

European Labour Market Chartbook

May 2026

Indeed Hiring Lab

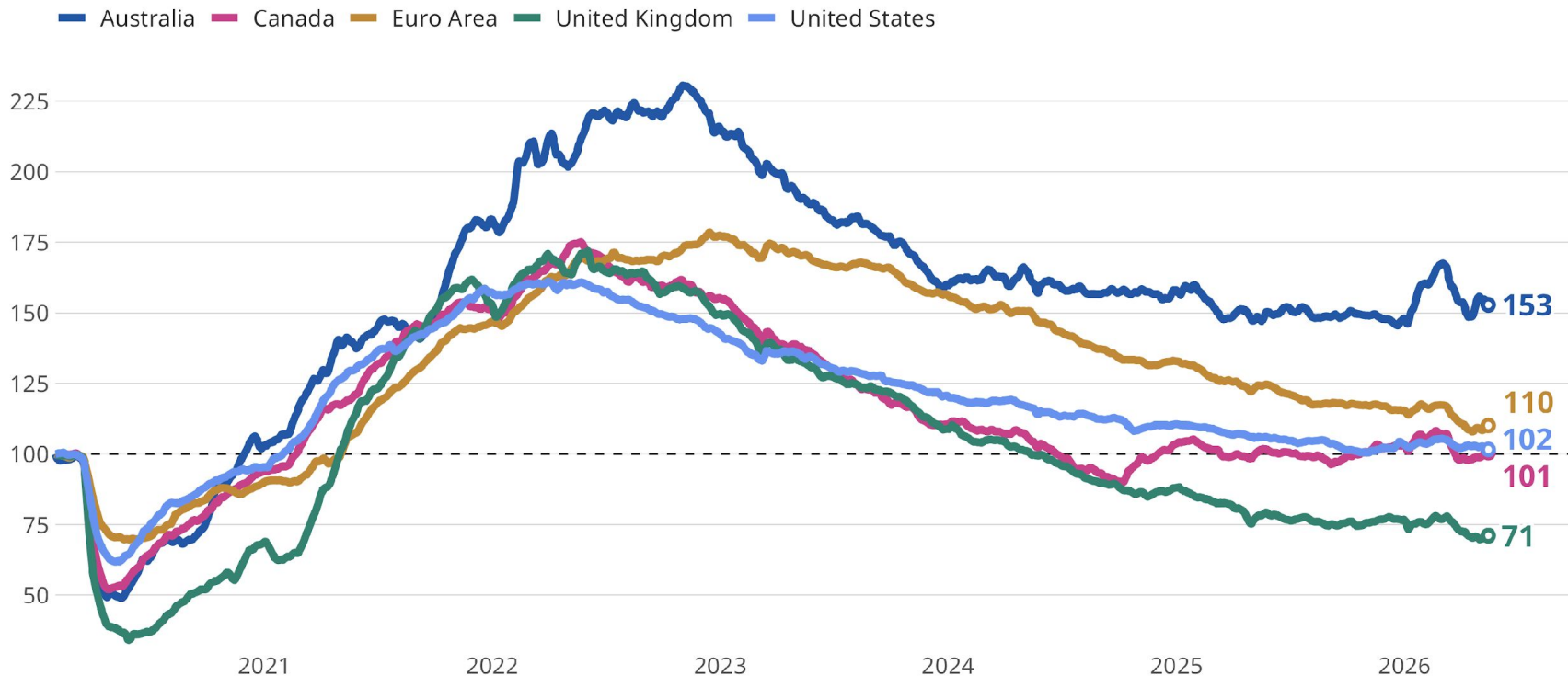


Europe: Labour Market Overview

- Job postings remain elevated in the Euro area relative to the pre-pandemic baseline, but momentum has slowed and the breadth of demand is narrowing.
- Spain and Italy stand out among European economies as continuing to see elevated job postings.
- High-remote occupations have seen the largest decreases in postings. Meanwhile AI-related postings are surging even as overall hiring demand softens.
- Posted wage growth remains strong across most of Europe but is no longer outpacing inflation, weighing on workers' purchasing power.
- Unemployment, and labour market slack more broadly, diverge across countries, with larger markets like France and Germany continuing to see loosening.
- Participation rates are improving broadly across workers aged 25 - 54.
- Risks, including elevated policy uncertainty, still-high oil prices and high long-term borrowing costs, cloud the outlook for a meaningful improvement in labour markets.

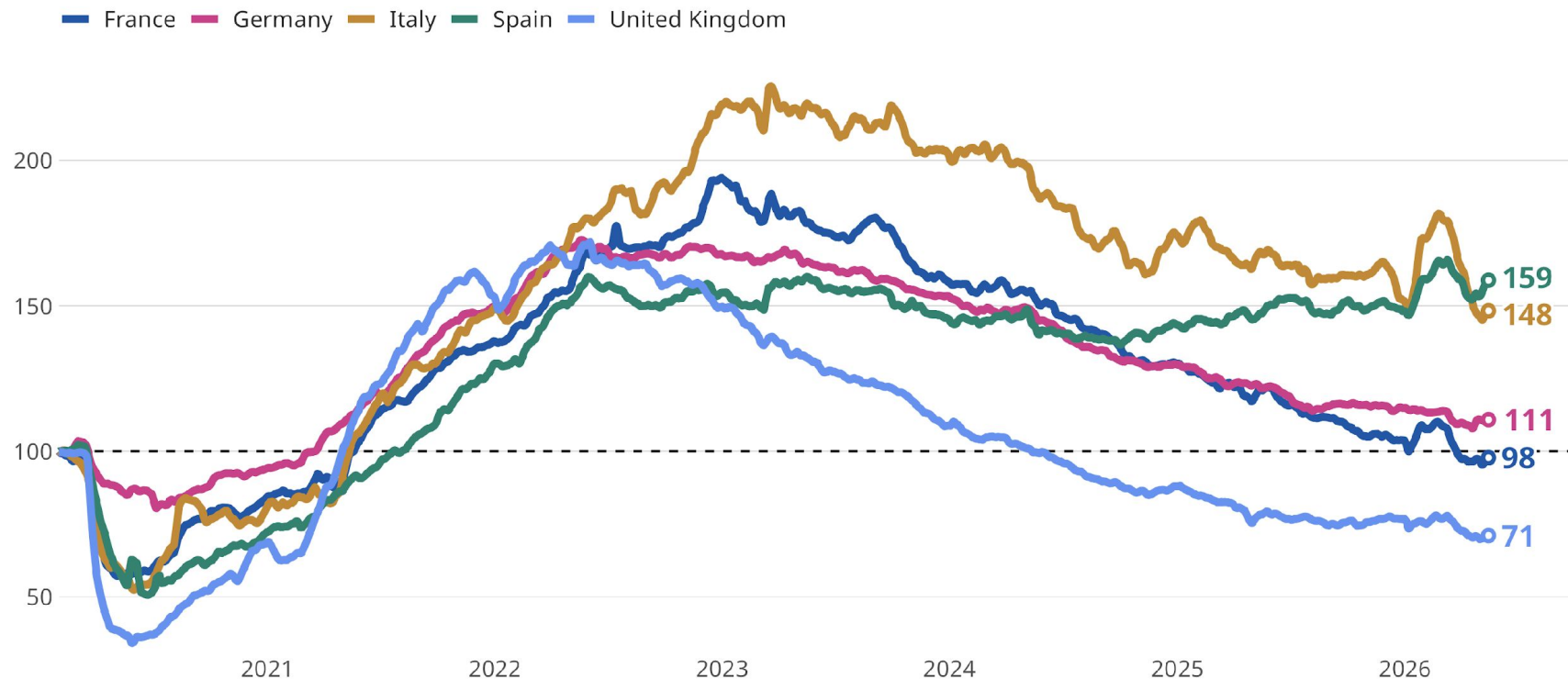
Job postings remain above pre-pandemic levels in the Euro Area

Indexed level of job postings (100 = 1 Feb 2020), through 15 May 2026



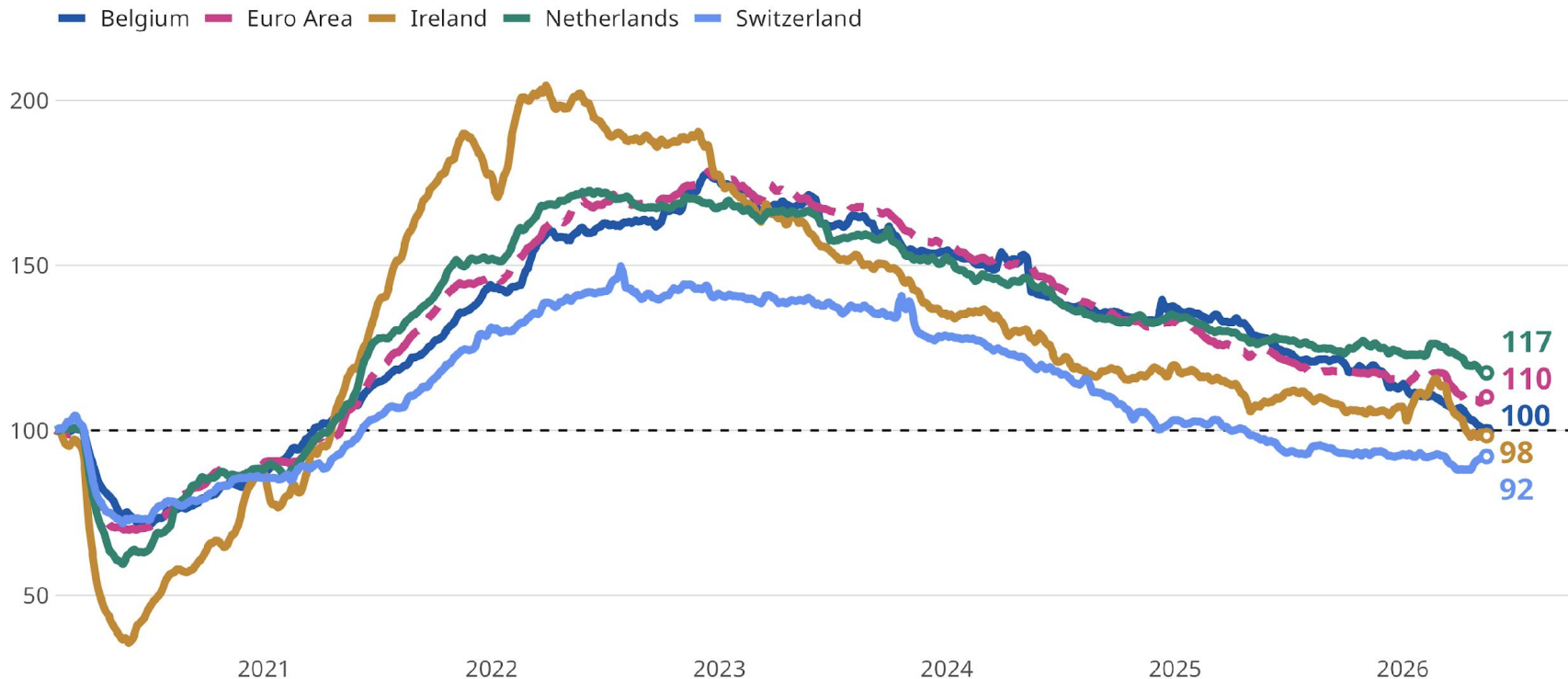
Job postings strength varies markedly across large European economies

Indexed level of job postings (100 = 1 Feb 2020), through 15 May 2026



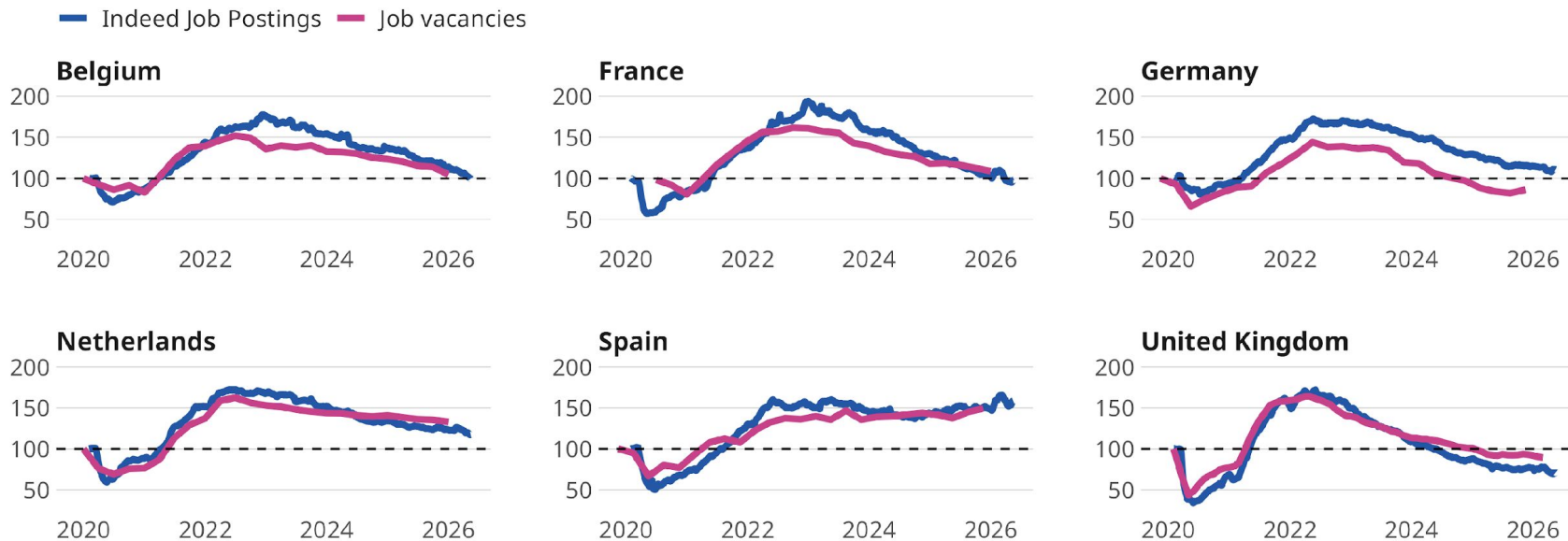
Some smaller European economies are underperforming the Euro Area

Indexed level of job postings (100 = 1 Feb 2020), through 15 May 2026



Indeed job postings track official job vacancy data well

Seasonally adjusted index, through May 2026

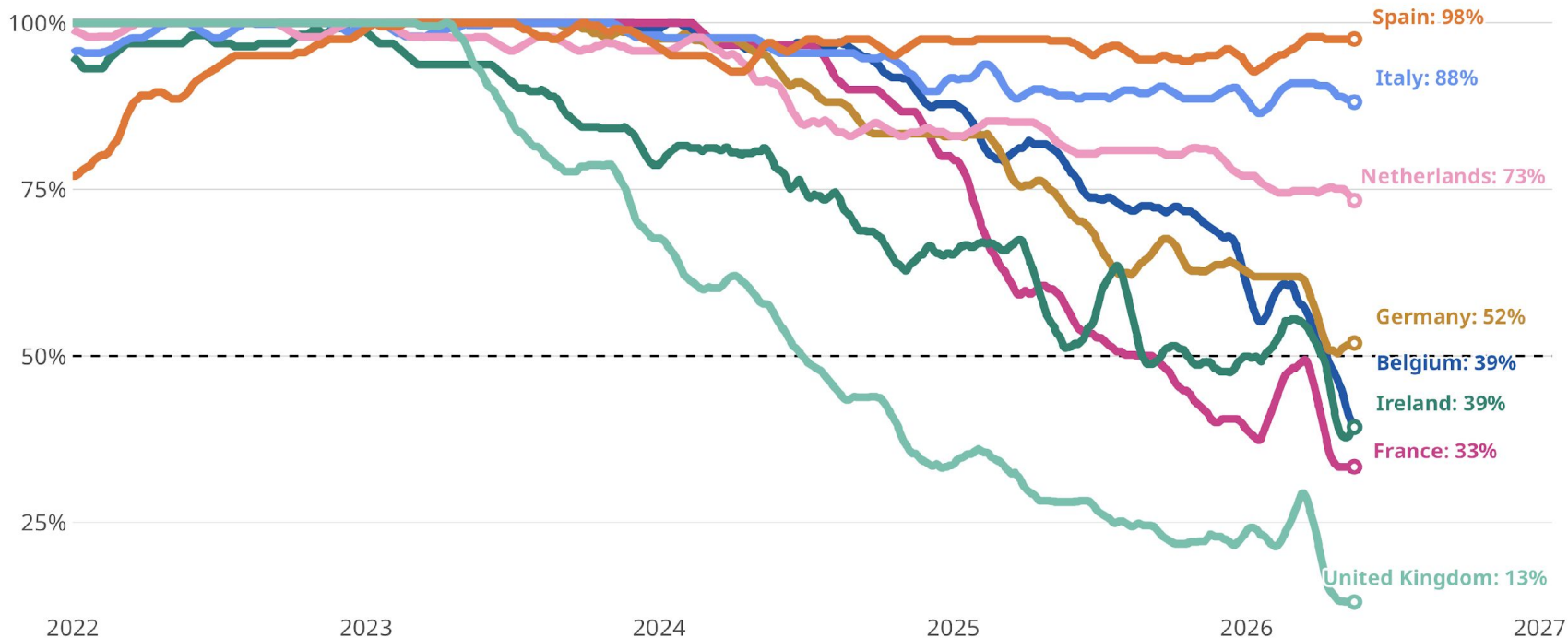


Source: Indeed, Eurostat (Germany, France, Spain, Belgium, Netherlands; quarterly data, to Q4 2025), ONS (United Kingdom; monthly data, to Mar 2026). Index 100 = Feb 2020 for Indeed and ONS data. Index = Q4 2019 for Eurostat data. Missing value in French data for Q1 2020. Eurostat data is survey-based and refers to NACE-Rev. 2 sectors B-S (French data excludes sector O (public administration) as well as public jobs in P (education) and Q (human health/social work)).



Majority of occupations in the UK have postings below baseline

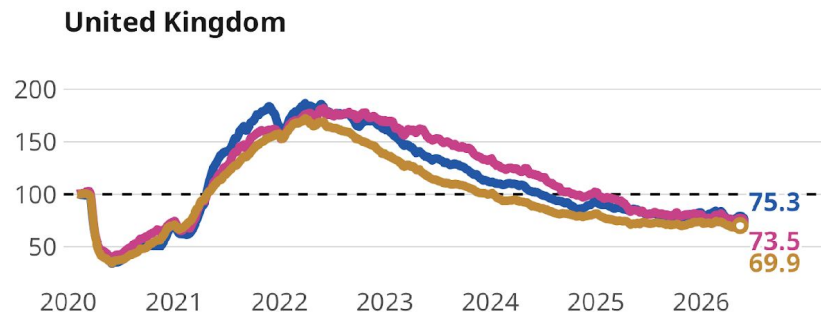
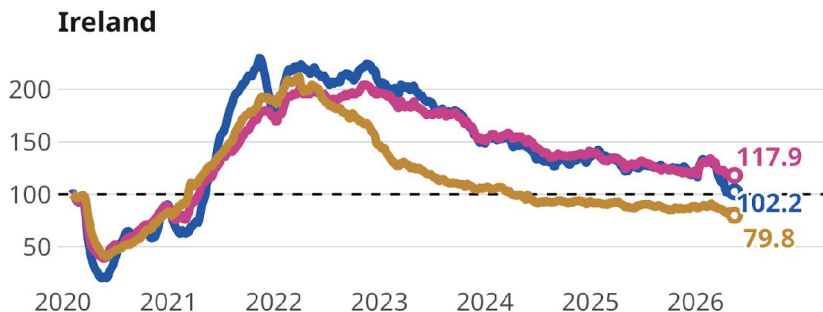
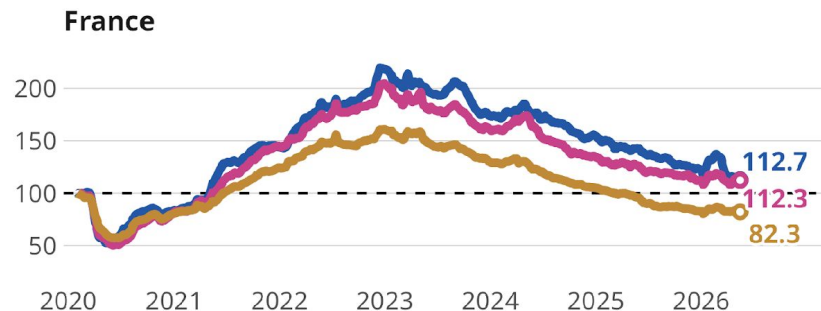
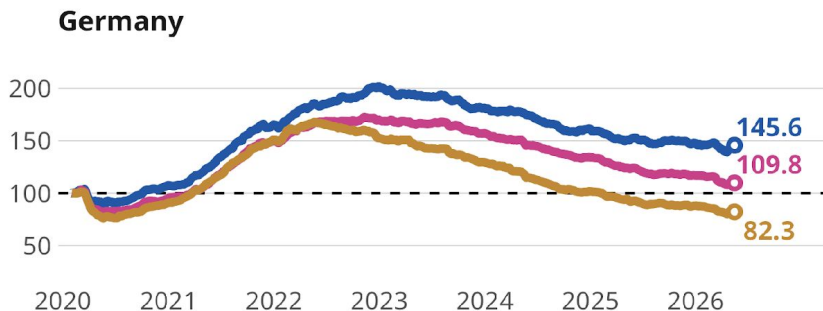
Share of occupational categories with postings above pre-pandemic baseline (01 Feb 2020), 30-day moving avg., through 15 May 2026



Postings are weakest in high-remote sectors

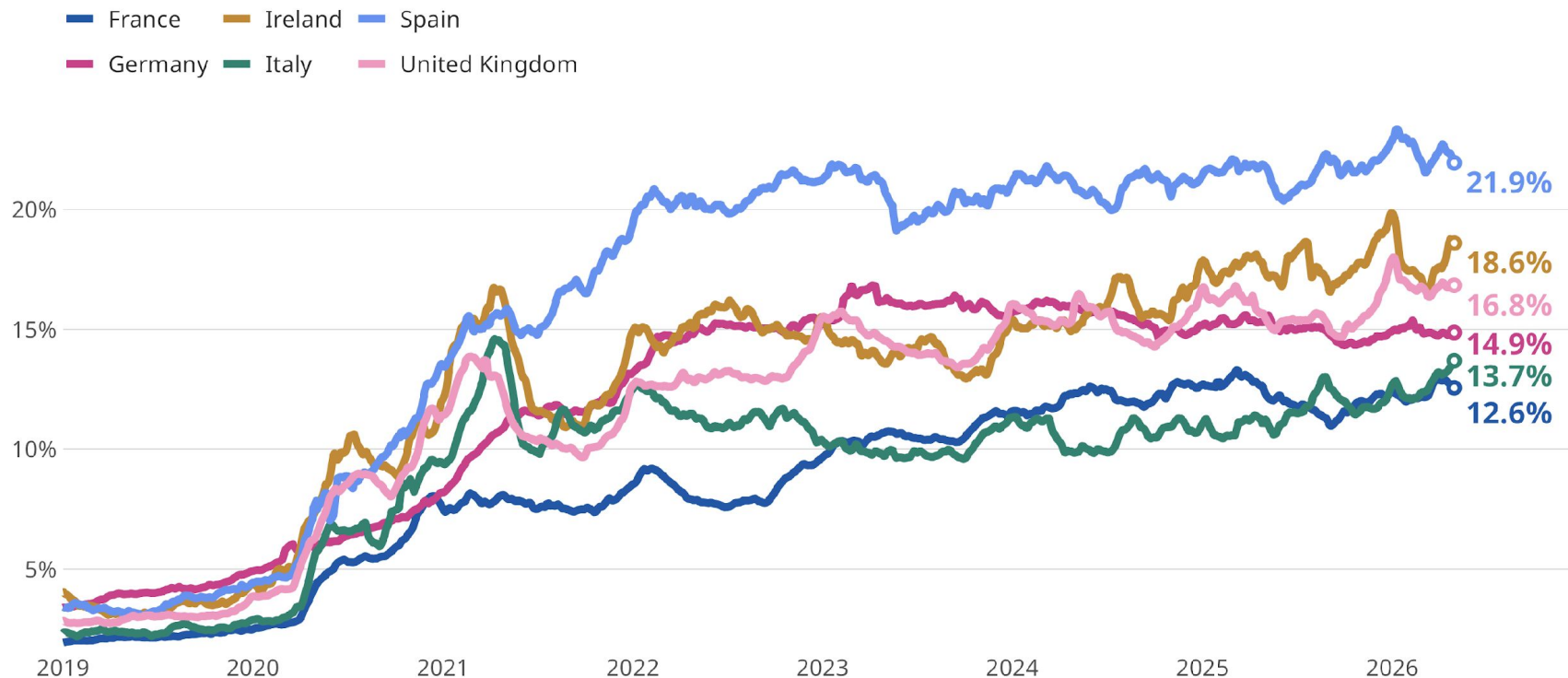
Index 100 = Feb 2020, seasonally adjusted, through 15 May 2026

Low remote Middle remote High remote



Incidence of remote work remains high

Share (%) of job postings mentioning remote/hybrid terms, through Apr 2026

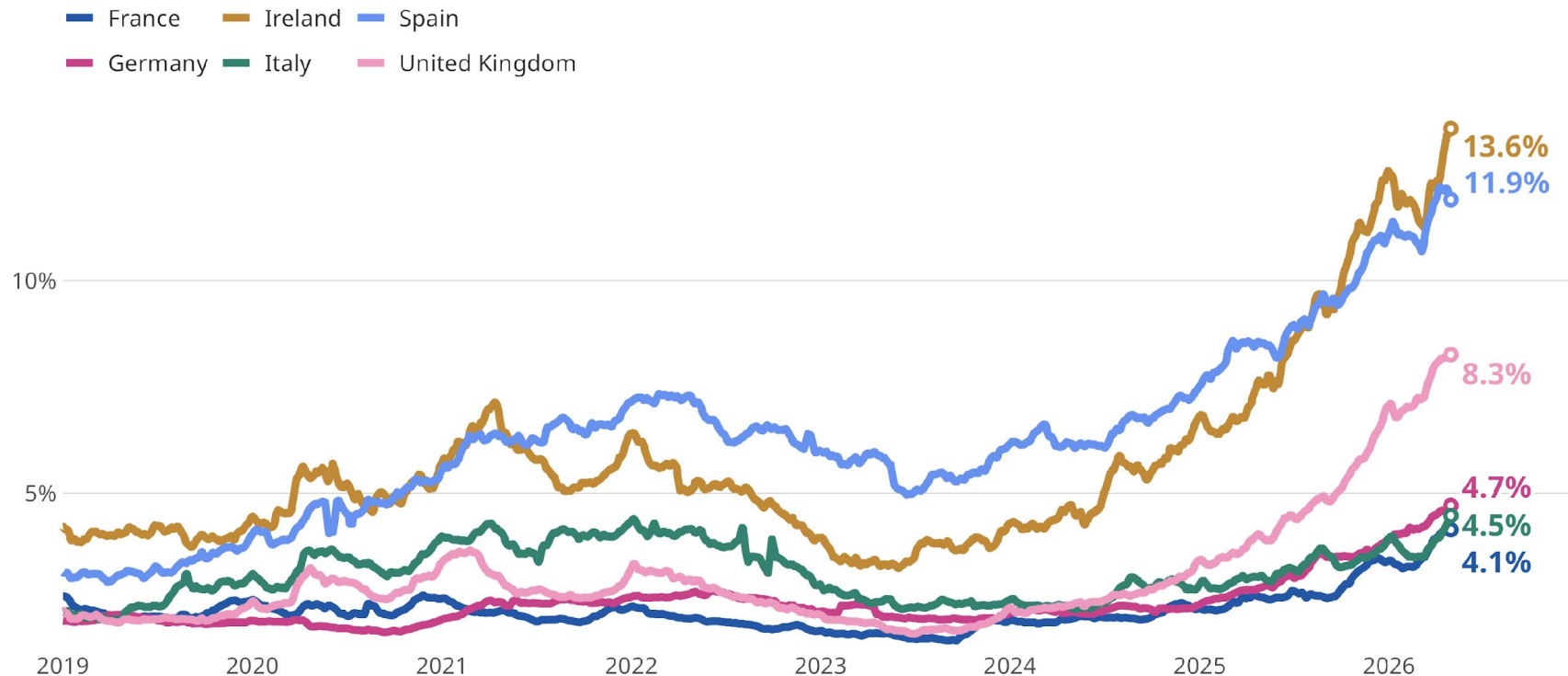


Source: Indeed



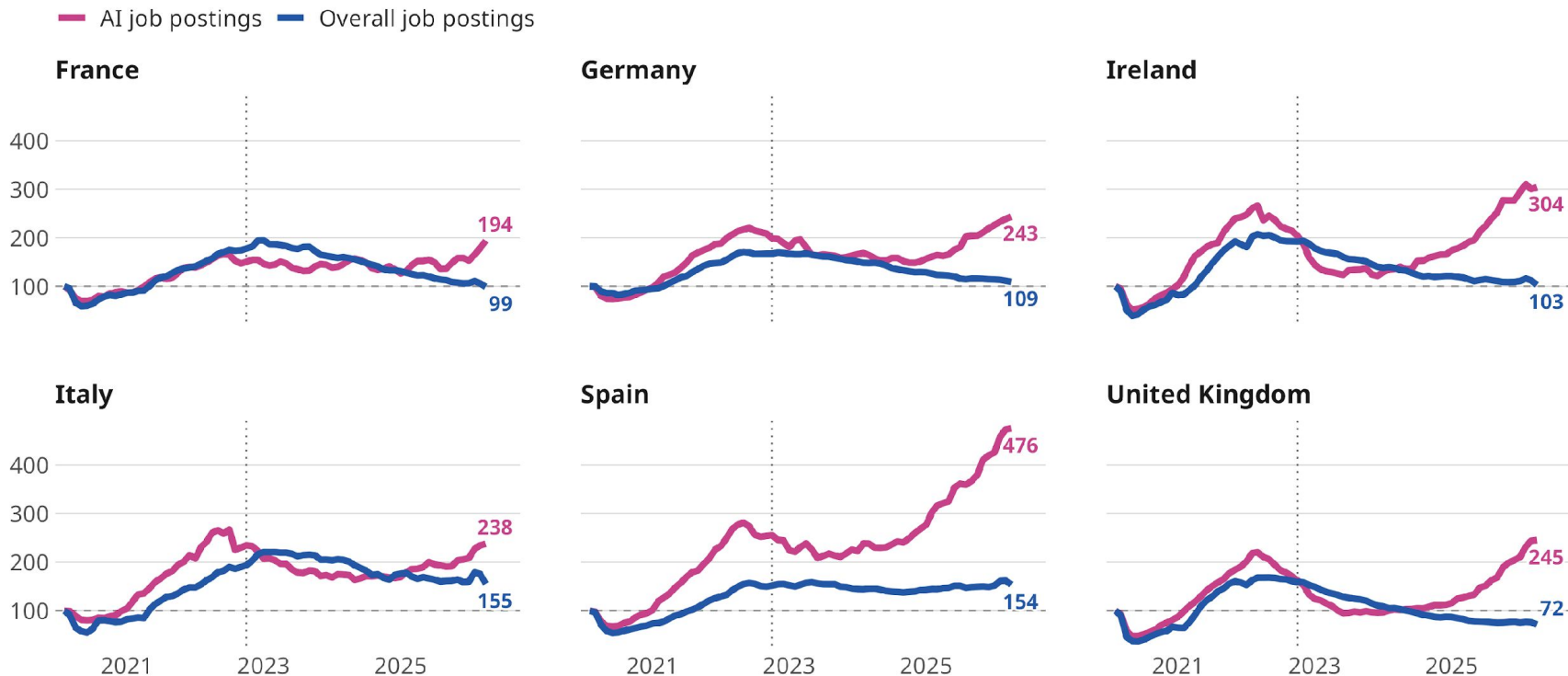
AI mentions in job postings are climbing across Europe

Share (%) of job postings containing terms related to AI, through Apr 2026



AI job postings have surged while overall postings have fallen

Indeed Job Postings Index (1 Feb 2020 = 100), monthly average, through Apr 2026

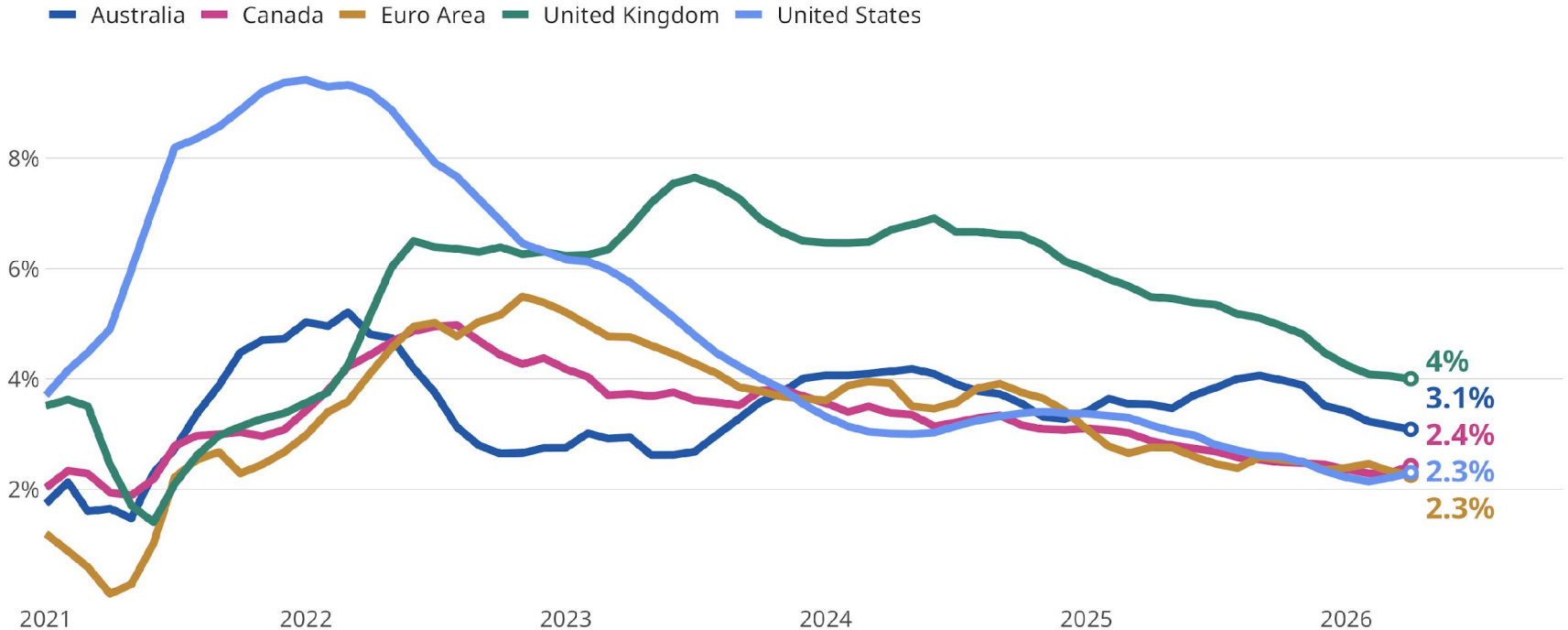


Source: Indeed. AI job postings are postings that include AI terms in the job description.



European annual wage growth is on par with Canada and US

Yr/Yr growth in wages/salaries advertised in job postings on Indeed, 3-month moving avg., through Apr 2026



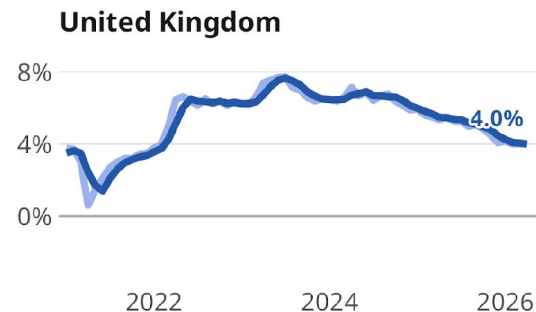
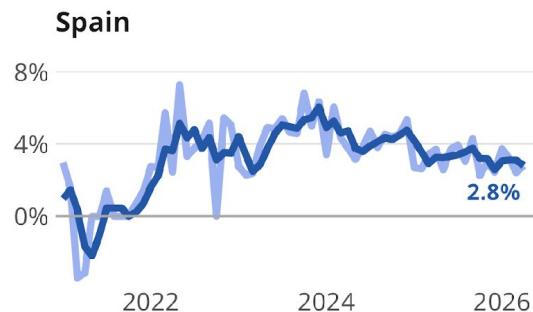
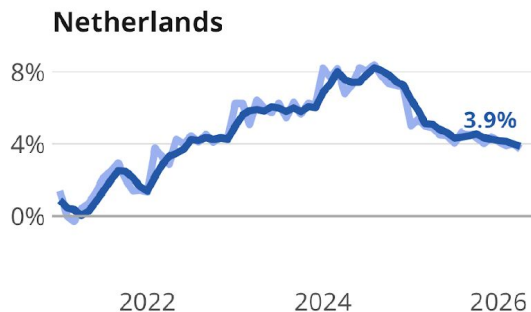
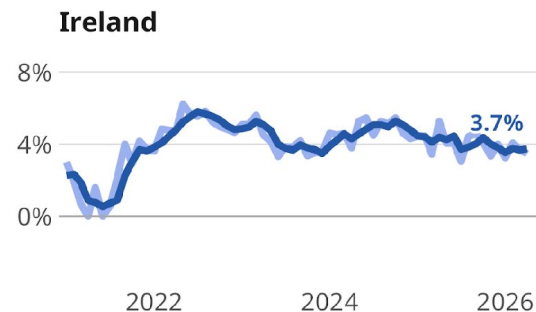
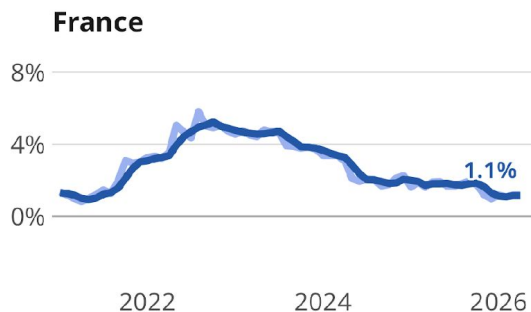
Source: Indeed



Wage growth solid across most of Europe but modest in France

Yr/Yr growth in posted wages, through Apr 2026

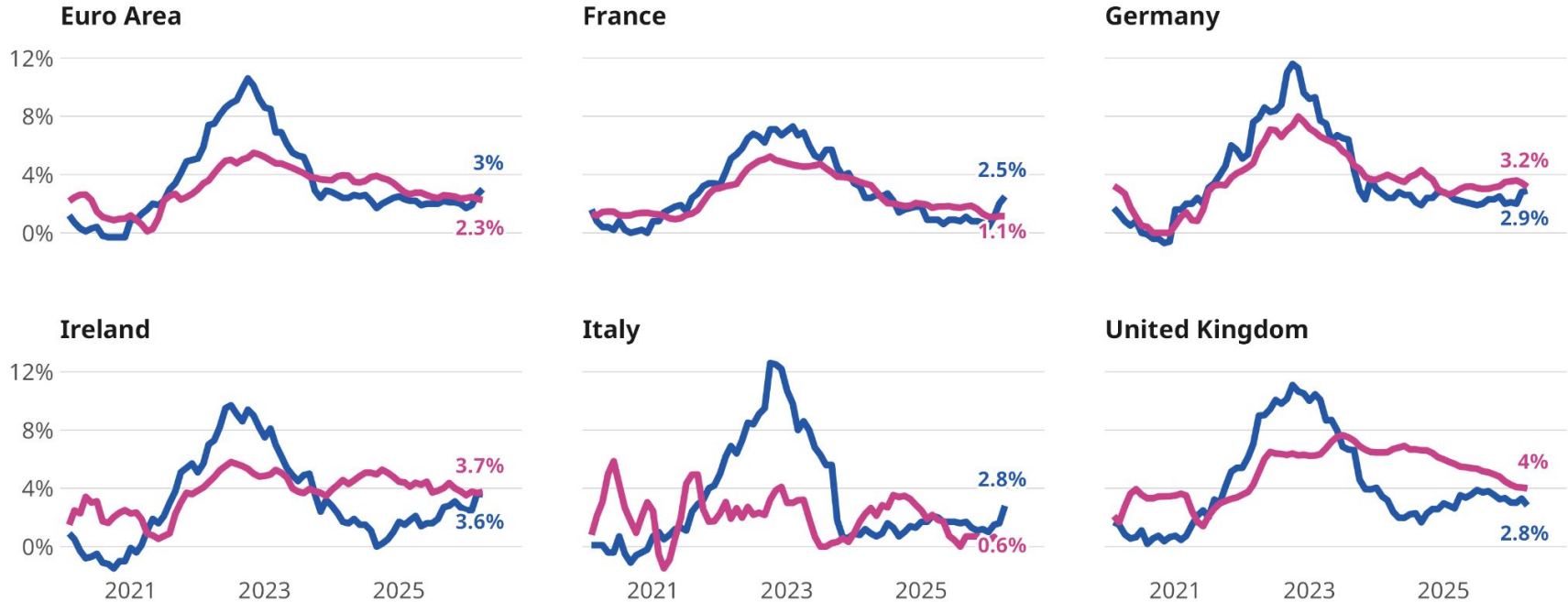
— Wage growth yr/yr — Wage growth yr/yr (3mo avg)



Inflation is outpacing posted wage growth in Euro Area

Indeed Wage Tracker vs. headline inflation, Yr/Yr growth, through Apr 2026

— Inflation — Posted Wage Growth



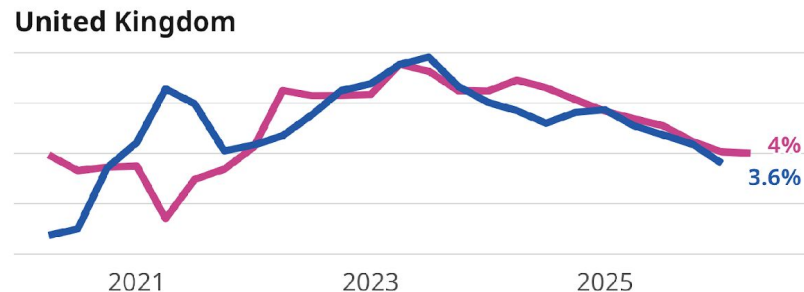
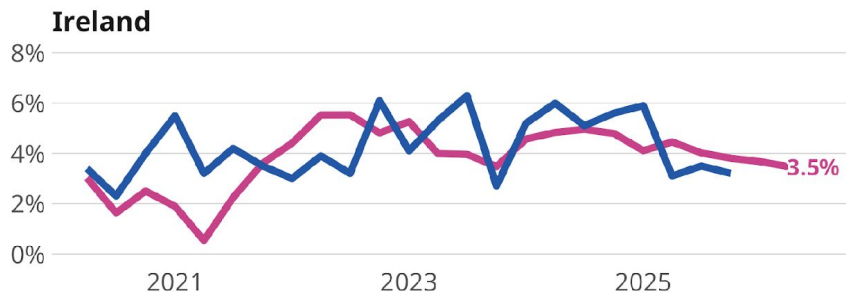
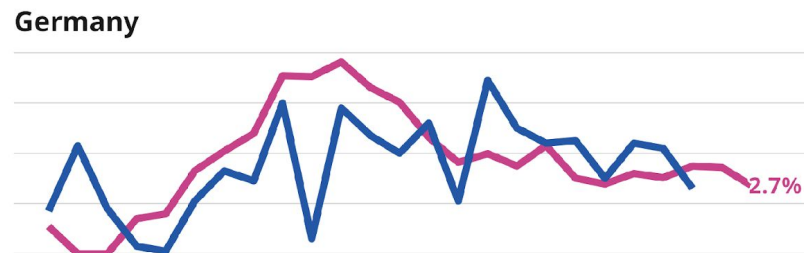
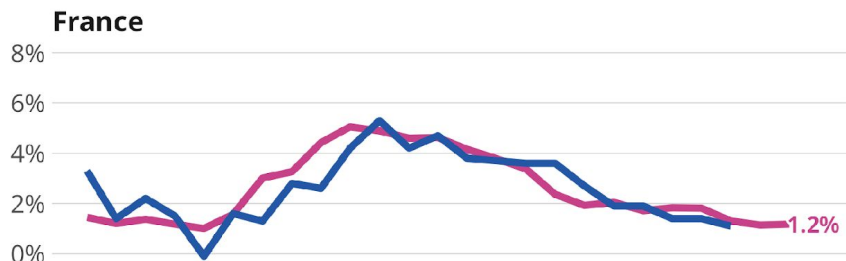
Sources: Indeed, Eurostat (All-items Harmonized Index of Consumer Prices), ONS (Total Consumer Price Index, UK).
Wage data 3-month moving average.



The Indeed Wage Tracker mirrors official pay data

Yr/Yr growth in wages, Indeed Wage Tracker and official pay measures, quarterly avg., through Q2 2026

— Posted Wage Growth (Indeed) — Wages & Salary Growth (Official)

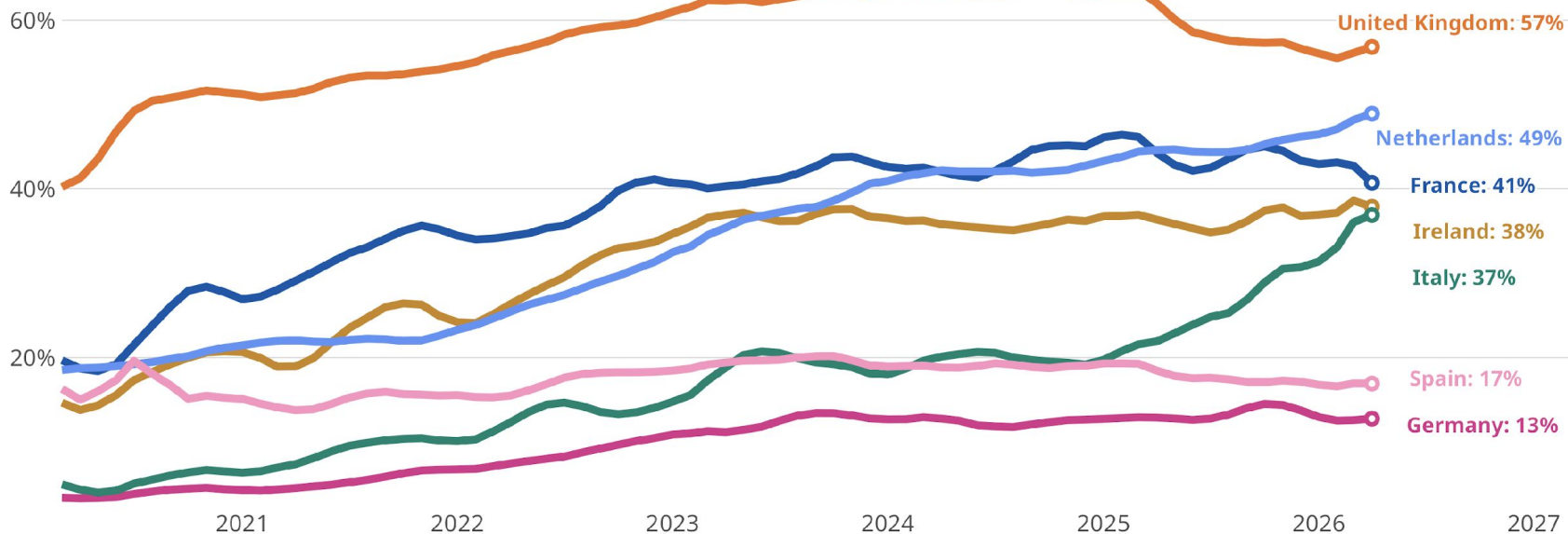


Sources: Indeed, Eurostat (Wages and Salaries from Labour Cost Index, NACE B-S), ONS (Average Weekly Earnings, Regular Pay, UK).



Pay transparency is stalling ahead of incoming legislation

Share of job postings containing salary information (%), 3-month moving avg., through Apr 2026

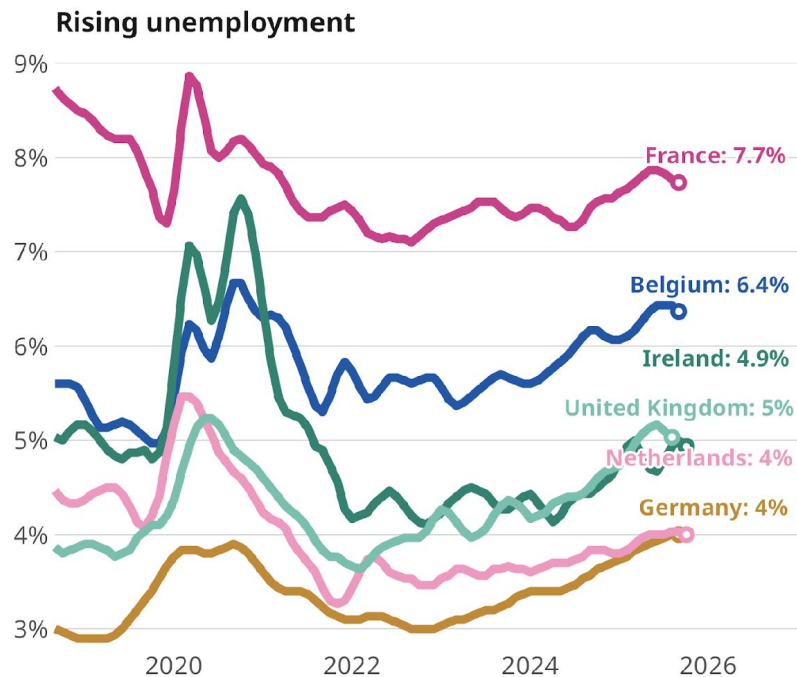
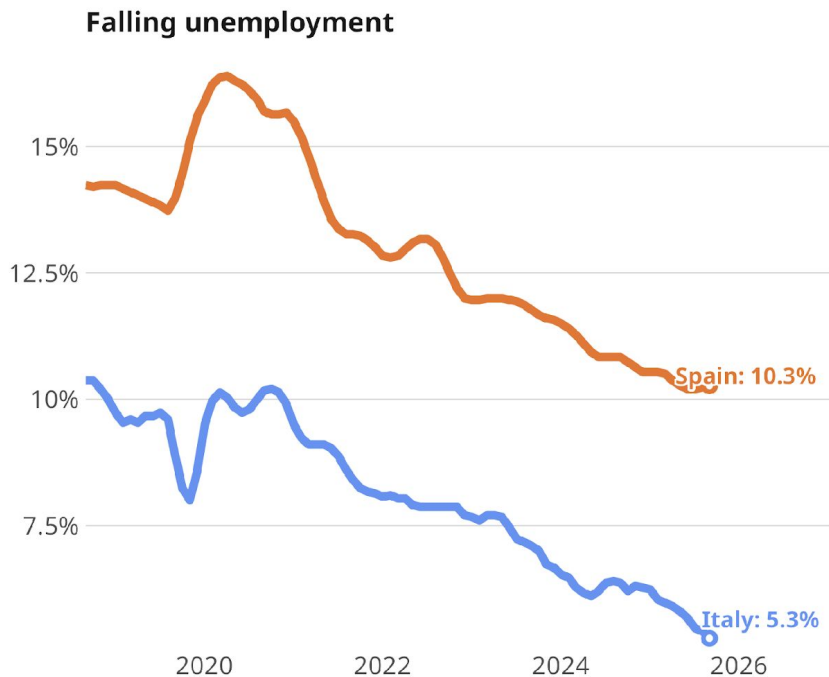


Source: Indeed. Share of job postings containing some form of salary information, 3-month moving average. Incoming EU pay transparency directive takes effect in 2026.



Unemployment is rising in Northern Europe but falling in the South

Unemployment rate (% of labour force, 15-74), 3-month moving avg., through Apr 2026

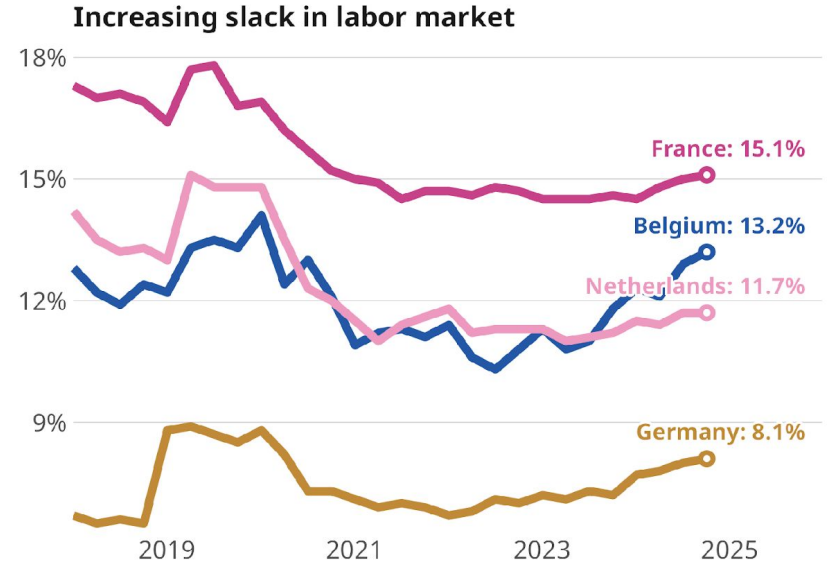
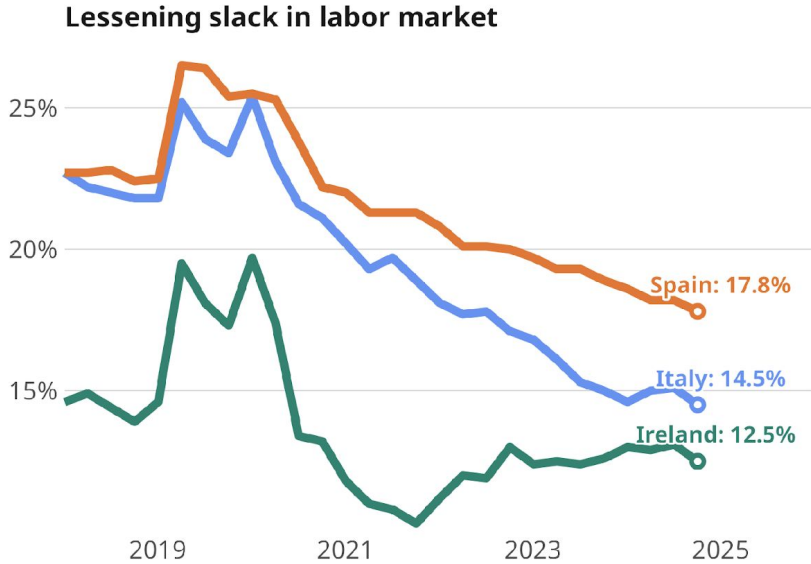


Source: Eurostat (une_rt_m), ONS via Macrobond. Age 15-74 for EU countries and Euro Area; age 16+ for United Kingdom (ONS LFS). Panels split by year-over-year change in the 3-month moving average.



Labour market slack is diverging across Europe

Composite labour underutilization rate (% of extended labour force, 15-74), quarterly, through Q4 2025

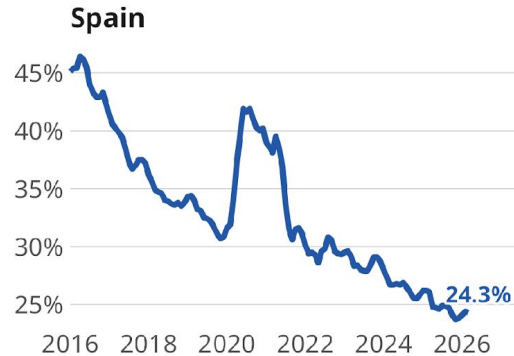
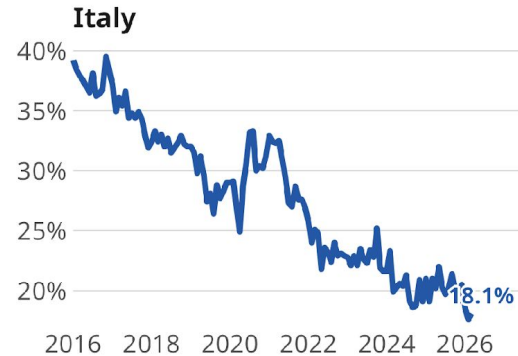
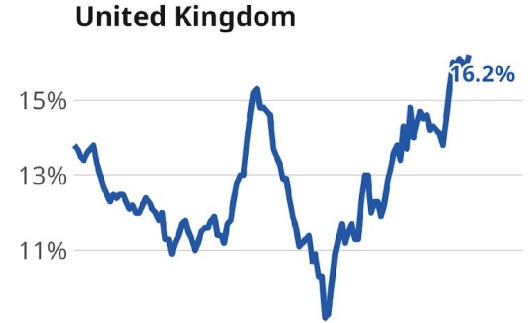
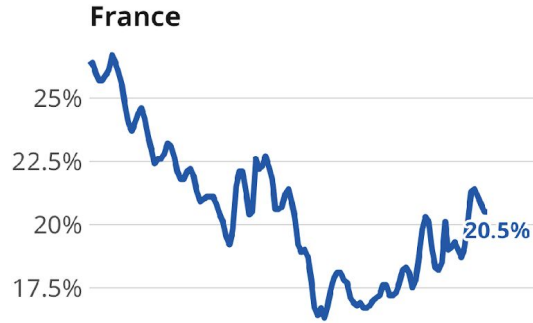
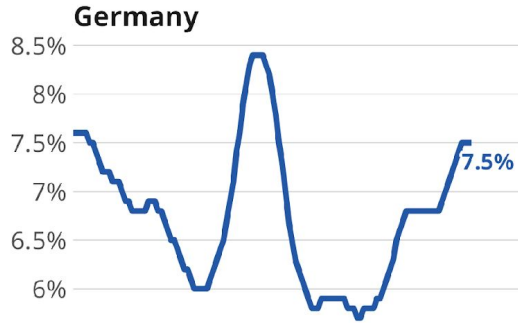


Source: Eurostat (lfsi_sla_q). Composite measure of labour underutilization includes unemployment, time-related underemployment, and the potential additional labour force (persons available but not seeking work, or seeking but not immediately available). Seasonally adjusted. Age 15-74. Panels split by year-over-year change.



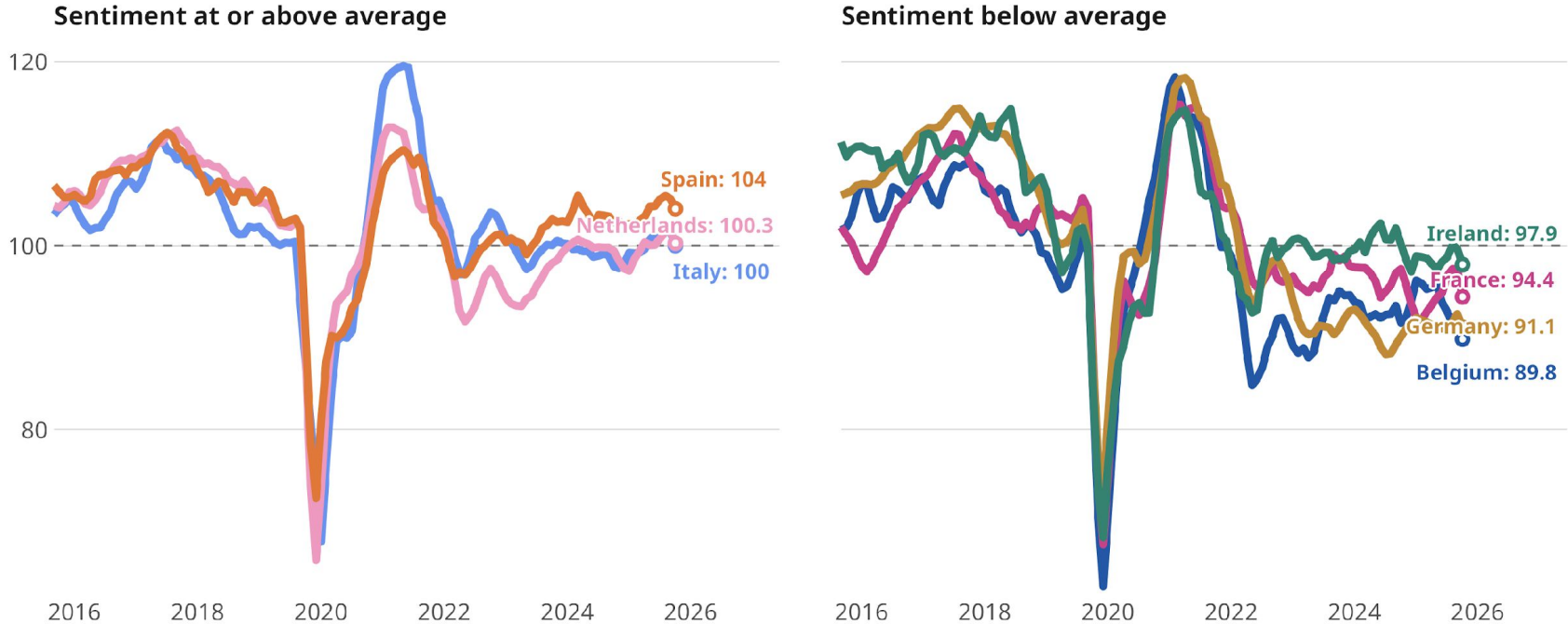
Youth unemployment highest in a decade in UK

Under-25 unemployment rate (%), seasonally adjusted, through Apr 2026



Economic sentiment is below average in many countries

Economic Sentiment Indicator (long-run avg. = 100), 3-month moving avg., through Apr 2026

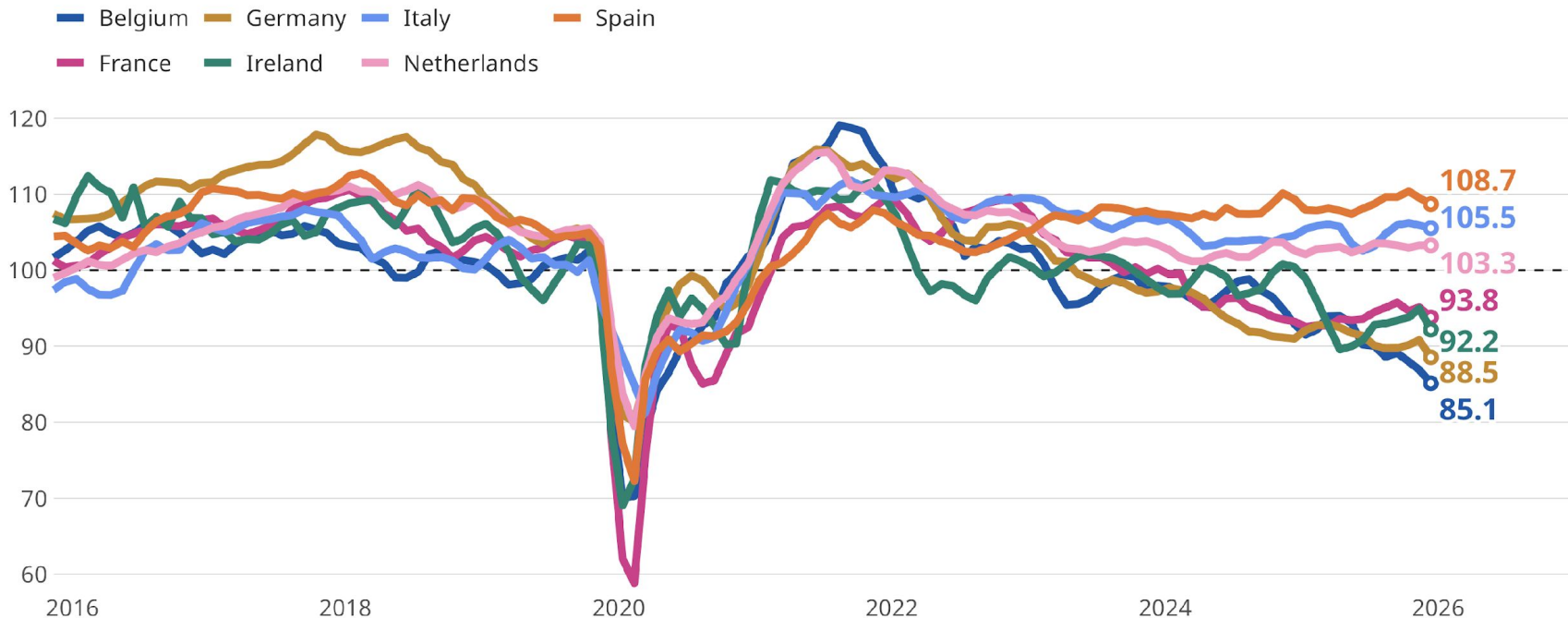


Source: European Commission Business and Consumer Survey (DG ECFIN) via Eurostat (ei_bssi_m). Long-run average = 100. Panels split by most recent 3-month moving average relative to the long-run average.



Employment expectations subdued across major European economies

Industry employment expectations balance (long-run avg. = 100), 3-month moving avg., through Apr 2026



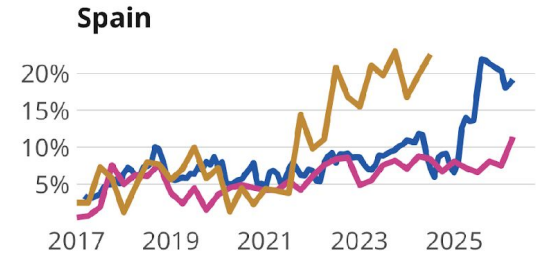
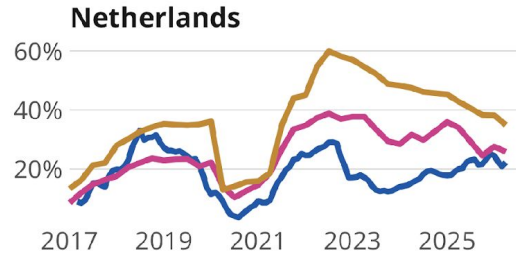
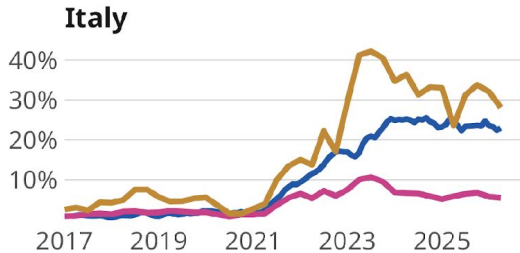
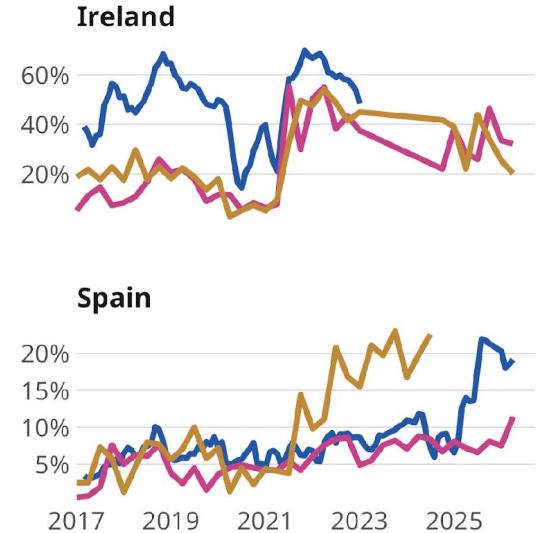
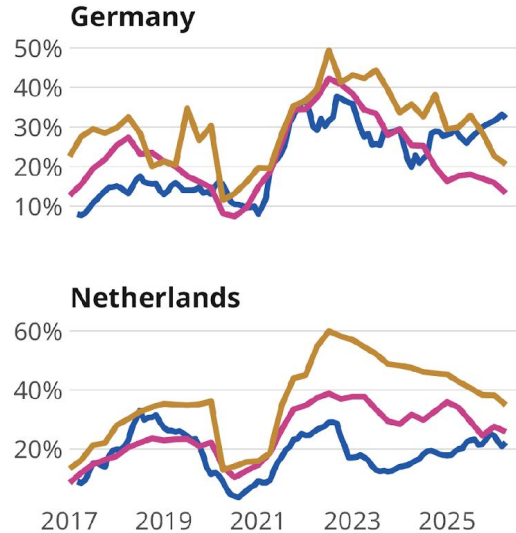
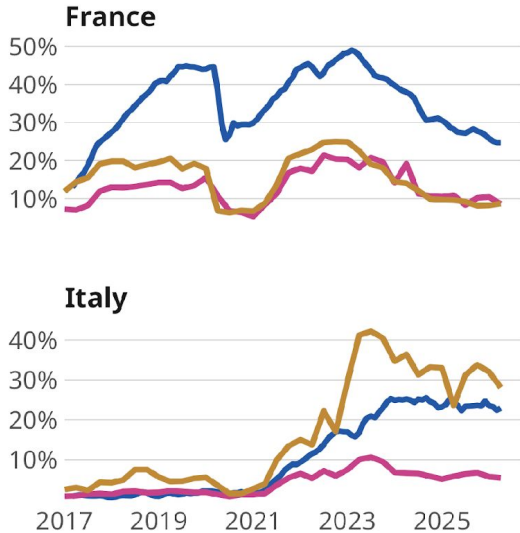
Source: European Commission Business and Consumer Survey (DG ECFIN) via Eurostat (ei_bssi_m, BS-ISPE-BAL). Balance of industry survey employment expectations (6 months ahead).



Hiring challenges persist but continue to ease

Share of companies reporting labour shortages as a factor limiting production, through Apr 2026

— Construction — Industry — Services

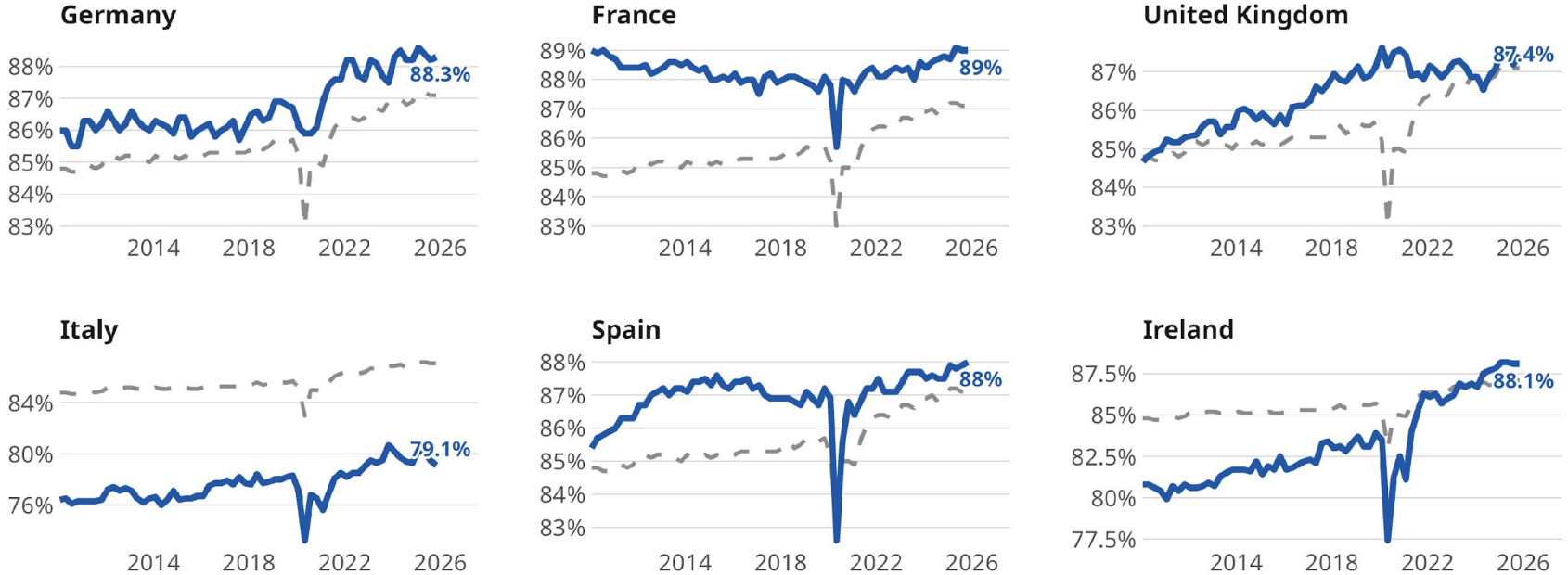


Source: European Commission Directorate General for Economic and Financial Affairs (DG ECFIN), Business and Consumer Surveys via Eurostat (ei_bsbu_m_r2 / ei_bsin_q_r2 / ei_bsse_q_r2). Share of companies reporting labour as a factor limiting production. Construction series shown as 3-month moving average; Industry and Services are quarterly.



Prime-age labour force participation has risen across most of Europe

Activity rate (% of population aged 25-54), seasonally adjusted, through Q4 2025. Grey dashed line shows Euro Area aggregate.

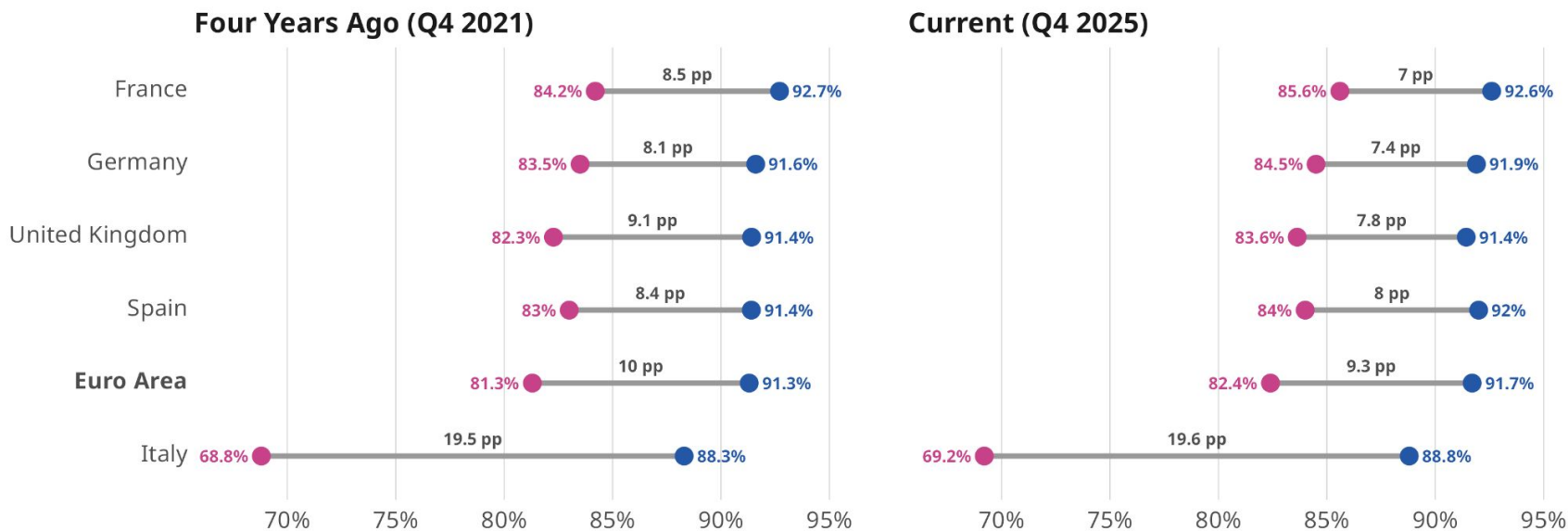


Source: Eurostat (lfsi_emp_q) for EU/EA countries; ILOSTAT (EAP_DWAP_SEX_AGE_RT_Q) for United Kingdom.
Activity rate (labour force as % of population aged 25-54), seasonally adjusted. Grey dashed line in each panel shows Euro Area aggregate.

The gap in labour force participation by gender has narrowed

Female and male activity rate (% of population aged 25-54), seasonally adjusted; through Q4 2025

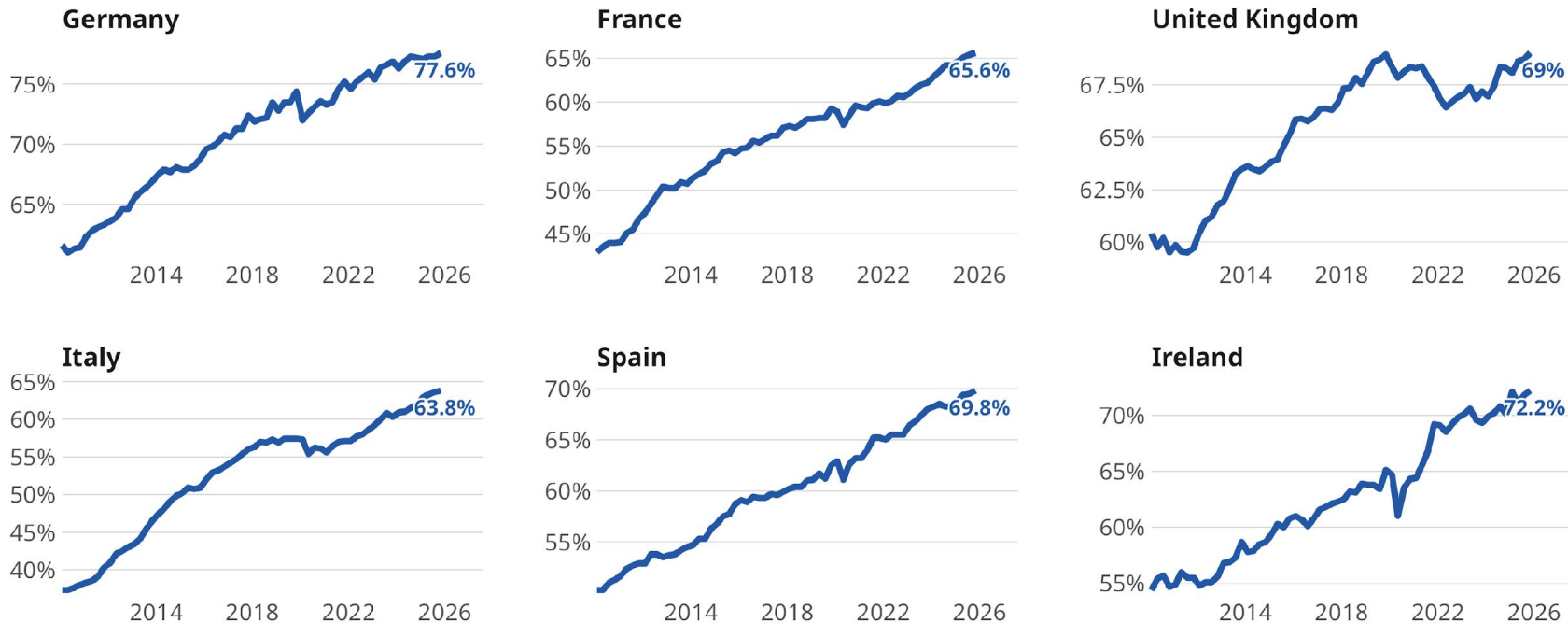
● Female ● Male



Source: Eurostat (Ifsi_emp_q) for EU/EA countries; ILOSTAT (EAP_DWAP_SEX_AGE_RT_Q) for United Kingdom. Prime-age (25-54) activity rate, seasonally adjusted. Each panel shows male and female activity rates for the same quarter, with the gap (percentage points) labelled. Countries sorted by gap in Q4 2025, smallest at top.

Older workers' participation has trended up almost everywhere

Activity rate (% of population aged 55-64), seasonally adjusted, through Q4 2025

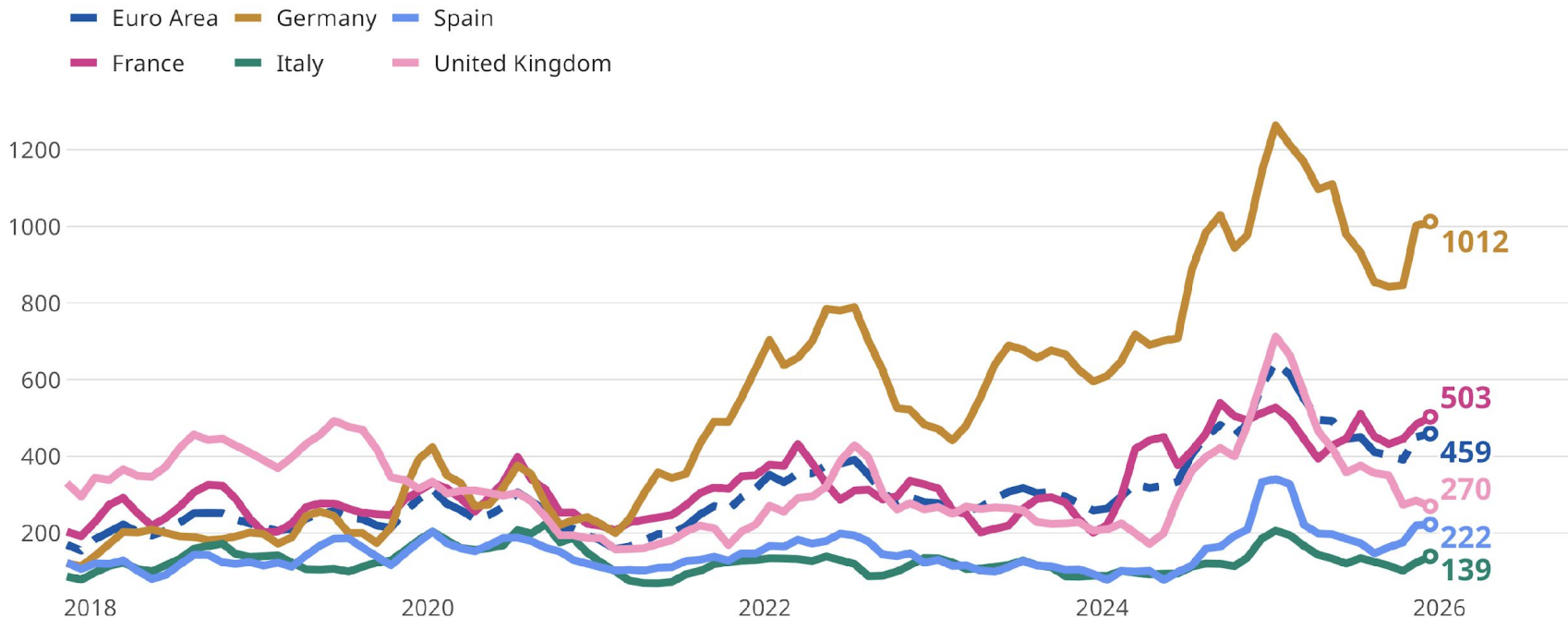


Source: Eurostat (lfsi_emp_q) for EU/EA countries; ILOSTAT (EAP_DWAP_SEX_AGE_RT_Q) for United Kingdom. Activity rate (labour force as % of population aged 55-64), seasonally adjusted.



Policy uncertainty is down from early 2025, but still elevated

Economic Policy Uncertainty Index (higher = more uncertainty), 3-month moving avg., through Apr 2026



Source: Baker, Bloom, and Davis (2016) via FRED. Euro Area composite (dashed) is GDP-weighted average of Germany, France, Italy, and Spain.



Oil prices have risen sharply since the start of the Iran war

Brent crude oil spot price (USD per barrel), daily, through 18 May 2026

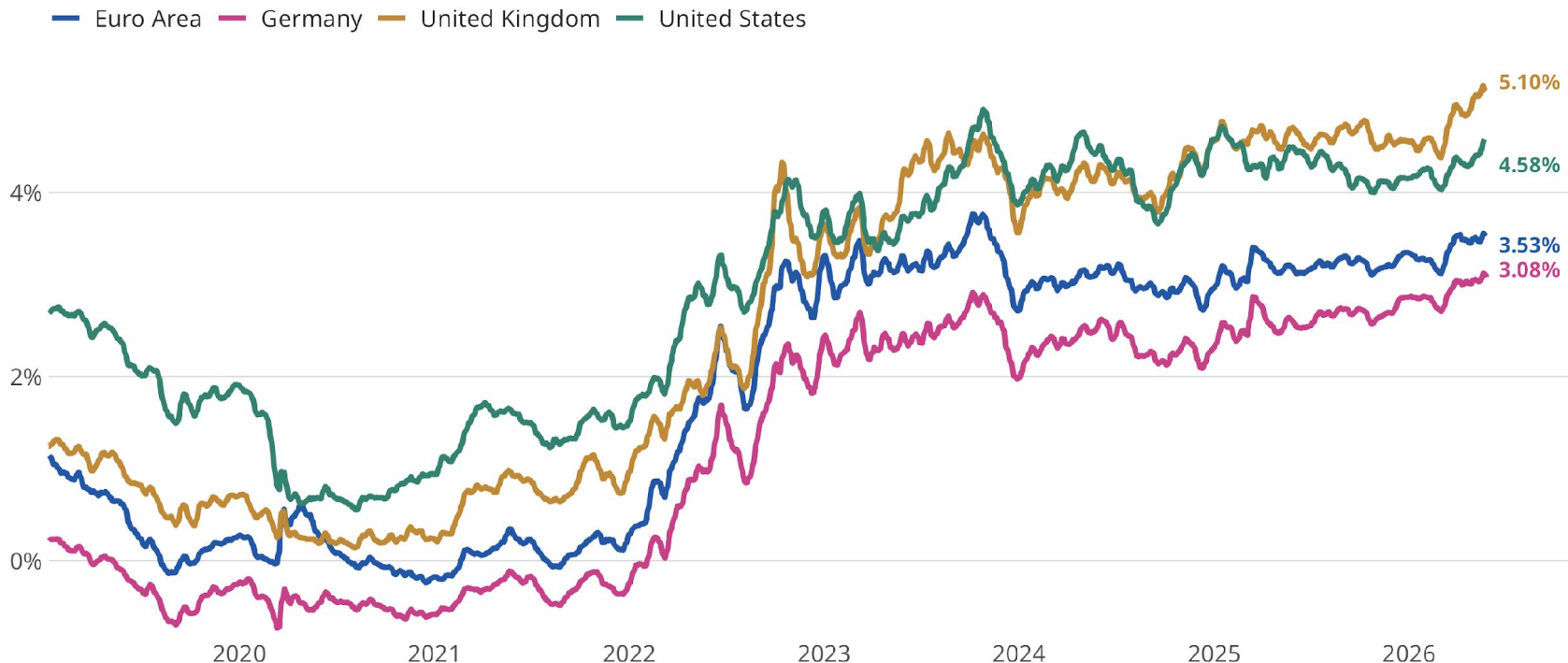


Source: U.S. Energy Information Administration (EIA) via FRED (DCOILBRETEU).



Long-term bond yields are rising

10-year government bond yields, 7-day moving avg., through 26 May 2026



Source: Macrobond (DE / GB / US) and ECB Statistical Data Warehouse (Euro Area). 10-year benchmark government bond yields, 7-day moving average. DE = Bund, GB = Gilt, US = Treasury, EA = ECB composite 10Y benchmark.