
GERMANY'S LABOR COSTS ABOVE EU AVERAGE

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The average cost of an hour of work in Germany has risen to ████████ well above the EU's average. Despite a significant difference between labor costs in eastern and western Europe, the gap is shrinking.

The German Federal Statistical Office (Destatis) on Monday published figures showing a working hour cost 32 percent more in Germany than the EU average in 2018.

The cost of a working hour in 17 countries across the bloc fell below the EU average of ████████ (\$29.69), including in the UK, Spain and Greece.

Germany ranks high among EU countries:

The average working hour cost €35.00 in Germany, the sixth-highest in the EU.

That figure represents a 2.3 percent increase compared to 2017.

In the manufacturing sector, an average working hour cost €40.00.

For the services sector, an average working hour cost €32.40.

Shrinking gap

Destatis noted that the gap between the EU's top performers in hourly labor costs and those at the bottom of the list was shrinking.

In 2018, labor costs in the top group were more than four times higher than the bottom. But that gap has shrunk since 2004, when the hourly cost of labor was nearly eight times higher in top-tier countries compared to those in the bottom tier.

"This convergence of relative labor costs results from the fact that in countries with low labor costs, growth rates have been well above those of countries with already high labor costs for many years," said Destatis.

Eurozone labor costs more

The eurozone average was about 15 percent higher than the EU average. The eurozone is an economic and monetary union that brings together 17 EU member states under one currency.

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