

Labour costs in the EU

Hourly labour costs ranged from €4.9 to €42.5 across the EU Member States in 2017

Lowest in Bulgaria and Romania, highest in Denmark and Belgium

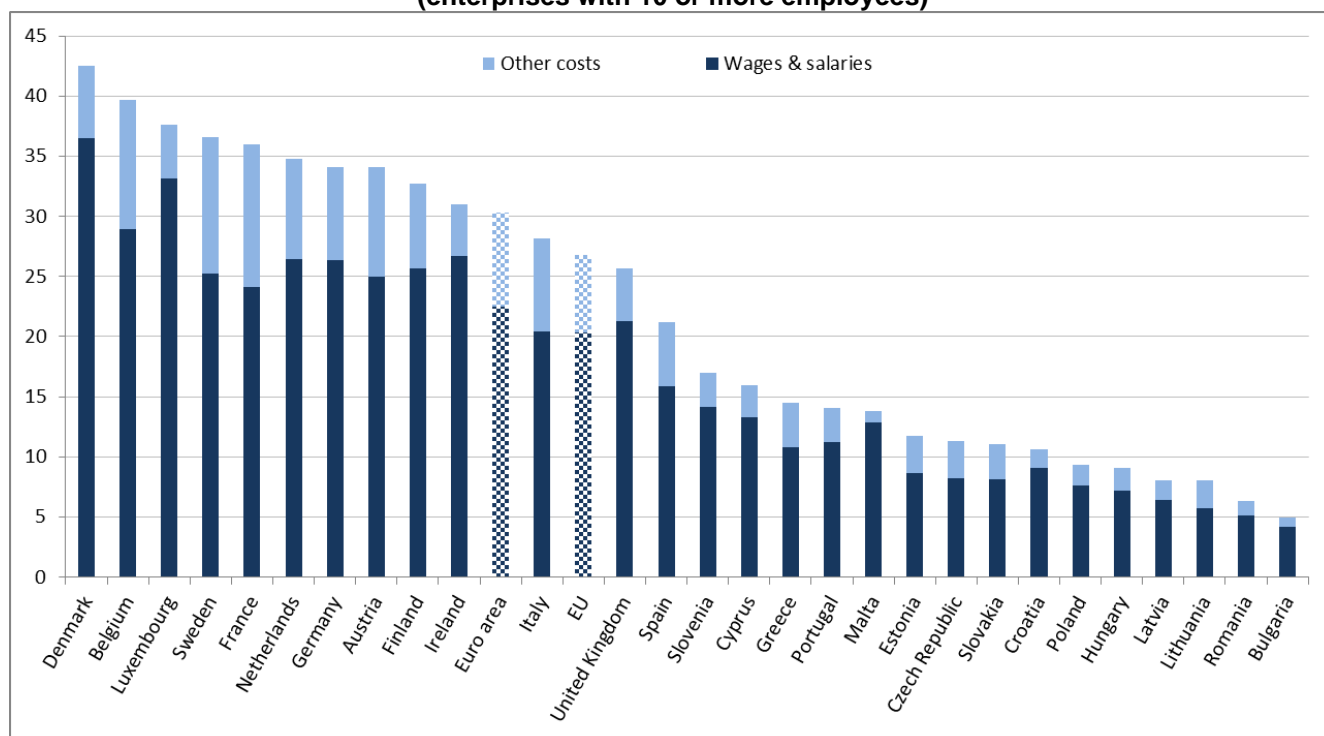
In 2017, average hourly labour costs in the whole economy (excluding agriculture and public administration) were estimated to be €26.8 in the **European Union (EU)** and €30.3 in the **euro area**. However, this average masks significant gaps between EU Member States, with the lowest hourly labour costs recorded in **Bulgaria (€4.9)**, **Romania (€6.3)**, **Lithuania (€8.0)**, **Latvia (€8.1)**, **Hungary (€9.1)** and **Poland (€9.4)**, and the highest in **Denmark (€42.5)**, **Belgium (€39.6)**, **Luxembourg (€37.6)**, **Sweden (€36.6)** and **France (€36.0)**.

Hourly labour costs in industry were €27.4 in the **EU** and €33.4 in the **euro area**. In services, they were €26.6 and €29.3, respectively. In construction, hourly labour costs were €23.7 in the **EU** and €26.7 in the **euro area**. In the mainly non-business economy (excluding public administration), they were €27.2 and €30.1, 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 24.0% in the **EU** and 25.9% in the **euro area**. It ranged from 6.7% in **Malta** to 32.8% 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 2012, which are extrapolated through the Labour Cost Index.

Hourly labour costs in € for the whole economy (excluding agriculture and public administration), 2017 (enterprises with 10 or more employees)



Decrease in hourly labour costs in Finland

In 2017, compared to previous year, hourly labour costs in the whole economy expressed in € rose by 2.3% in the **EU** and by 1.9% in the **euro area**.

When comparing labour cost estimates over time, levels expressed in national currency should be used to eliminate the influence of exchange rate movements.

Within the euro area, the largest increases were recorded in the Baltic Member States: **Lithuania** (+9.0%), **Estonia** (+7.4%) and **Latvia** (+7.0%). The only decrease was observed in **Finland** (-1.5%).

For Member States outside the euro area in 2017, the largest increase in hourly labour costs in the whole economy, expressed in national currency, were observed in **Romania** (+17.1%) and **Bulgaria** (+12.0%).

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.

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 cover wage and non-wage costs less subsidies. Vocational training costs or other expenditures such as recruitment costs, spending on working clothes, etc. are not included.

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 74% 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 22% 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 24% 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 2004, 2008 and 2012 come from the Labour Cost Survey. Estimates for years after 2012 are obtained by extrapolating the 2012 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 to derive European aggregates, exchange rate movements have to be incorporated. For this purpose, an exchange-rate adjusted LCI index is calculated for non-euro area countries. 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 2004 and 2008 also excludes NACE Rev. 2 section P (Education).

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

Data for 2015 for Czech Republic, Denmark, Spain, France, Hungary, Austria, Romania, Sweden and Iceland are taken from national sources.

Data for 2016 for Denmark, Spain, France, Hungary, Austria, Sweden and Iceland are taken from national sources.

Data for 2017 for France, Hungary, Austria, Sweden 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](#).


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

	2004	2008	2012	2015	2016	2017	Non-wage costs, 2017 (% of total)	Change 2017/2016, %
EU	19.8	21.9	24.5	25.7	26.2	26.8	24.0	2.3
Euro area	23.0	25.1	28.3	29.3	29.8	30.3	25.9	1.9
Belgium	29.2	32.9	38.0	39.1	39.2	39.6	27.1	1.3
Bulgaria	1.6	2.6	3.4	4.1	4.4	4.9	15.9	12.0
Czech Republic	5.8	9.2	10.0	9.8	10.1	11.3	27.0	11.3
Denmark	29.6	34.6	39.4	41.2	41.6	42.5	13.8	2.0
Germany	26.8	27.9	30.5	32.3	33.2	34.1	22.6	2.6
Estonia	4.3	7.9	8.6	10.4	10.9	11.7	26.2	7.4
Ireland	25.3	28.9	29.8	30.0	30.4	31.0	13.7	1.9
Greece	15.3	16.8	15.7	14.1	14.2	14.5	25.7	2.2
Spain	16.5	19.4	21.1	21.2	21.1	21.2	25.0	0.5
France	28.2	31.2	34.3	35.1	35.6	36.0	32.8	1.1
Croatia	6.9	9.2	9.5	9.6	10.0	10.6	15.0	6.0
Italy	22.4	25.2	27.7	28.1	28.0	28.2	27.5	0.8
Cyprus	12.5	16.7	16.8	15.7	15.8	16.0	16.7	1.1
Latvia	2.7	5.9	6.0	7.1	7.5	8.1	20.4	7.0
Lithuania	3.2	5.9	5.9	6.8	7.3	8.0	28.3	9.0
Luxembourg	30.3	31.0	33.9	36.3	36.7	37.6	11.9	2.5
Hungary	5.9	7.8	7.4	7.9	8.3	9.1	21.1	10.0
Malta	9.6	11.4	11.8	13.5	13.5	13.8	6.7	2.0
Netherlands	27.4	29.8	32.5	33.7	34.0	34.8	24.0	2.4
Austria	25.2	26.4	29.7	32.5	33.2	34.1	26.7	2.6
Poland	4.7	7.6	7.9	8.6	8.6	9.4	18.4	8.7
Portugal	11.3	12.2	13.3	13.4	13.7	14.1	20.2	3.0
Romania	1.9	4.2	4.1	4.9	5.5	6.3	19.8	15.0
Slovenia	11.2	13.9	15.6	15.8	16.2	17.0	16.8	5.2
Slovakia	4.1	7.0	8.9	10.0	10.4	11.1	26.7	6.5
Finland	24.4	27.1	31.3	33.0	33.2	32.7	21.6	-1.5
Sweden	29.0	31.6	37.3	35.7	36.5	36.6	31.1	0.3
United Kingdom	21.6	23.7	25.0	29.7	26.8	25.7	17.1	-4.1
Iceland	23.9	21.9	23.2	30.2	36.0	42.6	19.7	18.4
Norway	:	:	56.4	51.2	50.1	51.0	18.0	1.7

Discrepancies between the growth rates derived from the 2016 and 2017 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

		2004	2008	2012	2015	2016	2017	Change 2017/2016, %
Bulgaria	BGN	3.1	5.0	6.7	8.0	8.6	9.6	12.0
Czech Republic	CZK	183.6	228.3	251.0	267.5	273.8	296.8	8.4
Denmark	DKK	220.0	257.7	293.0	307.2	310.1	316.0	1.9
Croatia	HRK	51.8	66.2	71.3	72.9	75.6	79.4	5.0
Hungary	HUF	1478.7	1971.0	2133.3	2455.1	2579.4	2817.0	9.2
Poland	PLN	21.4	26.8	32.9	36.1	37.6	39.8	6.1
Romania	RON	7.7	15.5	18.5	21.9	24.7	28.9	17.1
Sweden	SEK	264.7	304.2	324.3	334.3	345.7	352.9	2.1
United Kingdom	GBP	14.6	18.9	20.3	21.6	21.9	22.5	2.6
Iceland	ISK	2079.5	3152.2	3724.6	4412.0	4807.0	5136.0	6.8
Norway	NOK	:	:	421.5	458.0	465.7	475.6	2.1

Discrepancies between the growth rates derived from the 2016 and 2017 values and the growth rates reported in the table are due to rounding.

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

Hourly labour cost in €, in enterprises with 10 or more employees, breakdown by economic activity, 2017

	Business economy	Industry	Construction	Services	Mainly non-business (excl. public admin.)
EU	26.6	27.4	23.7	26.6	27.2
Euro area	30.4	33.4	26.7	29.3	30.1
Belgium	41.7	44.8	34.7	41.1	34.8
Bulgaria	4.9	4.7	3.9	5.2	4.9
Czech Republic	11.4	11.4	10.3	11.5	10.8
Denmark	43.6	44.7	39.5	43.8	40.3
Germany	34.6	40.2	28.2	31.5	32.4
Estonia	12.2	11.6	12.4	12.5	10.5
Ireland	29.8	32.9	27.3	28.9	34.3
Greece	14.2	15.3	10.2	14.3	15.0
Spain	20.8	23.3	20.0	20.0	22.5
France	36.6	38.8	32.3	36.4	34.2
Croatia	10.6	9.7	9.8	11.4	10.7
Italy	27.3	27.8	23.2	27.4	31.9
Cyprus	15.9	14.6	13.9	16.5	17.5
Latvia	8.5	8.1	7.7	8.8	6.9
Lithuania	8.2	8.0	7.9	8.5	7.3
Luxembourg	37.4	32.5	25.8	40.6	39.1
Hungary	9.1	9.2	6.8	9.3	8.1
Malta	13.2	13.5	10.1	13.5	15.7
Netherlands	33.9	36.8	35.3	32.9	37.4
Austria	34.5	37.2	32.5	33.5	31.9
Poland	9.2	9.3	8.3	9.3	9.7
Portugal	13.4	11.6	12.0	14.5	16.1
Romania	6.1	5.8	4.8	6.7	7.2
Slovenia	16.9	17.3	12.3	17.5	17.4
Slovakia	11.4	11.6	9.4	11.4	10.1
Finland	33.4	36.3	33.7	32.0	31.2
Sweden	38.0	38.5	34.8	38.4	34.1
United Kingdom	25.2	24.2	25.4	25.2	27.0
Iceland	43.5	44.6	41.8	43.3	40.4
Norway	51.5	59.8	44.6	48.8	48.6

: Data not available

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, 2017

		Business economy	Industry	Construction	Services	Mainly non-business (excl. public admin.)
Bulgaria	BGN	9.6	9.2	7.6	10.2	9.7
Czech Republic	CZK	299.9	300.8	270.4	303.5	284.0
Denmark	DKK	324.7	332.2	293.9	325.7	299.5
Croatia	HRK	79.5	72.2	72.9	85.0	79.6
Hungary	HUF	2823.1	2843.5	2114.1	2875.2	2519.5
Poland	PLN	39.2	39.6	35.5	39.5	41.4
Romania	RON	28.0	26.4	21.8	30.7	33.0
Sweden	SEK	365.9	370.8	335.4	370.3	329.0
United Kingdom	GBP	22.1	21.2	22.3	22.1	23.6
Iceland	ISK	5248.0	5378.0	5038.0	5225.0	4866.0
Norway	NOK	480.1	557.3	415.9	454.8	453.4

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