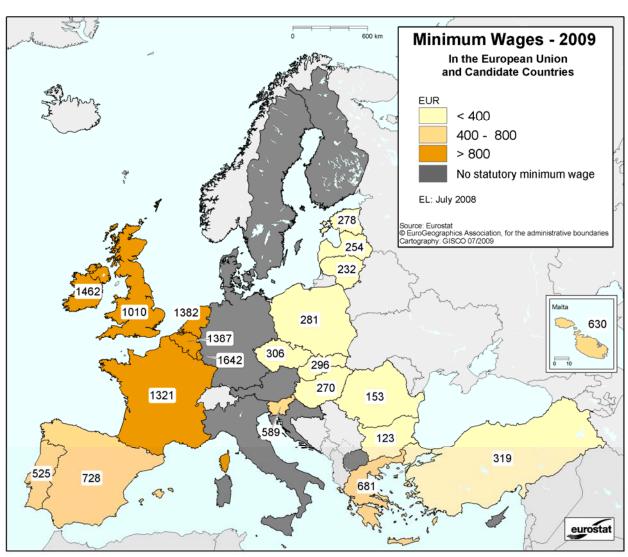
Minimum Wages in January 2009

Minimum wages varied from 123 EUR gross per month in Bulgaria to 1 642 EUR gross per month in Luxembourg

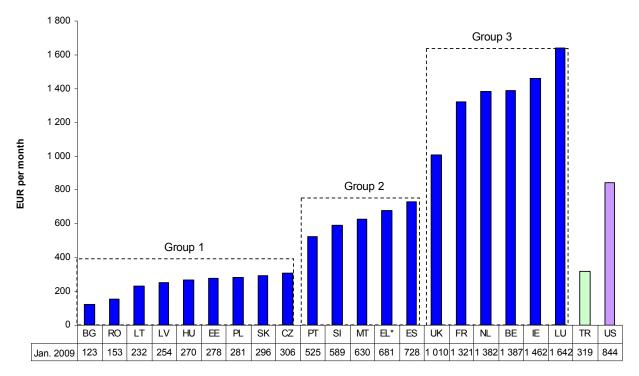


Source: Eurostat (earn minw cur)

In January 2009, 20 of the 27 Member States of the EU (Belgium, Bulgaria, Czech Republic, Estonia, Ireland, Greece, Spain, France, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Poland, Portugal, Romania, Slovenia, Slovakia and the United Kingdom) and one candidate country (Turkey) had national legislation setting statutory minimum wages.



Figure 2: Minimum wages in January 2009, in EUR



*EL: July 2008.

Group 1 is for minimum wages below 400 EUR, group 2 for 400 to 800 EUR and group 3 for more than 800 EUR. Compared to 2008 the composition of the groups has not changed.

Source: Eurostat (earn minw cur)

Table 1: Minimum wages, 2000-2009, in EUR

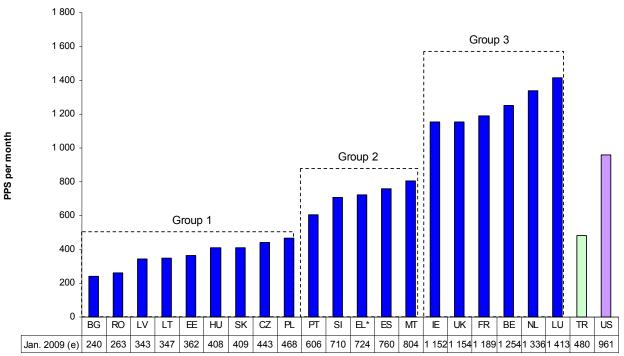
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
BE	1 096	1 118	1 163	1 163	1 186	1 210	1 234	1 259	1 310	1 387
BG	38	45	51	56	61	77	82	92	112	123
CZ	111	144	175	199	207	235	261	288	304	306
EE	:	:	118	138	159	172	192	230	278	278
ΙE	945	945	1 009	1 073	1 073	1 183	1 293	1 403	1 462	1 462
EL	526	544	552	605	631	668	668	658	681	:
ES	425	433	516	526	537	599	631	666	700	728
FR	1 049	1 081	1 084	1 094	1 113	1 164	1 218	1 254	1 280	1 321
LV	84	89	107	116	121	116	129	172	229	254
LT	106	120	120	125	125	145	159	174	232	232
LU	1 191	1 259	1 290	1 369	1 403	1 467	1 503	1 570	1 570	1 642
HU	100	151	202	212	200	232	247	258	273	270
MT	500	532	552	534	541	557	580	584	612	630
NL	1 092	1 154	1 207	1 249	1 265	1 265	1 273	1 301	1 335	1 382
PL	159	196	212	201	177	205	234	246	313	281
PT	371	390	406	416	426	437	450	470	497	525
RO	25	44	50	73	69	72	90	114	141	153
SI	375	396	431	451	471	490	512	522	539	589
SK	:	:	114	133	148	167	182	217	242	296
UK	970	1 130	1 118	1 106	1 084	1 197	1 269	1 361	1 223	1 010
TR	205	230	171	189	240	261	331	297	354	319
US	883	995	1 001	877	727	666	753	676	696	844

Source: Eurostat (earn minw cur)

Note: Minimum wages as valid in January of each year.

The gap between the countries is considerably reduced to a range of 1 to 6 when minimum wages are expressed in PPS

Figure 3: Minimum wages in January 2009, in PPS



(e): PPP 2008 applied, *EL: July 2008.

Group 1 is for minimum wages below 500 PPS, group 2 for 500 to 850 PPS and group 3 for more than 1 000 PPS.

Compared to 2008 the composition of the groups has not changed.

Source: Eurostat (earn minw cur)

Table 2: Minimum wages, 2000-2009, in PPS

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009*
BE	1 075	1 084	1 146	1 092	1 111	1 137	1 156	1 184	1 183	1 254
BG	99	109	126	139	146	177	183	198	220	240
CZ	234	294	324	357	379	415	435	462	443	443
EE	:	:	194	223	251	266	285	322	362	362
IE	823	792	806	849	852	958	1 043	1 127	1 152	1 152
EL	628	661	688	705	720	757	752	736	723	:
ES	500	507	610	595	590	657	687	720	731	760
FR	991	1 039	1 048	994	1 013	1 076	1 119	1 159	1 152	1 189
LV	152	151	181	201	214	202	214	260	305	343
LT	221	222	230	238	233	264	279	291	347	347
LU	1 174	1 216	1 264	1 326	1 362	1 315	1 344	1 397	1 352	1 413
HU	199	294	358	338	340	363	392	394	394	408
MT	725	759	777	747	742	763	778	797	781	804
NL	1 092	1 121	1 174	1 159	1 192	1 209	1 223	1 259	1 291	1 336
PL	289	320	322	334	342	346	372	388	468	468
PT	447	462	470	484	488	514	530	556	574	606
RO	53	92	104	153	160	142	164	190	219	263
SI	597	590	615	606	625	645	666	670	649	710
SK	:	:	180	191	203	236	257	305	336	409
UK	832	954	941	952	1 034	1 109	1 147	1 214	1 113	1 154
TR	306	266	299	316	403	437	443	440	439	480
US	800	791	789	778	774	776	772	770	858	961

*2009: PPP 2008 applied.

Note: Minimum wages as valid in January of each year.

Minimum wages in national currency and annual growth rates

Table 3: Minimum wages, 2000-2009, in national currency

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
BE	1 096	1 118	1 163	1 163	1 186	1 210	1 234	1 259	1 310	1 387
BG	75	87	100	110	120	150	160	180	220	240
CZ	4 000	5 000	5 700	6 200	6 700	7 185	7 570	8 000	8 000	8 000
EE	:	:	1 850	2 160	2 480	2 690	3 000	3 600	4 350	4 350
ΙE	945	945	1 009	1 073	1 073	1 183	1 293	1 403	1 462	1 462
EL	526	544	552	605	631	668	668	658	681	:
ES	425	433	516	526	537	599	631	666	700	728
FR	1 049	1 081	1 084	1 094	1 113	1 164	1 218	1 254	1 280	1 321
LV	50	50	60	70	80	80	90	120	160	180
LT	430	430	430	430	430	500	550	600	800	800
LU	1 191	1 259	1 290	1 369	1 403	1 467	1 503	1 570	1 570	1 642
HU ⁽¹⁾	26	40	50	50	53	57	63	66	69	72
MT ⁽²⁾	208	214	222	222	233	241	249	251	612	630
NL	1 092	1 154	1 207	1 249	1 265	1 265	1 273	1 301	1 335	1 382
PL	670	760	760	800	824	849	899	936	1 126	1 126
PT	371	390	406	416	426	437	450	470	497	525
RO	45	100	140	250	280	280	330	390	500	600
SI ⁽²⁾	74	84	95	104	111	118	123	522	539	589
SK ⁽²⁾	:	:	4 920	5 570	6 080	6 500	6 900	7 600	8 100	296
UK	608	693	693	710	761	832	862	916	881	914
TR	110	140	222	306	423	489	531	563	608	666
US	893	893	893	893	893	893	893	893	1 014	1 135

⁽¹⁾ in TSD Hungarian Forint.

Source: Eurostat (earn minw cur)

Table 4: Annual growth rates of minimum wages, in national currencies*, in %

	2001	2002	2003	2004	2005	2006	2007	2008	2009
BE	2.0	3.9	0.0	1.9	2.0	1.9	2.0	3.9	5.6
BG	13.8	13.0	9.1	8.3	20.0	6.3	11.1	18.2	8.3
CZ	20.0	12.3	8.1	7.5	6.8	5.1	5.4	0.0	0.0
EE	:	:	14.4	12.9	7.8	10.3	16.7	17.2	0.0
IE	0.0	6.3	6.0	0.0	9.3	8.5	7.8	4.0	0.0
EL	3.3	1.4	8.8	4.1	5.5	0.0	-1.5	3.3	:
ES	1.8	16.1	1.9	2.0	10.3	5.2	5.2	4.9	3.8
FR	2.9	0.3	0.8	1.8	4.4	4.4	2.9	2.0	3.1
LV	0.0	16.7	14.3	12.5	0.0	11.1	25.0	25.0	11.1
LT	0.0	0.0	0.0	0.0	14.0	9.1	8.3	25.0	0.0
LU	5.4	2.4	5.8	2.4	4.4	2.4	4.3	0.0	4.4
HU	36.3	20.0	0.0	5.7	7.0	8.8	4.6	5.1	3.5
MT	2.8	3.6	0.0	4.7	3.3	3.2	0.8	4.6	2.8
NL	5.4	4.4	3.4	1.2	0.0	0.6	2.2	2.5	3.4
PL	11.8	0.0	5.0	2.9	2.9	5.6	3.9	16.9	0.0
PT	4.9	3.9	2.4	2.3	2.5	2.9	4.3	5.4	5.3
RO	55.0	28.6	44.0	10.7	0.0	15.2	15.4	22.0	16.7
SI	12.0	10.8	8.7	7.0	5.1	4.2	2.0	3.1	8.6
SK	:	:	11.7	8.4	6.5	5.8	9.2	6.2	9.2
UK	12.3	0.0	2.4	6.7	8.5	3.5	5.9	-4.0	3.6
TR	21.5	37.0	27.5	27.7	13.4	8.0	5.6	7.5	8.6
US	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.0	10.7

^{*}SI: 2007, 2008, 2009 converted back in Slovenian Tolar (1 € = 239.66 SIT).

Source: Eurostat (earn minw cur)

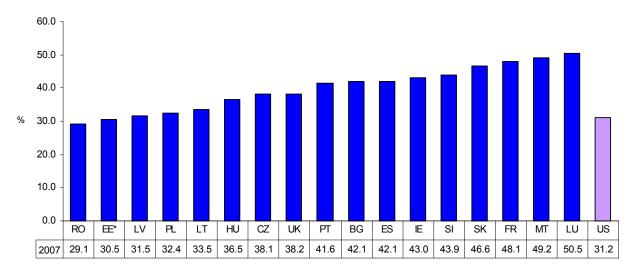
⁽²⁾ SI: 2000-2006 in TSD Slovenian Tolar, MT: 2000 - 2007 in Malta Lira, SK: 2000 - 2008 in Slovak Koruna.

^{*}MT: 2008, 2009 converted back in Malta Lira (1 € = 0.4293 MTL).

^{*}SK: 2009 converted back in Slovak Koruna (1 € = 30.196 SKK).

The level of minimum wages varies between 29% and 51% of the average monthly gross earnings in industry and services

Figure 4: Minimum wages as a percentage of average gross monthly earnings in industry and services, in 2007



*EE: 2006, BE, EL, NL, TR: no data. Source: Eurostat (earn minw avg)

Synthesis table of statutory minimum wages in the European Union, Turkey and the USA (Situation 1 January 2009)

	BE	BG	CZ	EE	IE	EL (July 2008)	ES	FR
Year of introduction	1975	1990	1991	1991	2000	1991	1980	1970
Coverage	Private sector employees aged 21 or over	All employees	All employees	All employees	Experienced adult employees ²	All employees aged 19 or over (for non-manual workers) 18 or over (for manual workers)	All employees irrespective of age	All employees aged 18 or over
Method of fixing	Negotiation by social partners	Set by government following recommendations of social partners and taking into account the state budget restrictions	Set by government following negotiations by social partners	Set by government	Set by government following recommendations of social partners or Labour court	Annual negotiation by social partners	Set by government	Set by government
Method of updating	Automatic indexation + periodic review	Set by government following recommendations of social partners and taking into account the state budget restrictions	Set by government usually once a year	Set by government following the agreement between social partners	Set by government following recommendations of social partners or Labour court	Annually according to government forecasts of inflation	Set by government usually once a year	Automatic indexation + annual review
Type of rate	Monthly	Monthly and hourly	Monthly and hourly	Monthly and hourly	Hourly	Monthly for non- manual workers; daily for manual workers	Monthly and daily	Hourly
Statutory level in national currency ¹	1 387.49 EUR per month	240.00 BGN per month	8 000.00 CZK per month 48.10 CZK per hour	4 350.00 EEK per month 27.00 EEK per hour	8.65 EUR per hour	583.36 EUR per month 30.40 EUR per day	624.00 EUR per month 20.80 EUR per day	1 321.02 ³ EUR per month 8.71 EUR per hour
Conversion rule					x 39 hours x 52 weeks / 12mth (=1461.85 EUR)	x 14 mth / 12 mth (= 680.59 EUR)	x 14 mth / 12mth (= 728.00 EUR)	x 35 hours x 52 weeks / 12mth (= 1 321.02 EUR)
In force since	01.10.2008	01.01.2009	01.07.2007	01.01.2009	01.07.2007	01.01.2008	01.01.2009	01.07.2008

	LV	LT	LU	HU	MT	NL	PL	PT
Year of introduction	1991	1991	1973	1988	1974	1969	1990	1974
Coverage	All employees	All employees	All employees aged 18 or over	All employees	All employees	All employees aged 23 or over	All employees	All employees irrespective of age
Method of fixing	Set by government following recommendations of social partners	Set by government		Set by government following recommendations of social partners	Set by government	Set by government	Set by government following negotiations by social partners	Set by government
Method of updating	following recommendations of social partners	Set by government following recommendations of responsible institutions		Set by government following recommendations of social partners	Automatic indexation	Twice a year	to government forecasts of	Annually according to government forecasts of inflation
Type of rate		Monthly and hourly	Monthly	Monthly	Weekly	Monthly	Monthly	Monthly
Statutory level in national currency ¹	per month 1.083 / 1.239 ⁴	800.00 LTL per month 4.85 LTL per hour		71 500.00 HUF per month	629.99 EUR per month	1 382.00 EUR per month		450.00 EUR per month
Conversion rule								x 14 mth / 12 mth (= 525.00 EUR)
In force since	01.01.2009	01.01.2008	01.01.2009	01.01.2009	01.01.2009	01.01.2009	01.01.2008	01.01.2009

	RO	SI	SK	UK	TR	US
Year of introduction	1990	1995	1991	1999	1936	1938
Coverage	All employees irrespective of age	All employees	All employees		All employees aged 16 or over	Employees of private enterprises with business > \$500,000 a year, or in smaller firms engaged in interstate commerce, or in federal, state or local government
Method of fixing	government after	Labour, Family and Social Áffairs) by Minimum wage Act	Set by government following recommendations of social partners	following recommendations of social partners	Set by the Minimum Wage Fixing Committee consisting of government, employee and employer's representatives	Set by government
Method of updating	government after consultations with social partners	forecasts of inflation and following consultation with social partners. In	Set by government following recommendations of social partners - annual update	Set by government following recommendations of social partners	Usually every year (at least every 2 years)	Periodic review
Type of rate	Monthly		Monthly and hourly	Hourly ⁶	Monthly	Hourly ⁷
Statutory level in national currency ¹			295.50 EUR per month		666.00 TRL per month	6.55 US \$ per hour (calculation *40h*52weeks/12mth = 1,135.33 USD)
Conversion rule				x 38.1 hours x 52.14 weeks / 12 mth (= 913.80 GBP)		X 40 hours x 52 weeks / 12mth (= 1 135.33 USD)
In force since	01.01.2009	01.08.2008	01.01.2009	01.10.2007	01.07.2009	24.07.2008

Synthesis table of statutory minimum wages in the European Union, Turkey and the USA (Situation 1 January 2009)

- ¹ All countries Rate applied to employees over a certain age (indicated above under "coverage"). For certain countries, as for the Netherlands, different minimum wage rates apply for young persons.
- ² IE Employees who are aged under 18, or first-time job entrants, or undergoing structured training can be paid specified rates below the national minimum wage.
- ³ FR Monthly guaranteed wage for the employees who have been working 35 hours per week since 01.07.2002.
- ⁴ LV For employees aged under 18 and for those working in risky or dangerous circumstances.
- ⁵ LU The social minimum wage rate depends on the worker's age and on his qualification.
- ⁶ UK Rate for employees aged 22 and over is 5.52 GBP, rate for employees aged 18 21 is 4.60 GBP and for employees aged 16 17 rate is 3.40 GBP.
- ⁷ US Employees under 20 years of age can be paid a sub-minimum wage of \$4.25 an hour during their first 90 consecutive calendar days of employment with an employer.

Methodology

Statutory monthly minimum wages

Statutory minimum wages are enforced by law and apply nationwide to the majority of full-time employees in each country. Other types of minimum wages may be applied for certain groups taking into account the employee's age, length of service, skills or physical and mental capabilities, or the economic conditions affecting the enterprise. In Greece, the minimum wage published in this article applies for non-manual workers; a different rate applies for manual workers.

Minimum wages are gross amounts, that is, before the deduction of income tax and social security contributions. Such deductions vary from country to country. A comparison based on the net wage can affect the relative position of the countries, depending on the family situation assumed.

For most countries, the minimum wage is agreed in terms of a monthly rate. For some countries (e.g. France, Ireland, United Kingdom, USA) the minimum wage is fixed at an hourly rate. For purposes of comparison, the hourly rates for these countries have been converted to a monthly rate, using the following factors (supplied directly by the Member States concerned):

France: 35 hours x 52 weeks divided by 12; Ireland: 39 hours x 52 weeks divided by 12;

United Kingdom: 38.1 hours x 52.14 weeks divided by 12;

United States: 40 hours x 52 weeks divided by 12.

In addition, when the minimum wage is paid for more than 12 months per year (as in Greece, Spain and Portugal, where it is paid for 14 months a year), data have been adjusted to take these payments into account.

For the non-euro area countries, the minimum wages in their national currencies were converted into Euros by applying the monthly average exchange rate in December 2008.

Purchasing Power Parities (PPPs) and Purchasing Power Standard (PPS) (Table 2 and figure 3)

To remove the effect of differences in price levels between the countries, special conversion rates called Purchasing Power Parities (PPPs) have been used. The year used for these PPPs is the last one currently available, i.e. 2008. PPPs for household final consumption expenditure in each country were used to convert the minimum monthly wages expressed in national currencies to an artificial common unit called the Purchasing Power Standard (PPS).

<u>Minimum wages as percentage of average gross monthly earnings in industry and services (Figure 4)</u>

- Private and public enterprises with 1+ employees in sections C to K of NACE Rev. 1.1 (B to N of NACE Rev. 2) are covered. Gross monthly earnings are calculated as average figure from annual gross earnings divided by 12 and relate to full-time equivalents. Gross earnings are total remunerations in cash received by employees including overtime earnings, regular and irregular bonuses and payments for time not worked.
- CZ Average monthly wage of full-time equivalents as the minimum monthly wage is valid only for full-time employees.
- **EE** Monthly earnings calculated using the average monthly earnings of full-time employees in October.
- Average Industrial Earnings data used in calculation is from the survey which now includes irregular earnings. Average Industrial Earnings of quarter 1, 2 and 3 are used for the calculation. Average earnings in industry used in calculation, figure for earnings in industry and services not available.
- Average monthly earnings are calculated using the annual average from quarterly data on average monthly wages from the Quarterly Labour Cost Survey. Earnings comprise cash remuneration and remuneration in kind. They include base salaries, bonuses, payments for overtime, extraordinary payments and cost-of-living and other adjustments. The wages are considered in gross terms, before tax and social security deductions. All employees are included (full-time, part-time). Sales representatives and other persons, who are wholly remunerated by way of fees or commission, are not on the payroll, or who are self-employed, owners, directors or managers whose remuneration wholly takes the form of a share in profits and family workers who are not employees of the local unit are excluded. All divisions from C to K of NACE Rev. 1.1 (B to N of NACE Rev. 2) are included.
- FR Private and semi-public enterprises are covered. Only full-time employees are included. Gross monthly earnings are calculated as average figure for employees in full-time.
- LV National minimum wage in percentage of average monthly gross wages for employees in full-time equivalent in all enterprises and institutions, C to K of NACE Rev. 1.1 (B to N of NACE Rev. 2) (July 2008).
- LT Gross monthly earnings are the amount of cash payments paid to all employees who have direct employment contracts. This includes gross amounts, before deduction of taxes and social security contributions payable by employee. Individual enterprises are excluded.
- **LU** Gross monthly earnings of all persons occupied in the sectors C to K of NACE Rev. 1.1 (B to N of NACE Rev. 2) on March 31 of each year.
- Monthly earnings calculated using the average monthly earnings of full time employees in each year from January to December. Data cover enterprises employing more than 4 employees, all public and social security institutions. Sections C to K of NACE Rev. 1.1 (B to N of NACE Rev. 2).

MT Computations were based on four quarters.

PL Data cover economic entities employing more than 9 persons.

RO Data sources: Labour cost survey and the national legislation.

SK For profit organisations with 20 and more employees (in financial intermediation irrespective of the number of

employees) and all non-profit organizations (July 2008).

UK Monthly wage calculated using average weekly earnings excluding overtime for a reference week in April of

each year.

US For total private industries. Data relate to production workers in natural resources and mining and manufacturing, construction workers in construction, and nonsupervisory workers in the service-providing industries

ABBREVIATIONS

PPP: Purchasing power parities

PPS: Purchasing power standards

NACE: Statistical classification of economic activities in the European Community

TSD: in thousands

Belgium (BE), Bulgaria (BG), Czech Republic (CZ), Denmark (DK), Germany (DE), Estonia (EE), Ireland (IE), Greece (EL), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Latvia (LV), Lithuania (LT), Luxembourg (LU), Hungary (HU), Malta (MT), the Netherlands (NL), Austria (AT), Poland (PL), Portugal (PT), Romania (RO), Slovenia (SI), Slovakia (SK), Finland (FI), Sweden (SE), the United Kingdom (UK), Turkey (TR), the United States (US)

EU-27: European Union of 27 Member States from 1 January 2007 (BE, BG, CZ, DK, DE, EE, IE, EL, ES, FR, IT, CY, LV, LT, LU, HU, MT, NL, AT, PL, PT, RO, SI, SK, FI, SE, UK)

Further information

European Statistical Data Support:

Contact details for this support network can be found on our Internet site: http://ec.europa.eu/eurostat/

Data

Data on "Minimum wages":

http://epp.eurostat.ec.europa.eu/portal/page/portal/labour market/earnings/database

More information about "Minimum wages ":

http://epp.eurostat.ec.europa.eu/portal/page/portal/labour market/earnings

Manuscript completed on: 24.07.2009 Data extracted on: 10.07.2009

ISSN 1977-0340

Catalogue number: KS-QA-09-029-EN-N © European Communities, 2009