

Minimum wages in the EU

Minimum wage



1 in 10 workers in the EU earned around the minimum wage in 2017

- Various regulatory restrictions of the lowest rate payable by employers to workers



Statutory minimum wages: Regulated by formal laws or statutes

Collectively agreed minima: Stipulated within collective agreements between trade unions and employers

European context

Most EU Member States have a statutory minimum wage. But its level, adjustment mechanisms and coverage vary.



Finland, Sweden, Denmark, Austria, Italy:
Minimum wages set within collective agreements

Cyprus:
Statutory rates for different occupations

November 2017

The **European Pillar of Social Rights**, sets out the EU's commitment to fair wages for workers.

January 2020

The Commission launches a first-stage consultation of the social partners on fair minimum wages in the EU.

October 2020

The Commission proposes an EU Directive on adequate minimum wages.

December 2019

The new European Commission plans a reform initiative for an EU minimum wage.

June 2020

The Commission launches a second-stage consultation of the social partners.

By 2024

All workers in the EU should earn a fair and adequate wage.

Minimum wage vs living wage

A living wage is a related but distinct concept. What is the difference?

Minimum wage

The lowest wage payable by employers to workers



Living wage

A wage that will secure a basic but acceptable standard of living for its earner – and, in some cases, household dependents

COVID-19 impact for low-wage earners

Eurofound's e-survey on Living, working and COVID-19 shows that nearly half of households are struggling to make ends meet.

- What are governments doing?**
Income stabilisation measures for those most affected
- Where is the strongest impact of COVID-19?**
Sectors and occupations with larger shares of minimum wage workers
- What role for minimum wages?**
Could contribute to the policy mix to stabilise incomes
Could help counteract a downward spiral into recession or depression

Minimum wage workers per sector and occupation in 2017

