

189/2012 - 20 December 2012

Low-wage earners

## One out of six employees in the EU27 was a low-wage earner in 2010

Large differences between men and women, levels of education and types of contract

The proportion of low-wage earners among employees amounted to 17.0% in 2010 in the **EU27**. This proportion varied significantly between Member States, with the highest percentages observed in **Latvia** (27.8%), **Lithuania** (27.2%), **Romania** (25.6%), **Poland** (24.2%) and **Estonia** (23.8%), and the lowest in **Sweden** (2.5%), **Finland** (5.9%), **France** (6.1%), **Belgium** (6.4%) and **Denmark** (7.7%).

Low-wage earners are defined as those employees earning two thirds or less of the national median<sup>1</sup> gross hourly earnings<sup>2</sup>. Hence, the thresholds that determine low-wage earners are relative and specific to each Member State.

These data come from a publication<sup>3</sup> issued by **Eurostat, the statistical office of the European Union**, based on the latest results of the four-yearly Structure of Earnings Survey<sup>4</sup>. This survey provides detailed information<sup>5</sup> on the structure and the distribution of earnings in the EU.

### Low-wage earners: 21% of female employees, 13% of male...

There are large differences between men and women regarding the proportion of low-wage earners. In the **EU27** in 2010, 21.2% of female employees were low-wage earners, compared with 13.3% of male employees. In all Member States, except **Bulgaria**, there was a larger share of female employees who were low-wage earners than male. The highest proportions for women were registered in **Cyprus** (31.4%), **Estonia** (30.1%), **Lithuania** (29.4%), **Germany** and **Latvia** (both 28.7%) and the **United Kingdom** (27.6%), and the smallest in **Sweden** (3.1%), **France** (7.9%), **Finland** (8.0%) and **Denmark** (9.8%).

### ...29% of employees with a low level of education, 6% with a high level...

The level of education plays an important role: the lower the level, the higher is the likelihood of being a low-wage earner. In the **EU27** in 2010, 29.0% of employees with a low<sup>6</sup> education level were low-wage earners, compared with 19.3% of those with a medium<sup>6</sup> level and 5.8% of those with a high<sup>6</sup> level. More than half of employees with a low level of education in **Germany** (54.6%) and **Slovakia** (51.5%) were low wage earners, and almost half in **Romania** (49.4%).

### ...31% of employees with a fixed term contract and 16% with an indefinite contract

The type of contract also has a significant impact. In the **EU27** in 2010, 31.3% of employees with a contract of limited duration were low-wage earners, compared with 15.7% for those with an indefinite contract. In all Member States, except **Estonia** and **Cyprus**, the pattern was the same. The largest proportions of low-wage earners among employees with a contract of limited duration were observed in the **Netherlands** (47.9%), **Poland** (42.5%), **Germany** (38.0%), **Bulgaria** (36.9%), **Hungary** and the **United Kingdom** (both 36.4%).

## Proportion of low-wage earners by sex, level of education and type of contract, 2010

	Low-wage threshold, in euro* per hour	Proportion of low-wage earners, %							
		Total	By sex		Level of education <sup>6</sup>			Type of contract	
			Women	Men	Low	Medium	High	Fixed duration	Indefinite
<b>EU27</b>	-	<b>17.0</b>	<b>21.2</b>	<b>13.3</b>	<b>29.0</b>	<b>19.3</b>	<b>5.8</b>	<b>31.3</b>	<b>15.7</b>
<b>EA17**</b>	-	<b>14.8</b>	<b>19.2</b>	<b>11.0</b>	<b>27.8</b>	<b>14.2</b>	<b>3.1</b>	<b>26.9</b>	<b>13.4</b>
<b>Belgium</b>	10.9	6.4	10.3	3.3	13.0	7.4	0.2	22.4	5.1
<b>Bulgaria</b>	1.0	22.0	21.6	22.5	40.7	27.9	5.7	36.9	20.4
<b>Czech Republic</b>	3.0	18.2	24.5	12.9	40.9	19.2	2.2	30.0	15.2
<b>Denmark</b>	16.6	7.7	9.8	5.4	14.8	9.3	2.9	18.0	7.5
<b>Germany</b>	10.2	22.2	28.7	17.0	54.6	19.1	2.1	38.0	20.9
<b>Estonia</b>	2.7	23.8	30.1	15.5	44.1	30.9	7.0	23.1	23.8
<b>Ireland</b>	12.2	20.7	23.6	17.6	30.9	25.6	12.9	28.0	19.9
<b>Greece</b>	:	:	:	:	:	:	:	:	:
<b>Spain</b>	6.3	14.7	21.0	9.2	22.4	15.3	5.0	20.4	13.1
<b>France</b>	9.2	6.1	7.9	4.5	11.9	6.5	2.8	18.1	5.2
<b>Italy</b>	7.9	12.4	15.1	10.3	20.9	8.5	2.6	26.7	11.1
<b>Cyprus</b>	6.2	22.7	31.4	14.9	33.9	33.6	4.5	14.9	22.9
<b>Latvia</b>	1.9	27.8	28.7	26.7	42.6	35.5	12.0	34.4	27.4
<b>Lithuania</b>	1.8	27.2	29.4	24.5	44.1	39.4	13.3	31.5	27.0
<b>Luxembourg</b>	11.9	13.1	20.2	9.3	33.7	9.8	0.7	34.6	11.1
<b>Hungary</b>	2.3	19.8	21.5	18.1	40.8	21.6	2.1	36.4	18.6
<b>Malta</b>	5.0	18.3	22.4	15.6	29.5	11.3	2.7	27.7	17.5
<b>Netherlands</b>	10.2	18.1	21.2	15.3	37.1	15.7	3.8	47.9	15.3
<b>Austria</b>	8.6	15.0	24.8	8.2	35.2	12.4	3.2	26.3	14.4
<b>Poland</b>	2.6	24.2	26.8	21.8	44.9	31.6	6.1	42.5	16.4
<b>Portugal</b>	3.4	16.1	22.1	10.2	25.3	10.1	1.0	23.0	14.0
<b>Romania</b>	1.3	25.6	25.8	25.5	49.4	31.9	5.0	35.4	25.4
<b>Slovenia</b>	4.8	17.1	19.3	15.3	40.0	18.3	1.5	30.0	12.4
<b>Slovakia</b>	2.6	19.0	23.7	14.6	51.5	20.9	3.3	29.0	17.1
<b>Finland</b>	10.6	5.9	8.0	3.3	11.5	8.4	1.7	16.8	4.3
<b>Sweden</b>	9.9	2.5	3.1	1.9	4.2	2.6	2.1	:	:
<b>United Kingdom</b>	8.4	22.1	27.6	16.7	34.6	31.3	11.4	36.4	20.8
<b>Iceland</b>	6.7	9.1	12.0	5.7	16.5	7.0	3.0	:	9.1
<b>Norway</b>	16.6	7.3	8.6	6.0	18.3	4.9	1.6	15.5	6.9
<b>Switzerland</b>	14.9	11.0	16.9	6.1	33.9	10.4	1.4	28.4	8.4
<b>Croatia</b>	3.2	18.2	20.7	15.7	35.5	21.4	2.6	39.2	15.6
<b>Former Yug. Rep. of Macedonia</b>	1.7	28.3	30.3	26.4	55.4	37.9	5.9	40.8	26.6
<b>Turkey</b>	1.4	0.2	0.2	0.2	0.2	0.2	0.1	0.6	0.2

\* Expressed in national currency, the low wage thresholds are per hour: BG: BGN 1.98; CZ: CZK 74.77; DK: DKK 123.85; LV: LVL 1.35; LT: LTL 6.19; HU: HUF 631.14; PL: PLN 10.51; RO: RON 5.50; SE: SEK 94.71; UK: GBP 7.21; IS: ISK 1080.34; NO: NOK 133.16; CH: CHF 20.58; MK: MKD 102.02; TR: TRY 2.83.

\*\* Euro area (EA17): Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland. The European aggregates are calculated without Greece.

- Data not applicable

: Data not available

1. 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.
2. Gross hourly earnings refer to the remuneration earned by employees before any tax and social security contributions are deducted, per hour worked in the reference month of October 2010. These exclude any overtime pay, shift premiums, allowances, bonuses, commission, etc. The 2010 annual averages of the exchange rate were used in converting earnings in national (non-euro) currencies into euro.
3. **Eurostat**, Statistics in Focus 48/2012 "**In 2010, 17% of employees in the EU were low-wage earners**", available free of charge in pdf format on the Eurostat web site.
4. The Structure of Earnings Survey 2010 (SES 2010) 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 SES2010 can be found at: [http://epp.eurostat.ec.europa.eu/portal/page/portal/labour\\_market/earnings](http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/earnings)
5. Users can access detailed estimates of hourly wages depending on personal and employment details by means of a "Salary Calculator": [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Salary\\_calculator](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Salary_calculator)
6. Data are classified according to the International Standard Classification of Education (ISCED): low education corresponds to ISCED levels 0-2 (pre-primary, primary and lower secondary education); medium education corresponds to ISCED levels 3 and 4 (upper secondary and post-secondary non-tertiary education) and high education corresponds to ISCED levels 5 and 6 (tertiary education).

Issued by: **Eurostat Press Office**

**Louise CORSELLI-NORDBLAD**  
Tel: +352-4301-33 444  
[eurostat-pressoffice@ec.europa.eu](mailto:eurostat-pressoffice@ec.europa.eu)

Eurostat news releases on the internet:  
<http://ec.europa.eu/eurostat>

For further information on data:

**Denis LEYTHIENNE**  
Tel: +352-4301-33 493  
[denis.leythienne@ec.europa.eu](mailto:denis.leythienne@ec.europa.eu)

**Edwin SCHAAF/Toriya SGHIR**  
Tel: +352-4301-32 853  
[estat-earncost@ec.europa.eu](mailto:estat-earncost@ec.europa.eu)