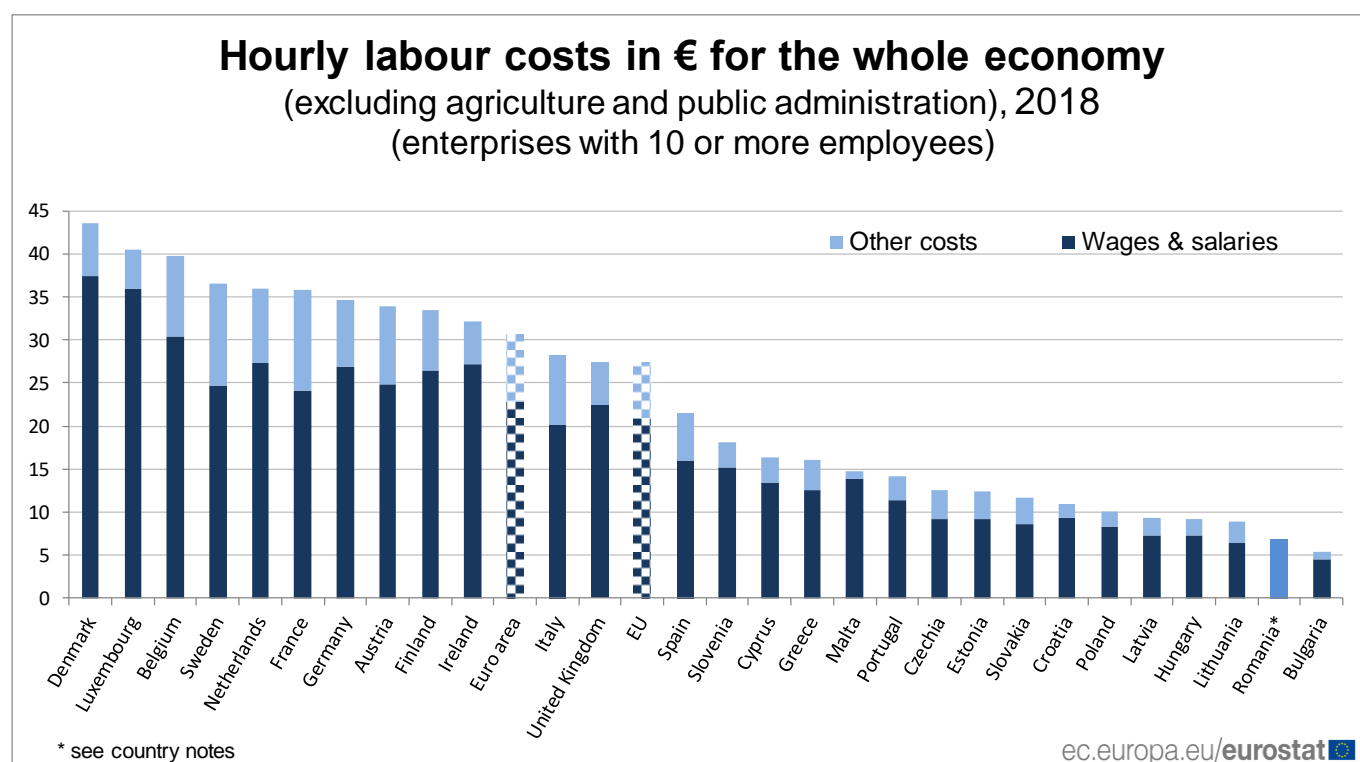
Lowest in Bulgaria and Romania, highest in Denmark, Luxembourg and Belgium

In 2018, average hourly labour costs in the whole economy (excluding agriculture and public administration) were estimated to be €27.4 in the **European Union (EU)** and €30.6 in the **euro area**. However, the average masks significant gaps between EU Member States, with the lowest hourly labour costs recorded in **Bulgaria (€5.4)**, **Romania (€6.9)**, **Lithuania (€9.0)**, **Hungary (€9.2)** and **Latvia (€9.3)**, and the highest in **Denmark (€43.5)**, **Luxembourg (€40.6)**, **Belgium (€39.7)**, **Sweden (€36.6)**, **the Netherlands (€35.9)** and **France (€35.8)**.

Hourly labour costs in industry were €27.4 in the **EU** and €33.2 in the **euro area**. In services, they were €27.0 and €29.6, respectively. In construction, hourly labour costs were €25.0 in the **EU** and €27.6 in the **euro area**. In the mainly non-business economy (excluding public administration), they were €28.5 and €30.8, respectively.

Labour costs consist of wages & salaries and non-wage costs (e.g. employers' social contributions). The share of non-wage costs in total labour costs for the whole economy was 23.7% in the **EU** and 25.6% in the **euro area**. It ranged from 6.1% in **Malta** to 32.6% in **France**.

These estimates are issued by **Eurostat, the statistical office of the European Union**. Data cover enterprises with 10 or more employees and are based on Labour Cost Survey data for 2016, which are extrapolated through the Labour Cost Index.



Hourly labour costs increased most in Romania, least in Malta

In 2018, compared with previous year, hourly labour costs in the whole economy expressed in € rose by 2.7% in the **EU** and by 2.2% in the **euro area**.

Within the **euro area**, the largest increases were recorded in **Latvia** (+12.9%), **Lithuania** (+10.4%), **Estonia** and **Slovakia** (both +6.8%). Hourly labour costs increased least in **Malta** (+0.4%), **Finland** (+1.2%), **Spain** (+1.3%) and **Portugal** (+1.4%).

When comparing labour cost estimates over time, levels expressed in national currency should be used to eliminate the influence of exchange rate movements. For Member States outside the **euro area** in 2018, the largest increases in hourly labour costs in the whole economy, expressed in national currency, were observed in **Romania** (+13.3%) and **Hungary** (+9.8%). They increased least in **Denmark** (+1.9%), **Sweden** (+2.3%) and the **United Kingdom** (+3.3%).

Geographical information

The **European Union** (EU) includes: Belgium, Bulgaria, Czechia, 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.

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.

Methods and definitions

Total Labour Costs refer to the total expenditure borne by employers in order to employ staff. They cover wage and non-wage costs less subsidies. They do include vocational training costs or other expenditures such as recruitment costs, spending on working clothes, etc.

Wage and salary costs include direct remunerations, bonuses, and allowances paid by an employer in cash or in kind to an employee in return for work done, payments to employees saving schemes, payments for days not worked and remunerations in kind such as food, drink, fuel, company cars, etc.

Non-wage costs include the employers' social contributions plus employment taxes regarded as labour costs less subsidies intended to refund part or all of employer's cost of direct remuneration.

The **whole economy** (except agriculture and public administration) includes NACE Rev. 2 sections B to N and P to S, and can be subdivided into the following economic activities:

- **The business economy**, which includes NACE Rev. 2 sections B to N; for the EU this accounts for about 75% of the total labour costs of the whole economy. It can be further broken down into:
 - *Industry*, which includes NACE Rev. 2 sections B to E (Mining and quarrying; Manufacturing; Electricity, gas, steam & air conditioning supply; and Water supply, sewerage, waste management & remediation activities). Industry accounts for around 23% of the whole economy in the EU.
 - *Construction*; NACE Rev. 2 section F, which accounts for 5% of the whole economy in the EU.
 - *Services*, which include NACE Rev. 2 sections G to N (Wholesale and retail trade, repair of motor vehicles & motorcycles; Transportation & storage; Accommodation & food service activities; Information & communication; Financial & insurance activities; Real estate activities; Professional, scientific & technical activities; Administrative & support service activities). They account for around 47% of the whole economy in the EU.
- **The mainly non-business economy (excluding public administration)**, which includes NACE Rev. 2 sections P to S (Education; Human health & social work activities; Arts, entertainment & recreation and Other service activities); for the EU this accounts for about 25% of the labour costs of the whole economy.

Labour costs data presented in this News Release cover enterprises with 10 or more employees. Apprentices are included.

Labour cost data for the years 2008, 2012 and 2016 come from the Labour Cost Survey. Estimates for years after 2016 are obtained by extrapolating the 2016 Labour Cost Survey hourly labour cost data expressed in national currencies using the Labour Cost Index (LCI) transmitted by the Member States. In order to calculate monetary estimates in € and derive European aggregates, average annual exchange rates have been used. The LCI not adjusted for calendar effects is used, except for Denmark, France and Sweden where only calendar-adjusted data are available.

Country notes:

France: the aggregate shown for the whole economy for 2008 also excludes NACE Rev. 2 section P (Education).

Italy: data up to 2012 are not strictly comparable over time due to methodological breaks.

Romania: only the total hourly labour cost is displayed. The wage and salary /non-wage breakdown is not published for 2018 as estimates are not comparable with previous years due to changes in national legislation.

Data for **Austria, Denmark, Spain** and **Iceland** are taken from national sources.

For more information

Eurostat [website section](#) dedicated to labour cost statistics.

Eurostat [database](#) on labour costs.

Eurostat Statistics Explained article on [hourly labour costs](#) and that on [recent trends in labour costs index](#).

Video interview with Eurostat expert.


Issued by: **Eurostat Press Office**


Renata PALEN

Tel: +352-4301-33 444

eurostat-pressoffice@ec.europa.eu

 ec.europa.eu/eurostat

 [@EU_Eurostat](https://twitter.com/EU_Eurostat)

 [EurostatStatistics](https://www.facebook.com/EurostatStatistics)

Production of data:

Ines KOLAKOVIC

Tel: +352-4301-32 179


Beate CZECH

Tel: +352-4301-35 407

Denis LEYTHIENNE

Tel: +352-4301-33 493

estat-labour-cost-indices@ec.europa.eu

 **Media requests:** Eurostat media support / Tel: +352-4301-33 408 / eurostat-mediasupport@ec.europa.eu

**Hourly labour costs in € for the whole economy (excluding agriculture and public administration),
in enterprises with 10 or more employees**

	2008	2012	2016	2017	2018	Non-wage costs, 2018 (% of total)	Change 2018/2017, %
EU	21.9	24.5	26.0	26.7	27.4	23.7	2.7
Euro area	25.1	28.3	29.4	30.0	30.6	25.6	2.2
Belgium	32.9	38.0	38.6	39.1	39.7	23.5	1.6
Bulgaria	2.6	3.4	4.5	5.0	5.4	16.2	6.9
Czechia	9.2	10.0	10.3	11.3	12.6	26.9	11.2
Denmark	34.6	39.4	41.3	42.8	43.5	14.1	1.7
Germany	27.9	30.5	32.8	33.8	34.6	22.2	2.3
Estonia	7.9	8.6	10.8	11.6	12.4	26.0	6.8
Ireland	28.9	29.8	30.6	31.2	32.1	15.4	3.0
Greece	16.8	15.7	15.2	15.6	16.1	21.9	3.7
Spain	19.4	21.1	21.2	21.2	21.4	25.5	1.3
France	31.2	34.3	34.5	34.9	35.8	32.6	2.4
Croatia	9.2	9.5	9.5	10.1	10.9	15.2	8.2
Italy	25.2	27.7	27.6	27.7	28.2	28.4	1.6
Cyprus	16.7	16.8	15.7	15.9	16.3	17.3	2.8
Latvia	5.9	6.0	7.7	8.2	9.3	21.9	12.9
Lithuania	5.9	5.9	7.4	8.1	9.0	29.2	10.4
Luxembourg	32.3	35.3	38.7	39.9	40.6	11.1	1.9
Hungary	7.8	7.4	7.8	8.7	9.2	19.8	6.4
Malta	11.4	11.8	14.2	14.6	14.7	6.1	0.4
Netherlands	29.8	32.5	34.5	35.1	35.9	24.0	2.2
Austria	26.4	29.7	32.5	33.0	34.0	26.8	2.8
Poland	7.6	7.9	8.7	9.5	10.1	18.4	6.8
Portugal	12.2	13.3	13.6	14.0	14.2	20.1	1.4
Romania	4.2	4.1	5.3	6.2	6.9	:	11.2
Slovenia	13.9	15.6	16.8	17.6	18.1	16.0	2.7
Slovakia	7.0	8.9	10.2	10.9	11.6	26.7	6.8
Finland	27.1	31.3	33.7	33.2	33.6	20.8	1.2
Sweden	31.6	37.3	37.7	38.1	36.6	32.3	-3.9
United Kingdom	23.7	25.0	27.9	26.8	27.4	18.0	2.4
Iceland	21.9	23.2	36.2	42.5	42.5	20.4	-0.1
Norway	:	56.4	49.3	50.1	50.0	18.7	-0.2

Discrepancies between the growth rates derived from the 2017 and 2018 values and the growth rates reported in the table are due to rounding.

: Data not available

The source dataset can be found [here](#).

**Hourly labour costs in national currency for non-euro area countries, whole economy
(excluding agriculture and public administration), in enterprises with 10 or more employees**

		2008	2012	2016	2017	2018	Change 2018/2017, %
Bulgaria	BGN	5.0	6.7	8.7	9.8	10.5	6.9
Czechia	CZK	228.3	251.0	277.7	297.3	322.1	8.3
Denmark	DKK	257.7	293.0	307.8	318.4	324.4	1.9
Croatia	HRK	66.2	71.3	71.9	75.6	81.2	7.5
Hungary	HUF	1 971.0	2 133.3	2 441.9	2 681.0	2 943.0	9.8
Poland	PLN	26.8	32.9	38.0	40.3	43.1	6.9
Romania	RON	15.5	18.5	24.0	28.1	31.9	13.3
Sweden	SEK	304.2	324.3	356.6	366.7	375.0	2.3
United Kingdom	GBP	18.9	20.3	22.9	23.5	24.2	3.3
Iceland	ISK	3 152.2	3 724.6	4 837.7	5 124.0	5 432.0	6.0
Norway	NOK	:	421.5	457.7	467.1	479.5	2.7

Discrepancies between the growth rates derived from the 2017 and 2018 values and the growth rates reported in the table are due to rounding.

: Data not available

The source dataset can be found [here](#).

Hourly labour cost in €, in enterprises with 10 or more employees, breakdown by economic activity, 2018

	Business economy	Industry	Construction	Services	Mainly non-business (excl. public admin.)
EU	27.0	27.4	25.0	27.0	28.5
Euro area	30.6	33.2	27.6	29.6	30.8
Belgium	40.0	43.1	35.5	39.2	39.0
Bulgaria	5.3	5.1	4.2	5.7	5.4
Czechia	12.7	12.7	11.4	12.8	12.1
Denmark	44.7	45.6	41.1	44.9	41.2
Germany	35.0	40.2	28.8	32.5	33.3
Estonia	12.6	12.1	13.2	12.8	12.0
Ireland	30.5	32.8	27.2	30.0	37.1
Greece	16.1	16.5	10.7	16.3	16.1
Spain	21.1	23.5	20.0	20.4	22.5
France	36.5	38.3	33.4	36.2	33.6
Croatia	10.9	10.3	10.1	11.5	11.0
Italy	27.2	28.0	23.7	27.1	32.1
Cyprus	14.4	13.3	14.3	14.6	26.2
Latvia	9.7	9.2	9.5	10.0	8.1
Lithuania	9.2	8.8	8.8	9.5	8.1
Luxembourg	40.4	35.1	27.1	44.1	42.6
Hungary	9.9	9.9	7.5	10.1	7.5
Malta	14.1	13.7	11.4	14.5	16.4
Netherlands	34.7	38.3	36.8	33.5	39.4
Austria	34.3	37.6	34.6	32.6	32.1
Poland	9.9	9.9	9.6	10.0	10.8
Portugal	13.3	11.8	10.0	14.5	16.9
Romania	6.5	6.2	5.1	7.1	8.2
Slovenia	18.3	18.5	14.4	18.6	17.6
Slovakia	11.8	12.2	9.8	11.7	10.9
Finland	34.5	36.8	34.5	33.5	31.5
Sweden	39.3	40.9	37.0	39.0	32.1
United Kingdom	26.3	27.2	26.6	26.0	30.6
Iceland	43.4	44.7	41.1	43.2	40.3
Norway	50.1	56.1	42.1	49.3	49.6

The source dataset can be found [here](#).

Hourly labour cost in national currency for non-euro area countries, in enterprises with 10 or more employees, breakdown by economic activity, 2018

		Business economy	Industry	Construction	Services	Mainly non-business (excl. public admin.)
Bulgaria	BGN	10.5	10.0	8.3	11.1	10.6
Czechia	CZK	324.9	326.8	291.1	328.0	310.4
Denmark	DKK	333.5	340.1	306.2	334.5	307.1
Croatia	HRK	81.1	76.3	75.2	85.1	81.7
Hungary	HUF	3 165.5	3 165.9	2 378.8	3 234.3	2 397.5
Poland	PLN	42.3	42.3	40.8	42.5	46.0
Romania	RON	30.4	28.9	24.0	33.0	38.1
Sweden	SEK	403.4	419.4	379.7	399.8	329.3
United Kingdom	GBP	23.2	24.0	23.5	23.0	27.1
Iceland	ISK	5 550.0	5 721.0	5 261.0	5 526.0	5 155.0
Norway	NOK	480.4	538.2	403.8	473.0	476.4

The source dataset can be found [here](#).