# European Labour Market Chartbook

July 2026

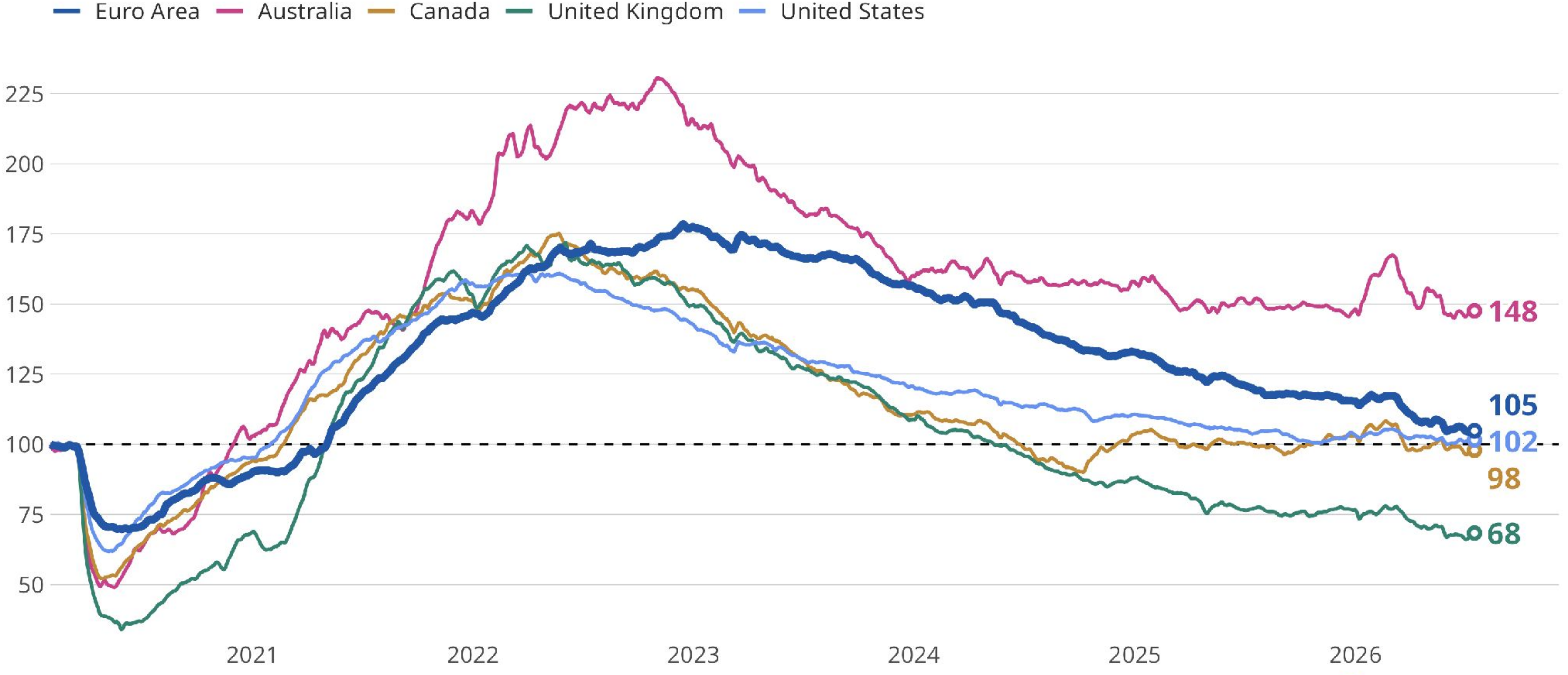
Indeed Hiring Lab

# Europe: July 2026 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 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.

# Renewed deterioration in European job postings

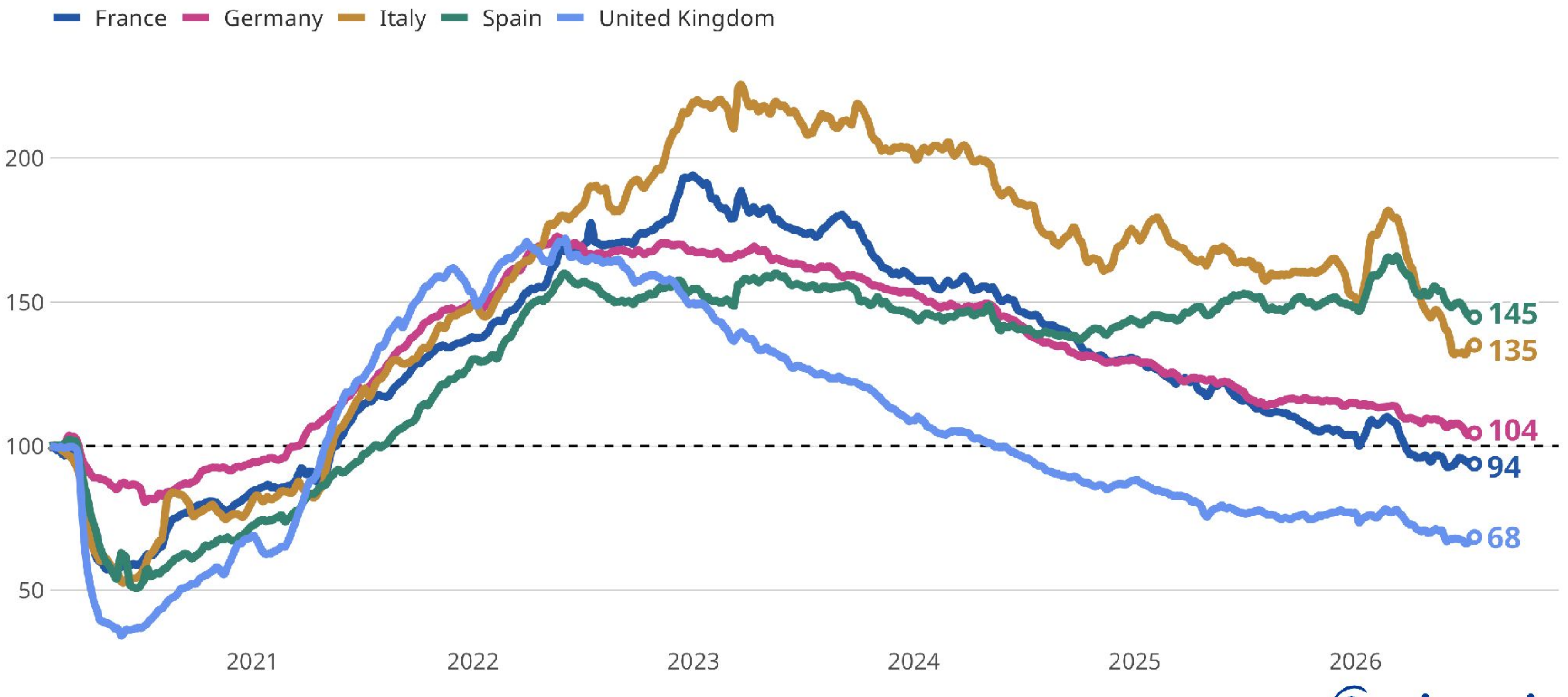
Indeed Job Postings Index (1 Feb 2020 = 100), through 17 Jul 2026




Source: Indeed

# Spanish job postings outperform other large European economies

Indeed Job Postings Index (1 Feb 2020 = 100), through 17 Jul 2026




Source: Indeed

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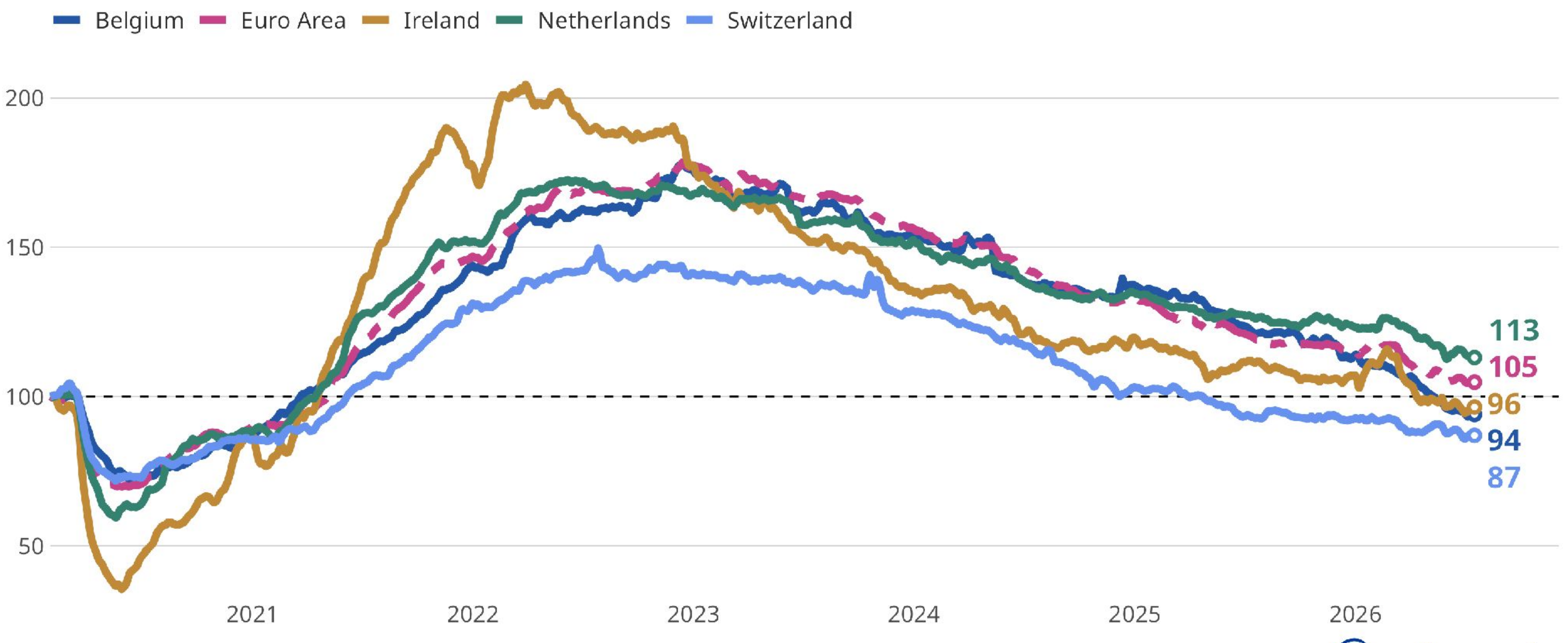
# Some smaller European economies are underperforming the Euro Area

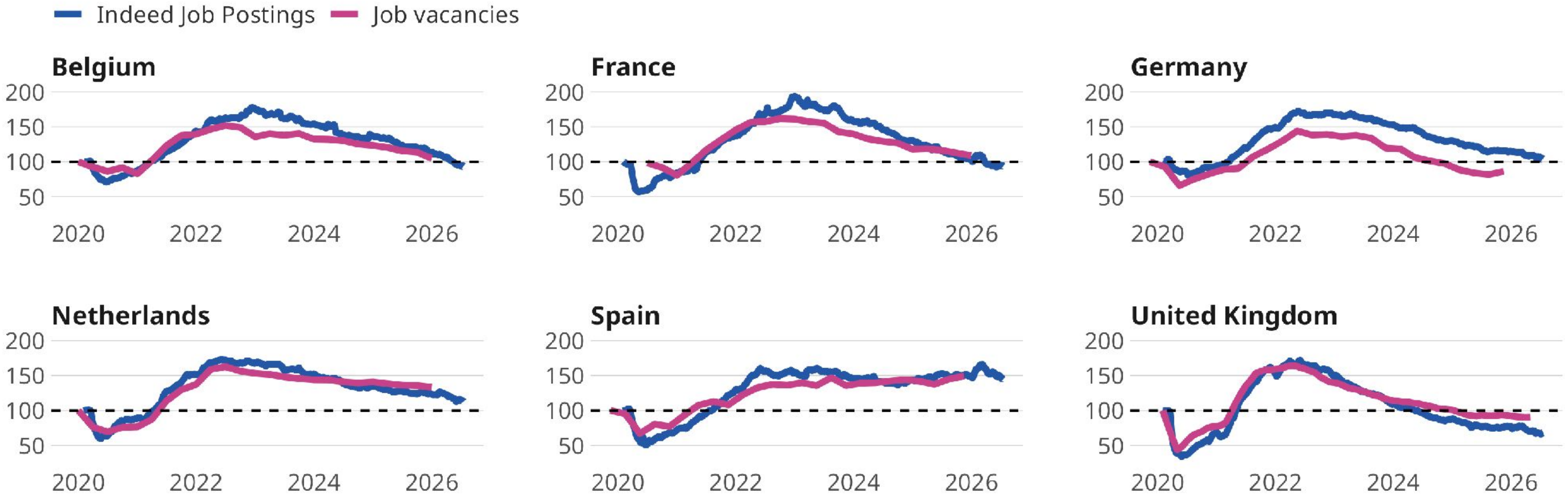
Indeed Job Postings Index (1 Feb 2020 = 100), through 17 Jul 2026




Source: Indeed

# Indeed job postings track official job vacancy data well

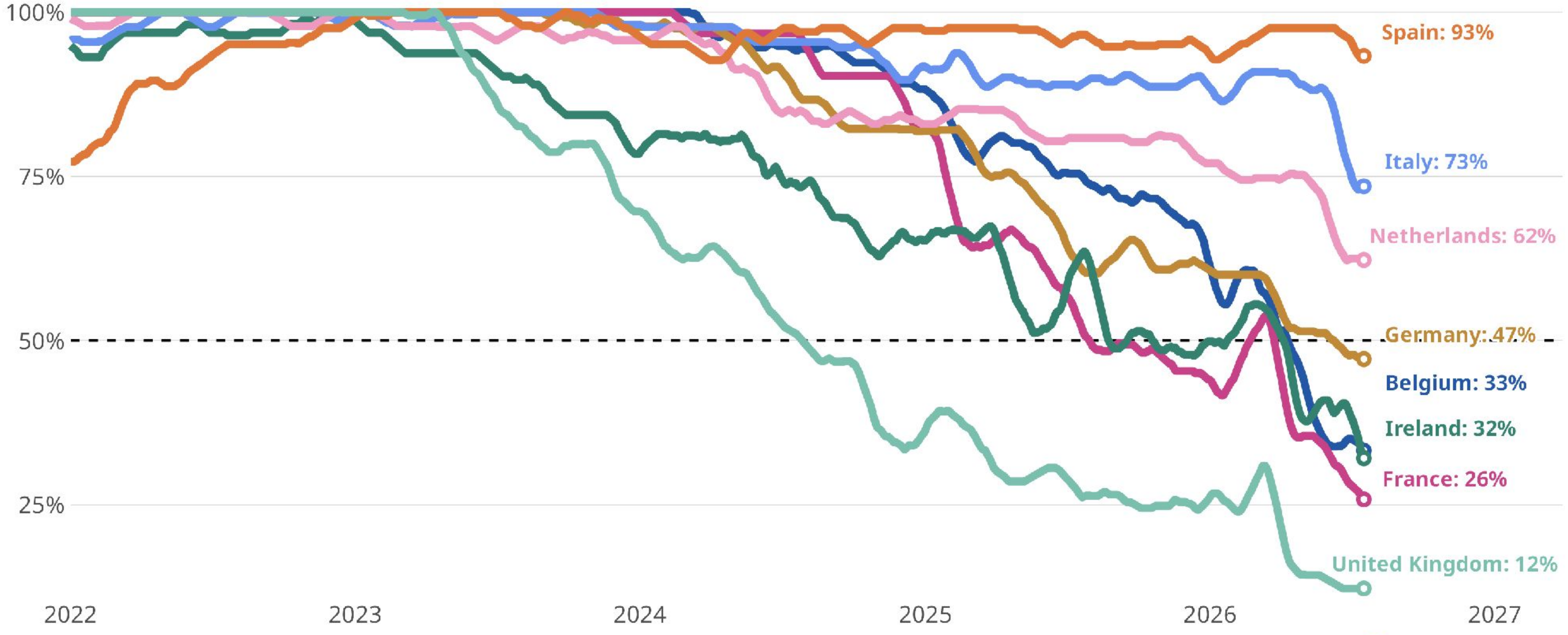
Indeed Job Postings Index (1 Feb 2020 = 100) versus official vacancy data, seasonally adjusted, through Jul 2026




Source: Indeed, Eurostat (Germany, France, Spain, Belgium, Netherlands; quarterly data, to Q4 2025), ONS (United Kingdom; monthly data, to May 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)).

# Weakness is becoming more widespread across occupations

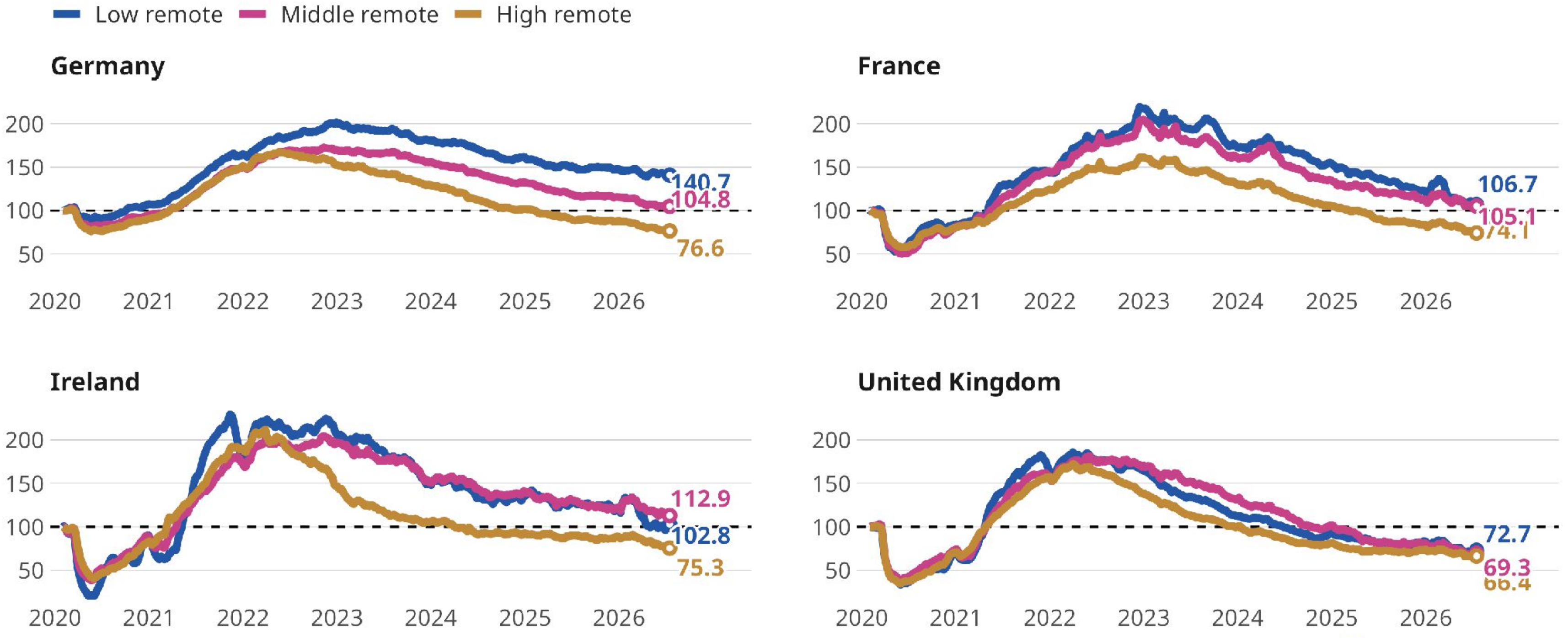
Share of occupational categories with postings above pre-pandemic baseline (01 Feb 2020), 30-day moving avg., through 17 Jul 2026




Source: Indeed

# Postings are weakest in high-remote sectors

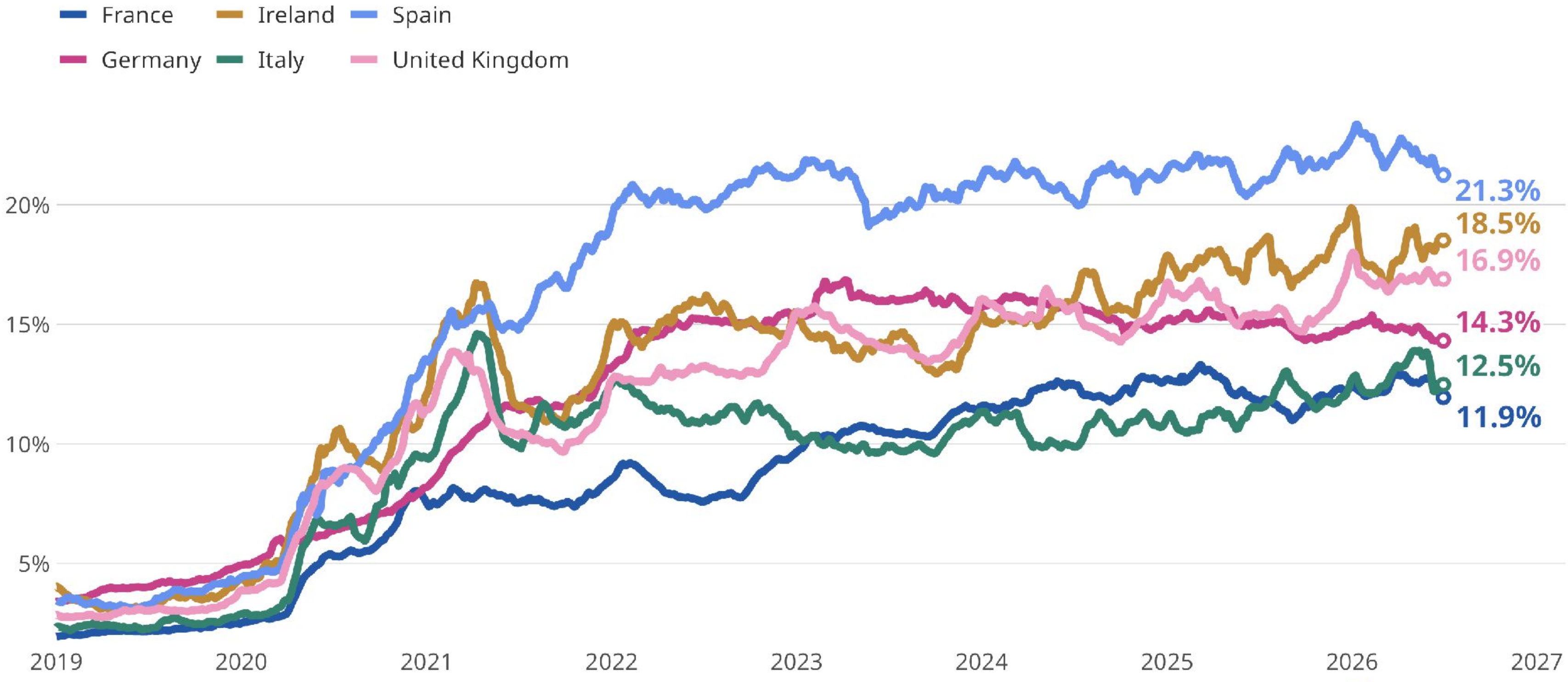
Indeed Job Postings Index by remote tier (1 Feb 2020 = 100), seasonally adjusted, through 17 Jul 2026




Source: Indeed

# Incidence of remote work remains high

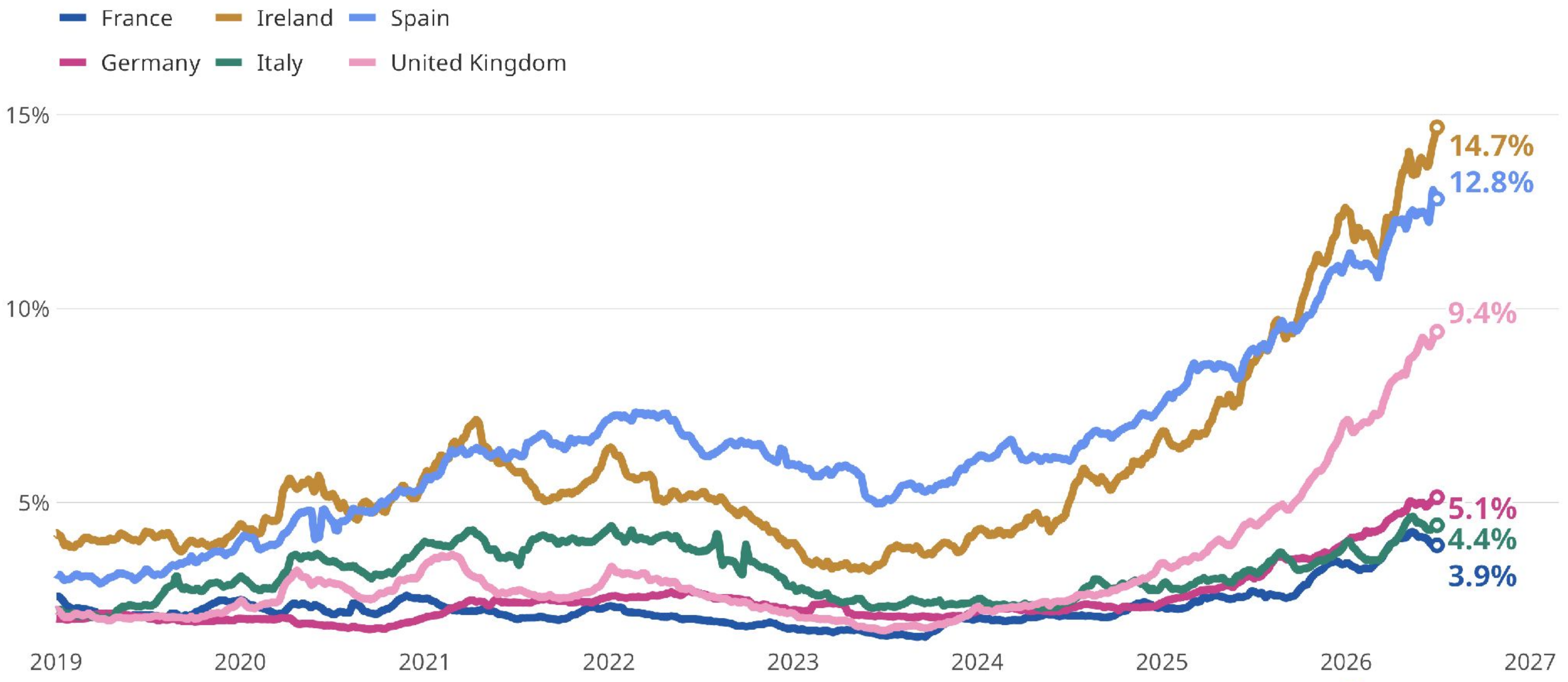
Share (%) of job postings mentioning remote/hybrid terms, through Jun 2026




Source: Indeed

# AI mentions in job postings are climbing across Europe

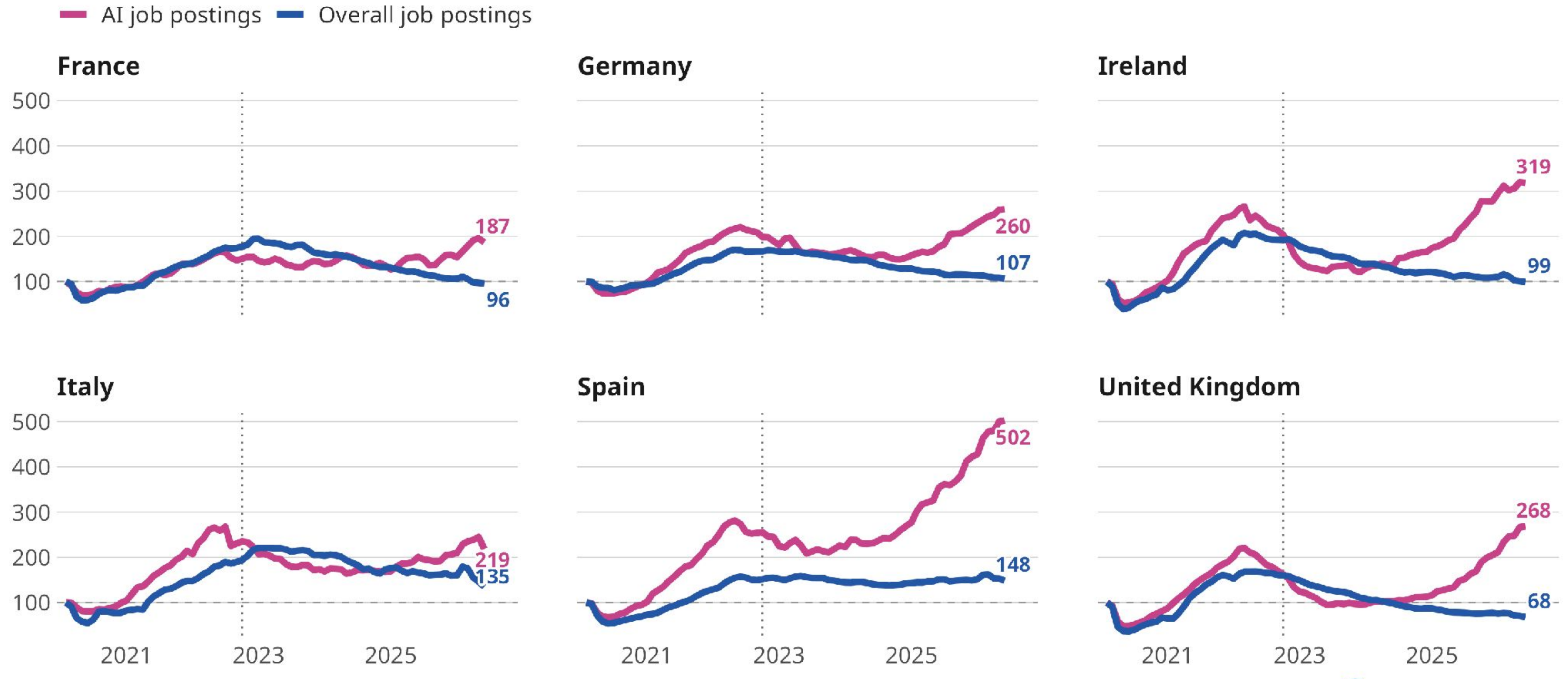
Share (%) of job postings containing terms related to AI, through Jun 2026




Source: Indeed

# AI job postings have surged while overall postings have fallen

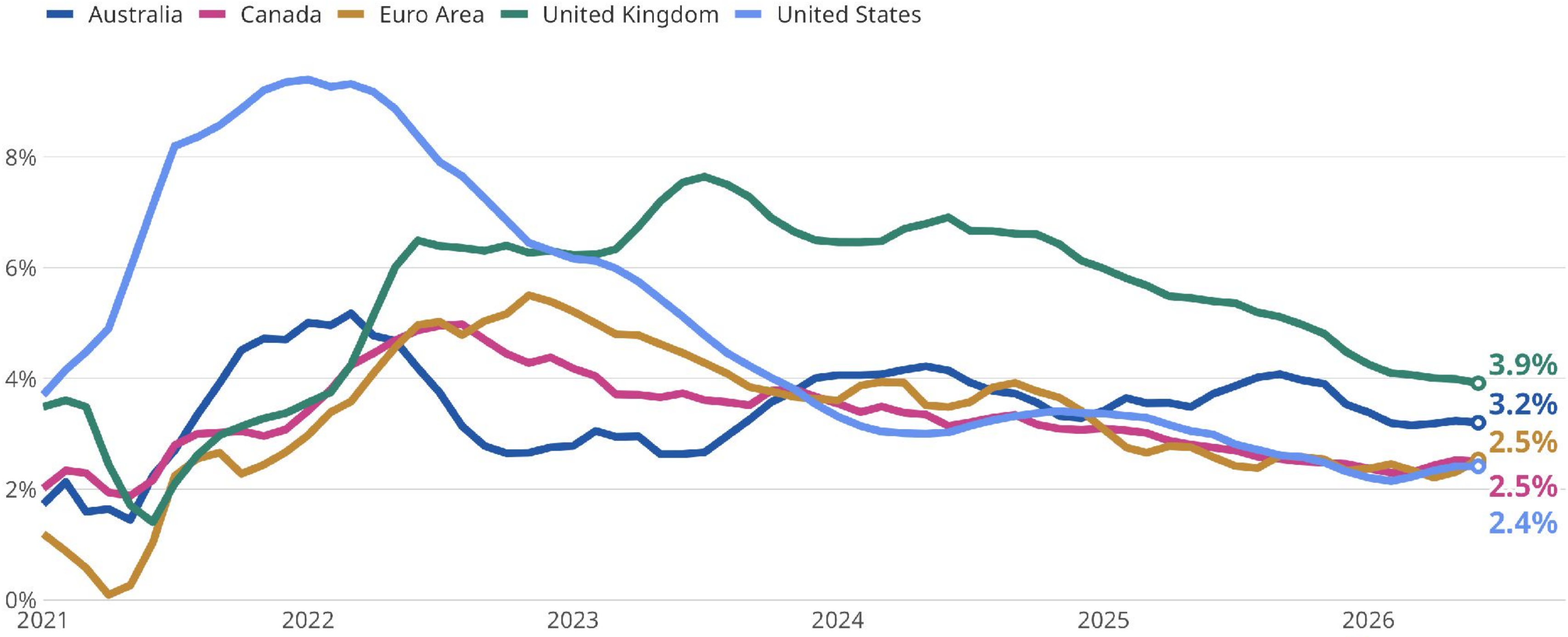
Indeed Job Postings Index (1 Feb 2020 = 100), monthly average, through Jun 2026




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

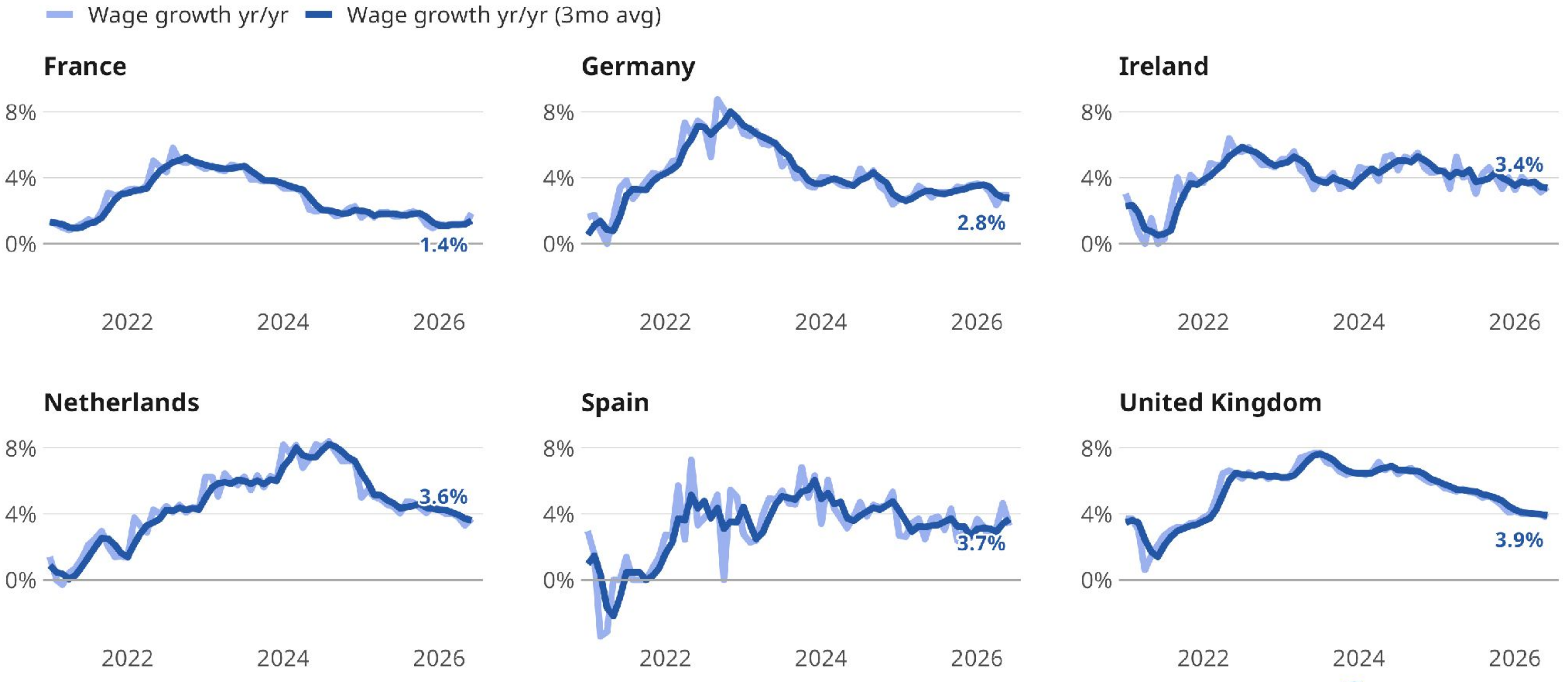
Yr/Yr growth in wages/salaries advertised in job postings on Indeed, 3-month moving avg., through Jun 2026




Source: Indeed

# Wage growth solid across most of Europe but modest in France

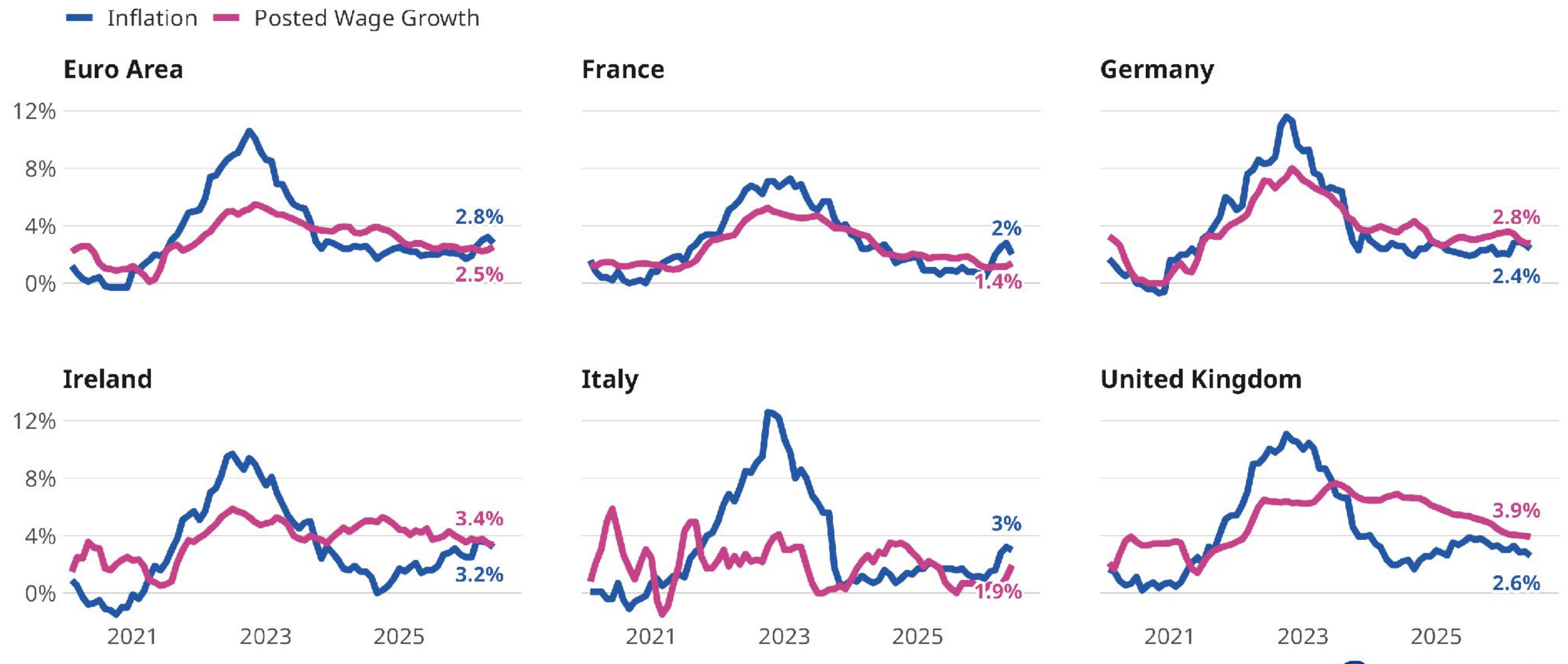
Yr/Yr growth in posted wages, through Jun 2026




Source: Indeed

# Inflation is outpacing posted wage growth in Euro Area

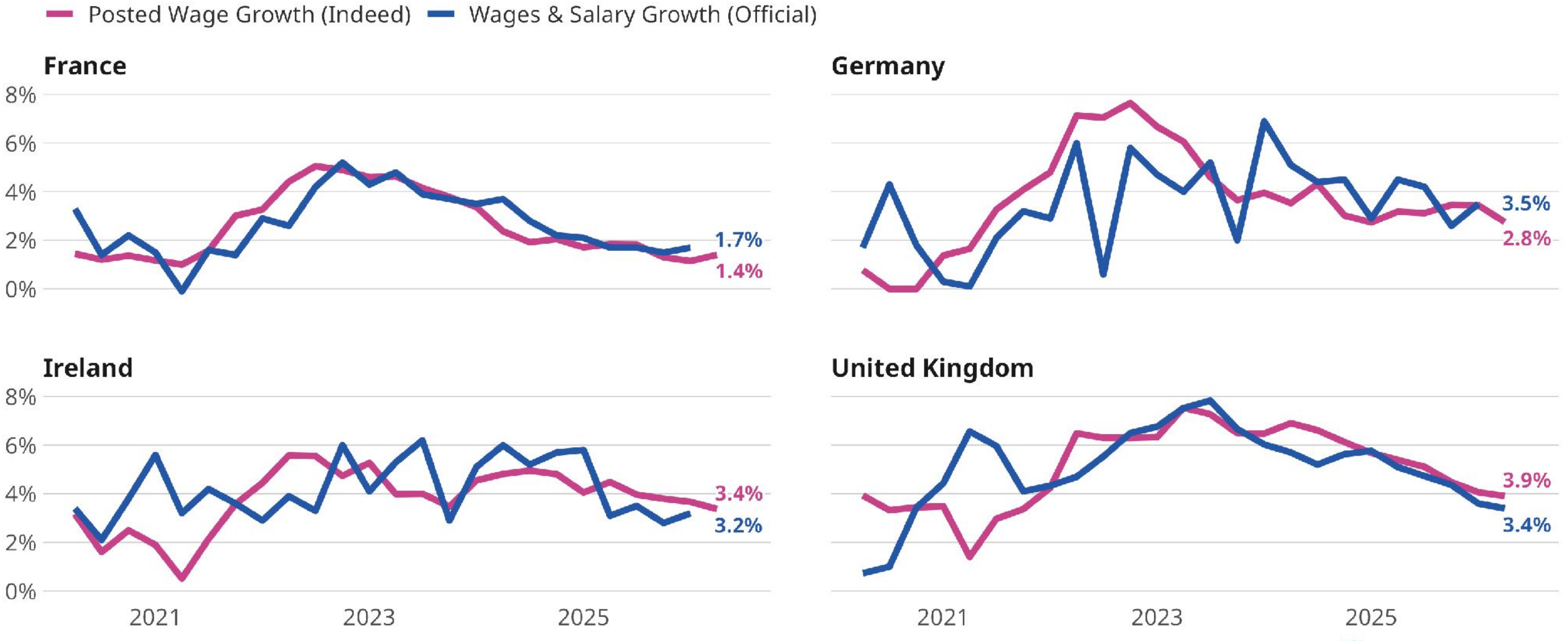
Indeed Wage Tracker vs. headline inflation, Yr/Yr growth, through Jun 2026




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

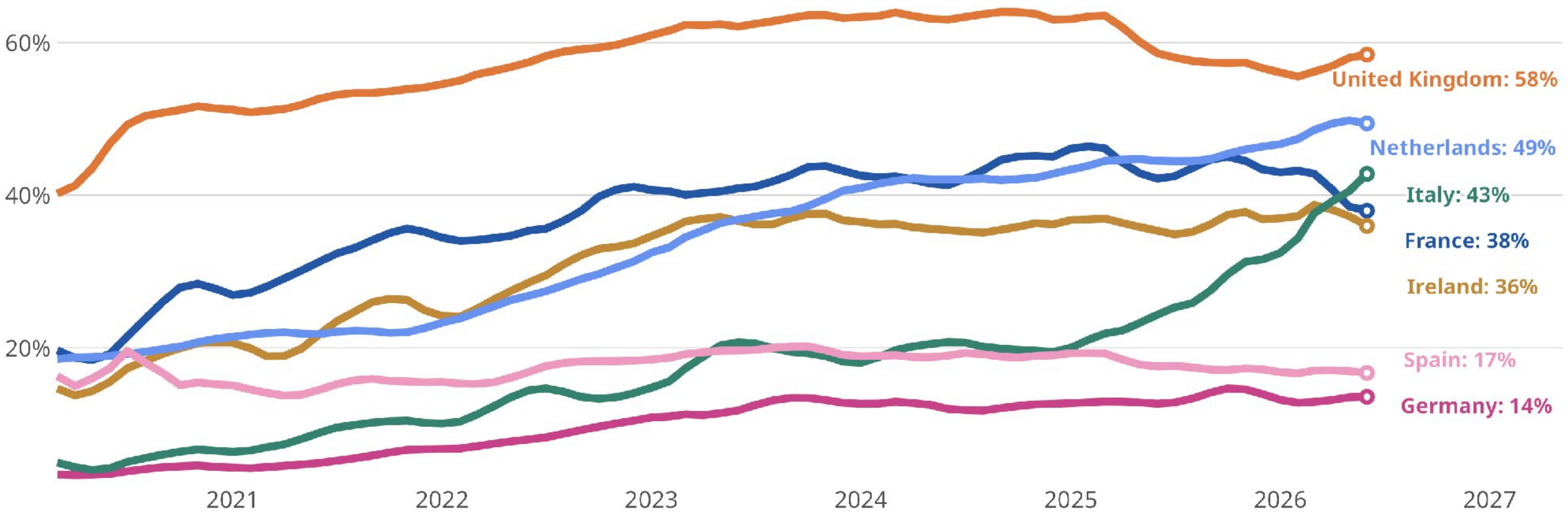
Yr/Yr growth in wages, Indeed Wage Tracker and official pay measures, quarterly avg., through Q2 2026




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

# Pay transparency progress stalls as transposition deadline passes

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

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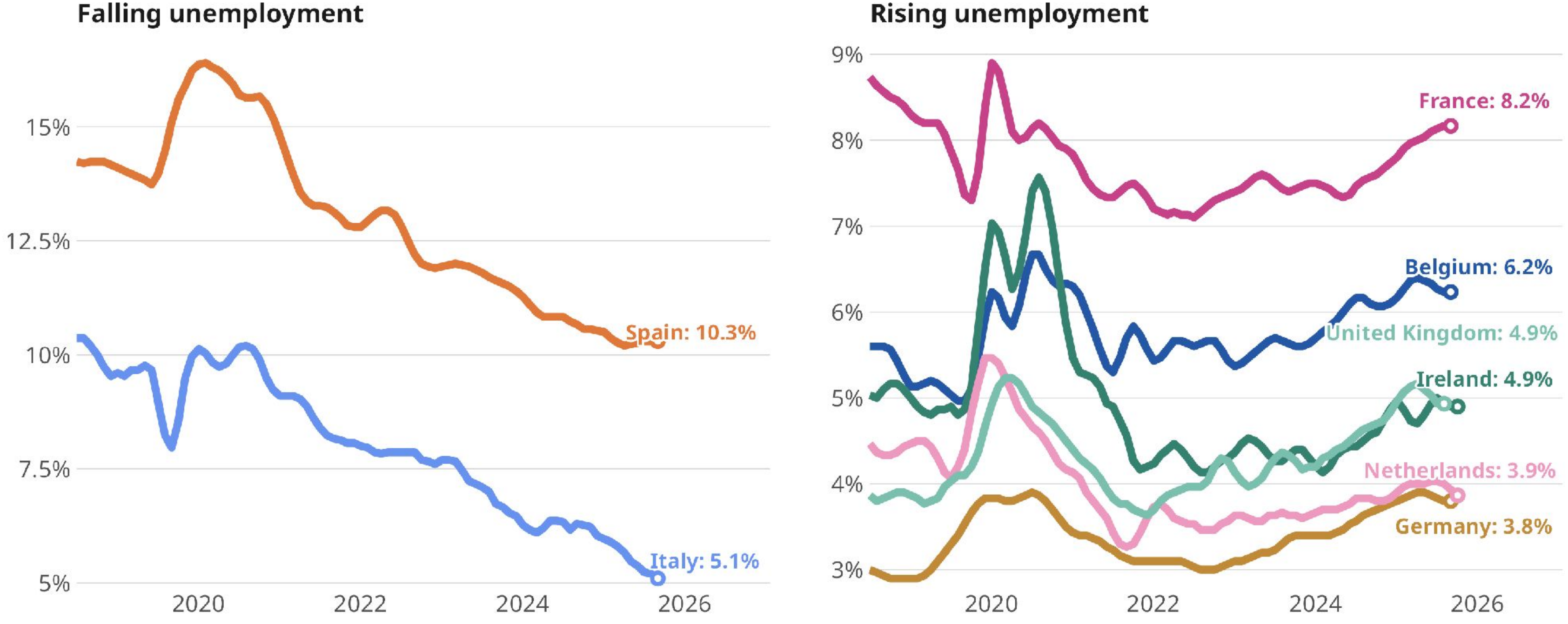
# Unemployment down in Spain and Italy, up elsewhere

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

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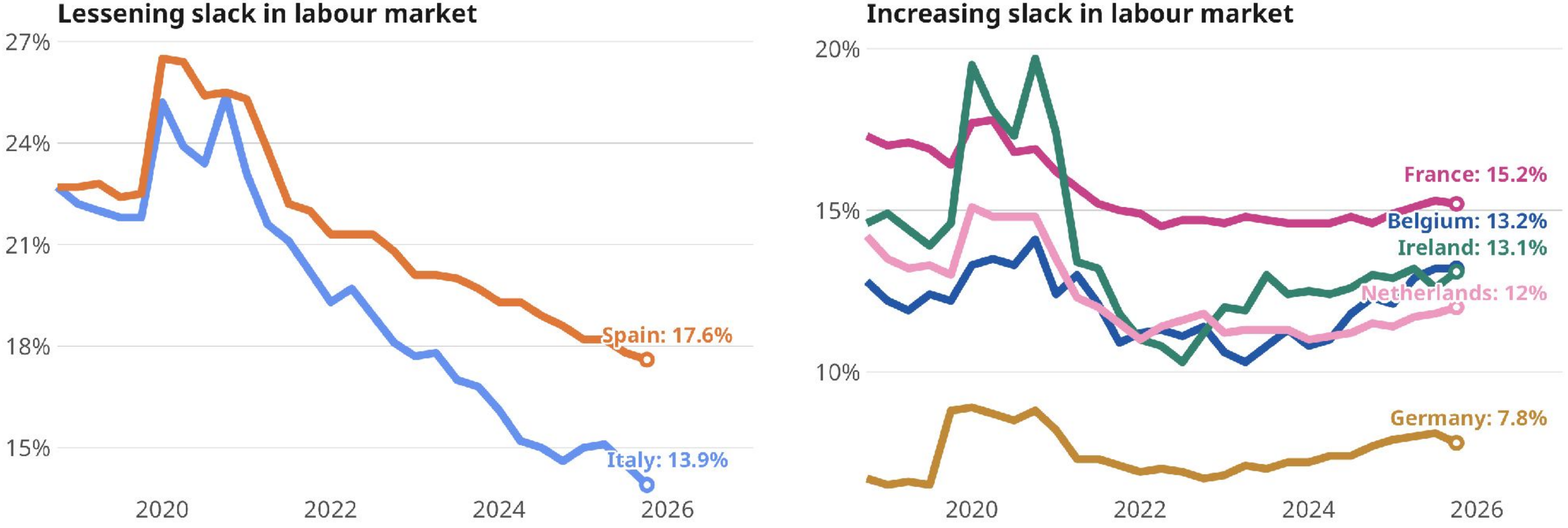
# Labour market slack is diverging across Europe

Composite labour underutilization rate (% of extended labour force, 15-74), quarterly, through Q1 2026




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.

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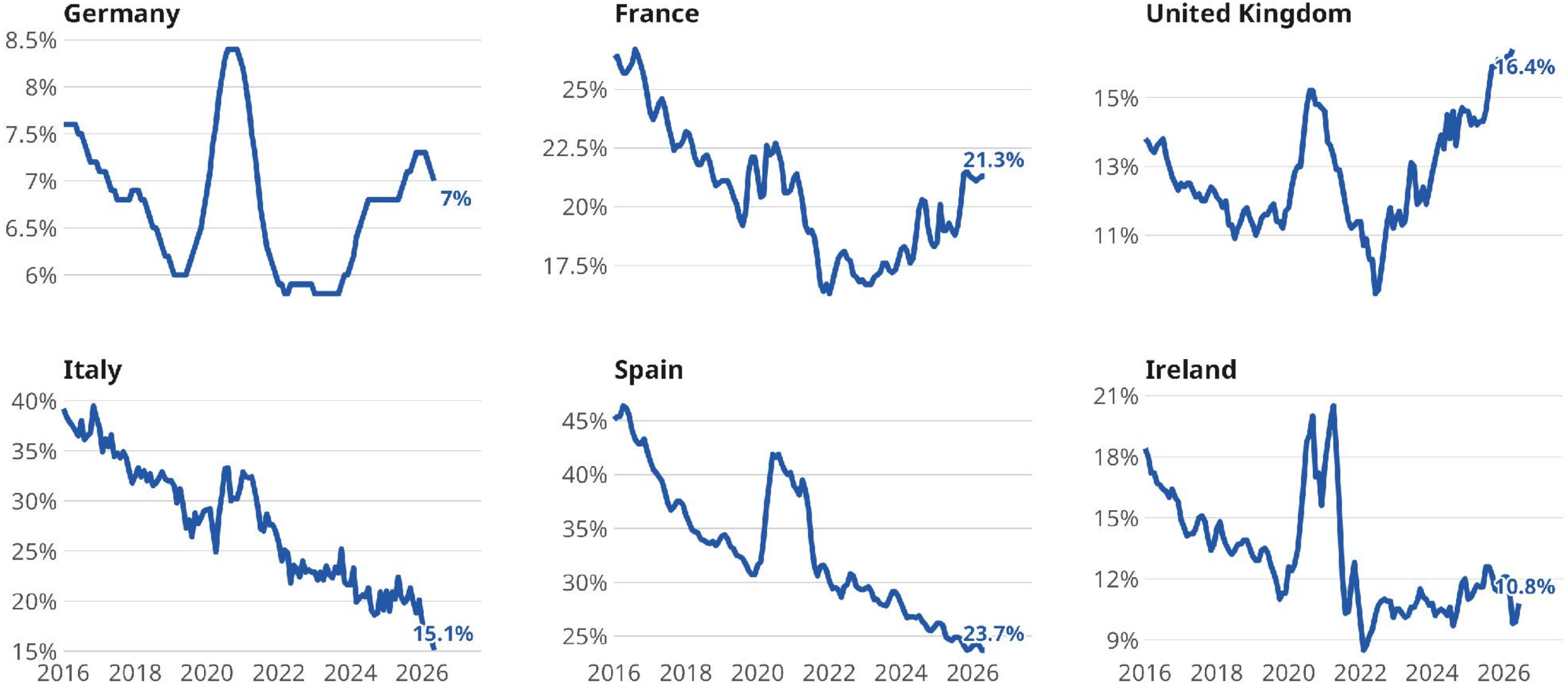
# Youth unemployment highest in a decade in UK

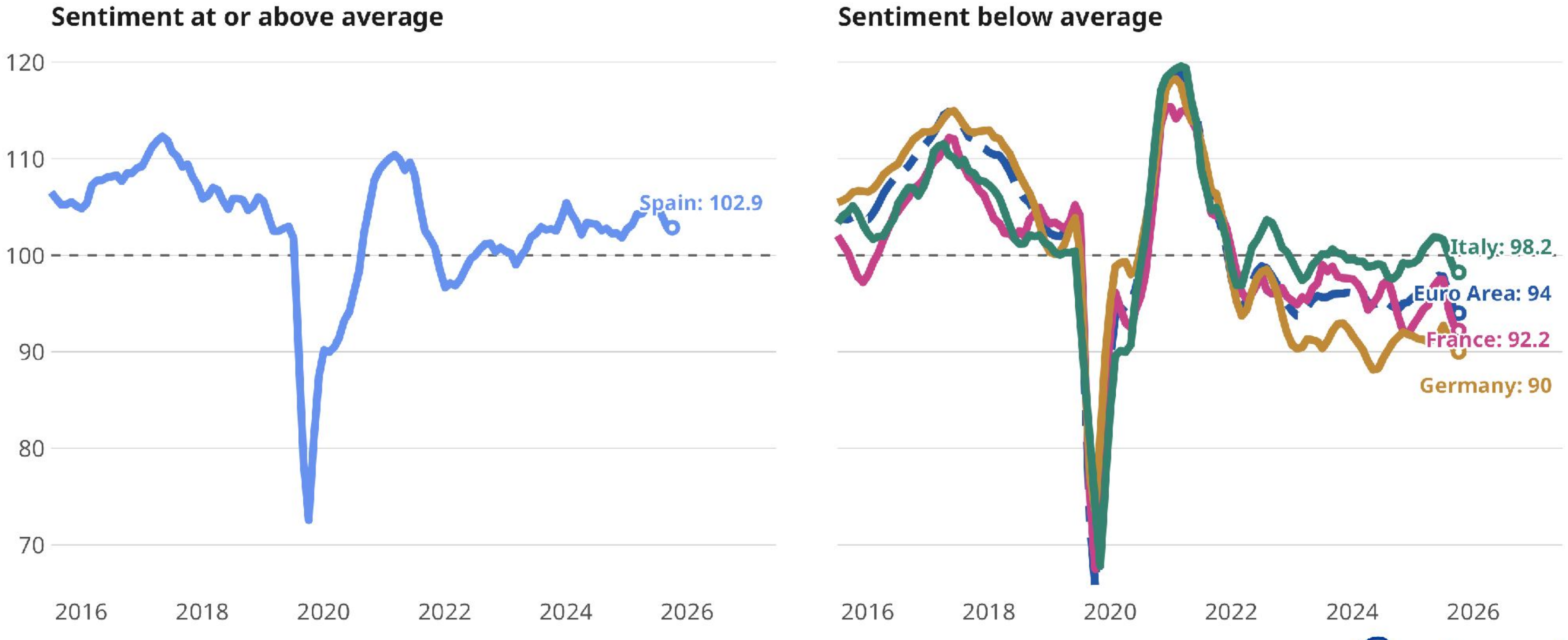
Unemployment rate for ages 15-24 (%), seasonally adjusted, through Jun 2026




Source: Eurostat (une_rt_m), ONS via Macrobond. Unemployment rate for ages 15-24 (16-24 for the UK), seasonally adjusted.

# Economic sentiment is below average in many countries

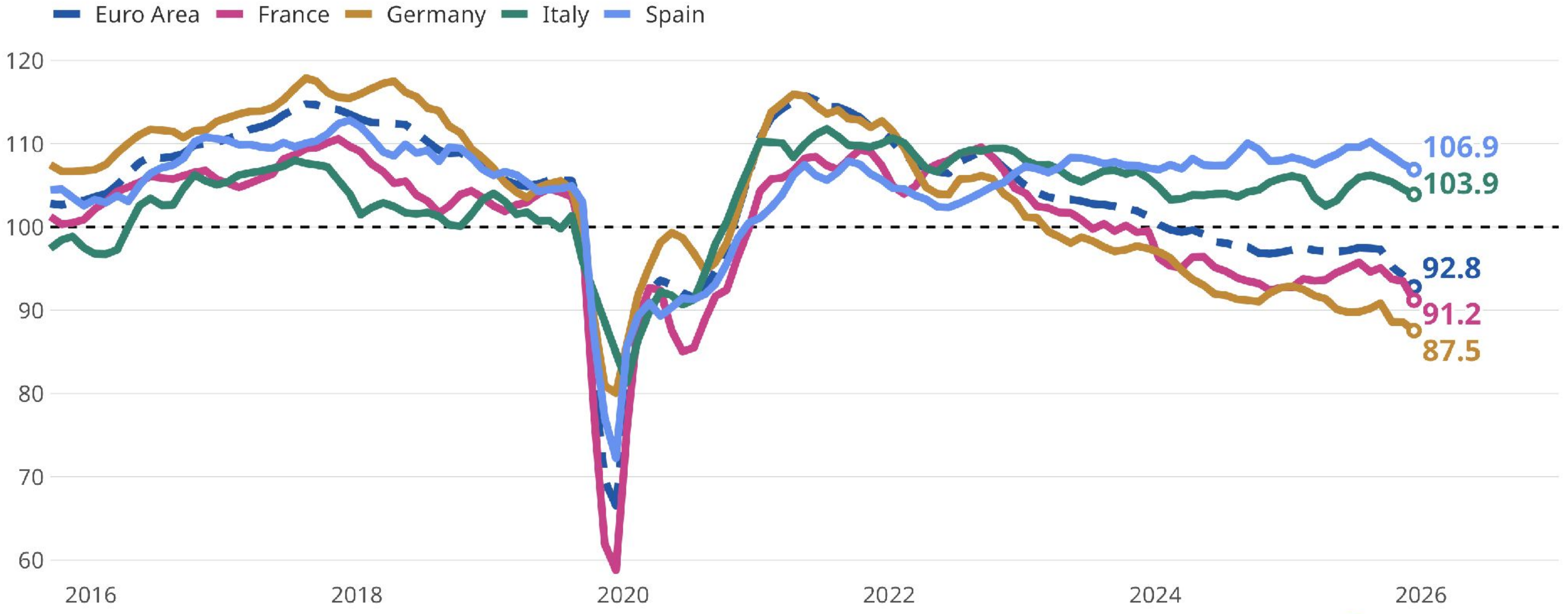
Economic Sentiment Indicator (long-run avg. = 100), 3-month moving avg., through Jun 2026




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.

# Survey-based employment expectations are low in many economies

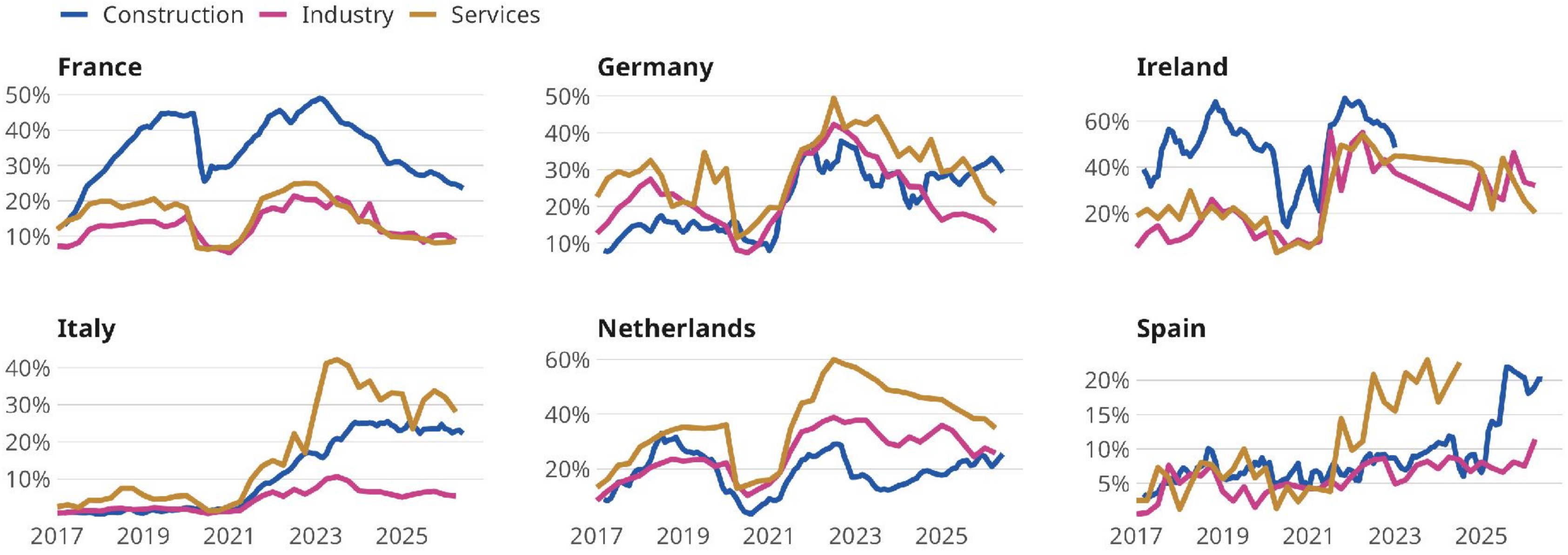
Employment Expectations Indicator (long-run avg. = 100), 3-month moving avg., through Jun 2026




Source: European Commission Business and Consumer Survey (DG ECFIN) via Eurostat (ei_bsee_m, BS-EEI-I). Employment Expectations Indicator (all sectors, next 3 months).

# Hiring challenges persist but continue to ease

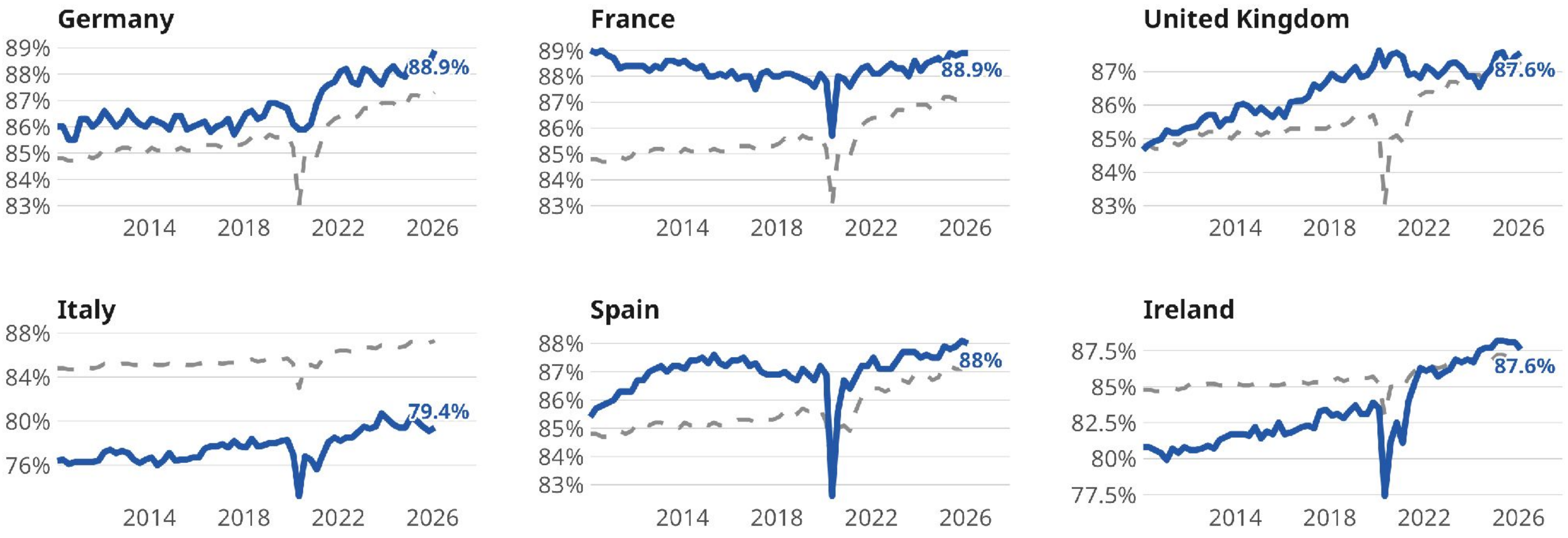
Share of companies reporting labour shortages as a factor limiting production, through Jun 2026




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). Construction series shown as 3-month moving average; Industry and Services are quarterly.

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

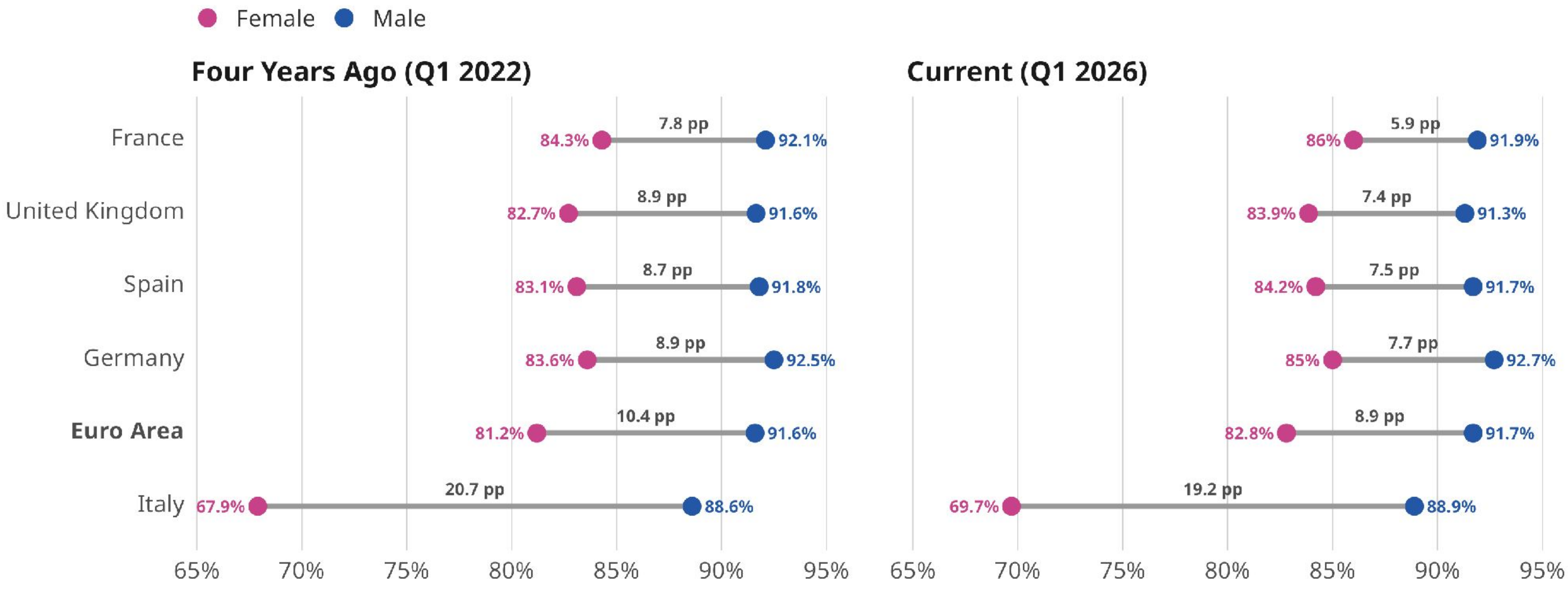
Activity rate (% of population aged 25-54), seasonally adjusted, through Q1 2026. Grey dashed line shows Euro Area aggregate.




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

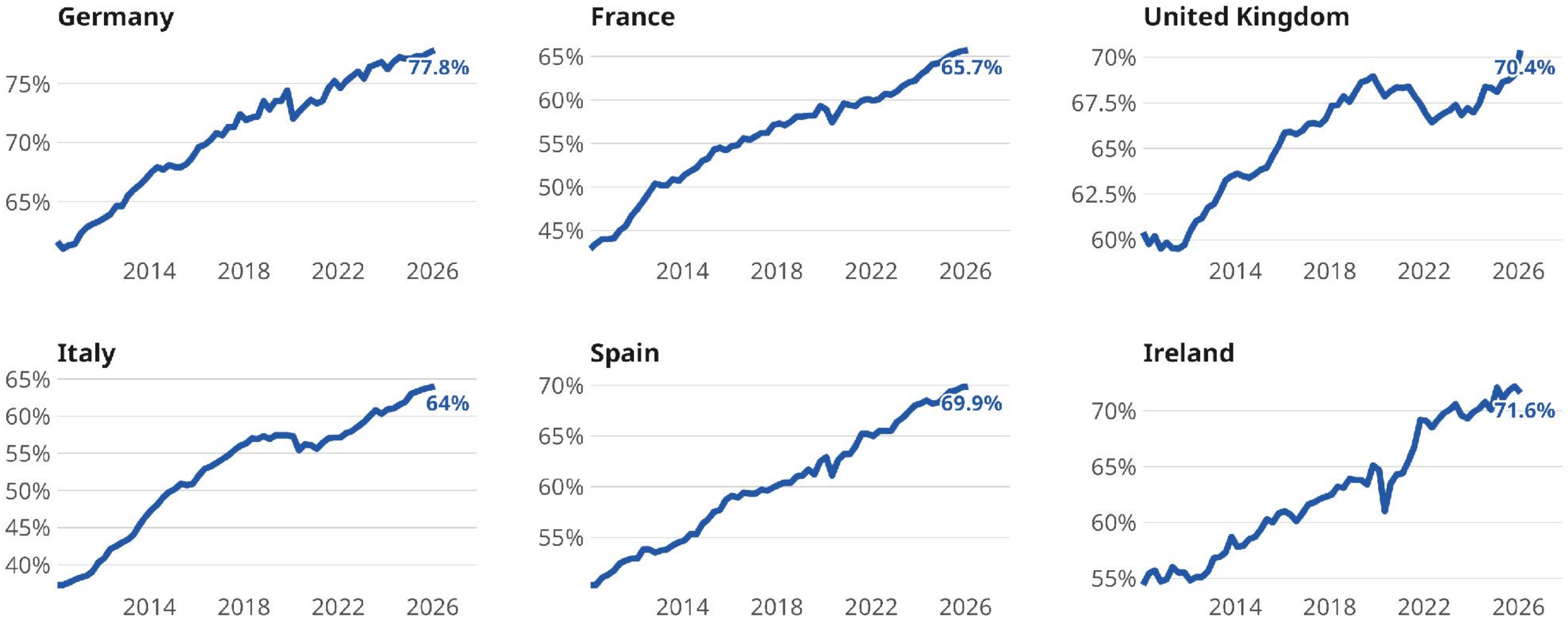
Female and male activity rate (% of population aged 25-54), seasonally adjusted; through Q1 2026




Source: Eurostat (lfsi_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 Q1 2026, smallest at top.

# Older workers' participation has trended up almost everywhere

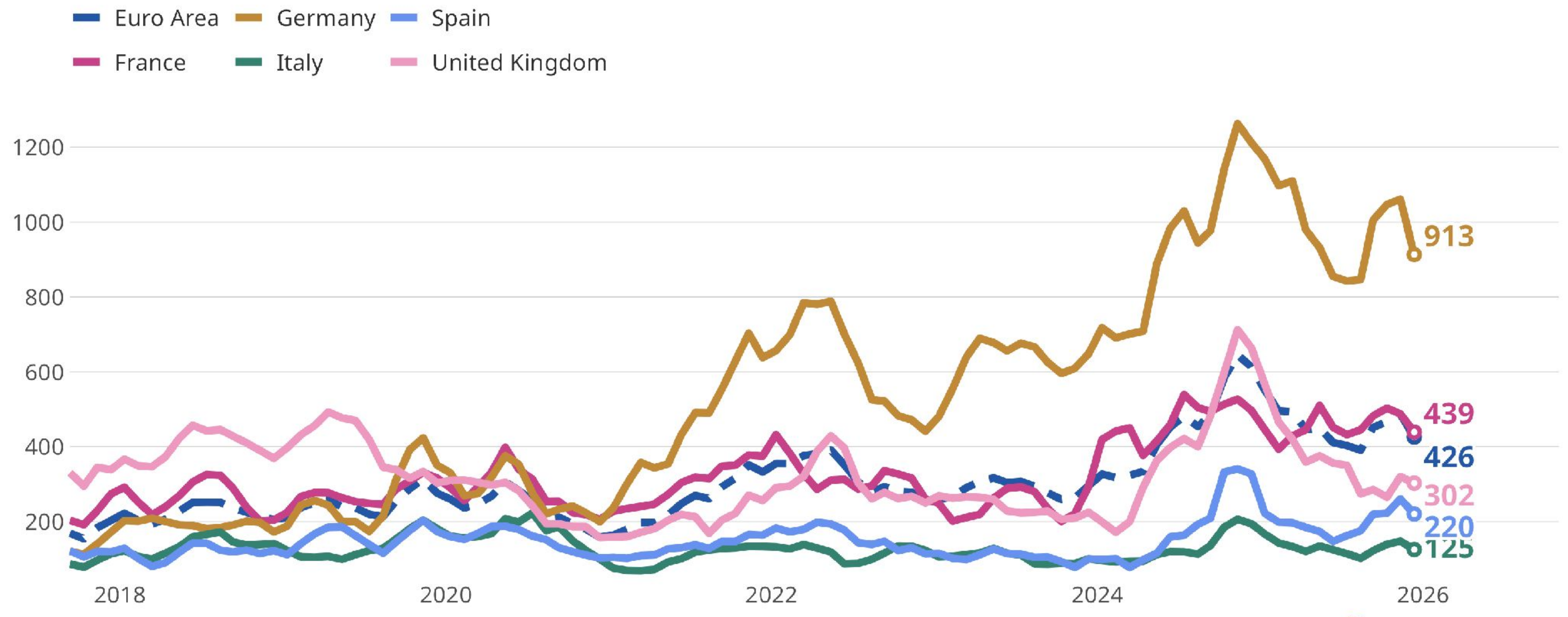
Activity rate (% of population aged 55-64), seasonally adjusted, through Q1 2026




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 Jun 2026




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

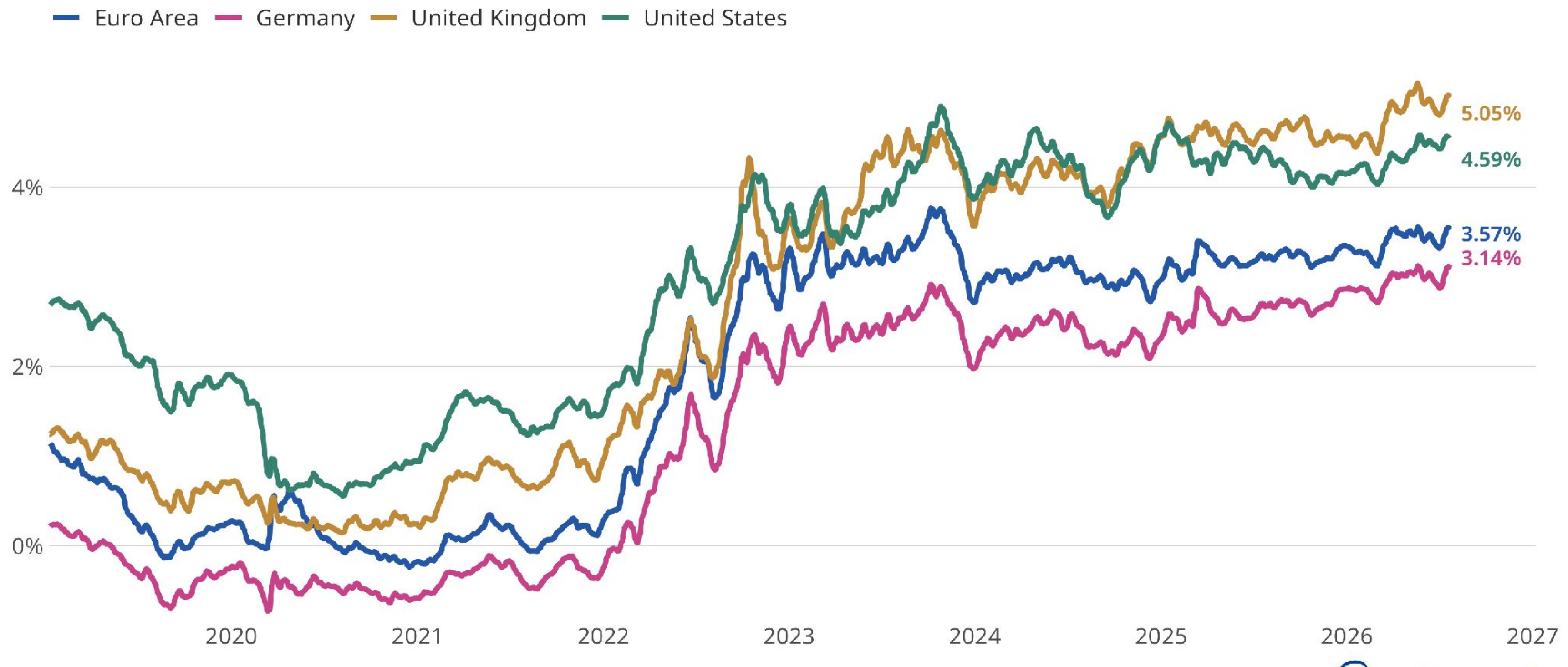
# Oil prices have risen sharply since the start of the Iran war

Brent crude oil spot price (USD per barrel), daily, through 21 Jul 2026


Source: U.S. Energy Information Administration (EIA) via Macrobond (uscaes0302).

# Long-term bond yields are rising

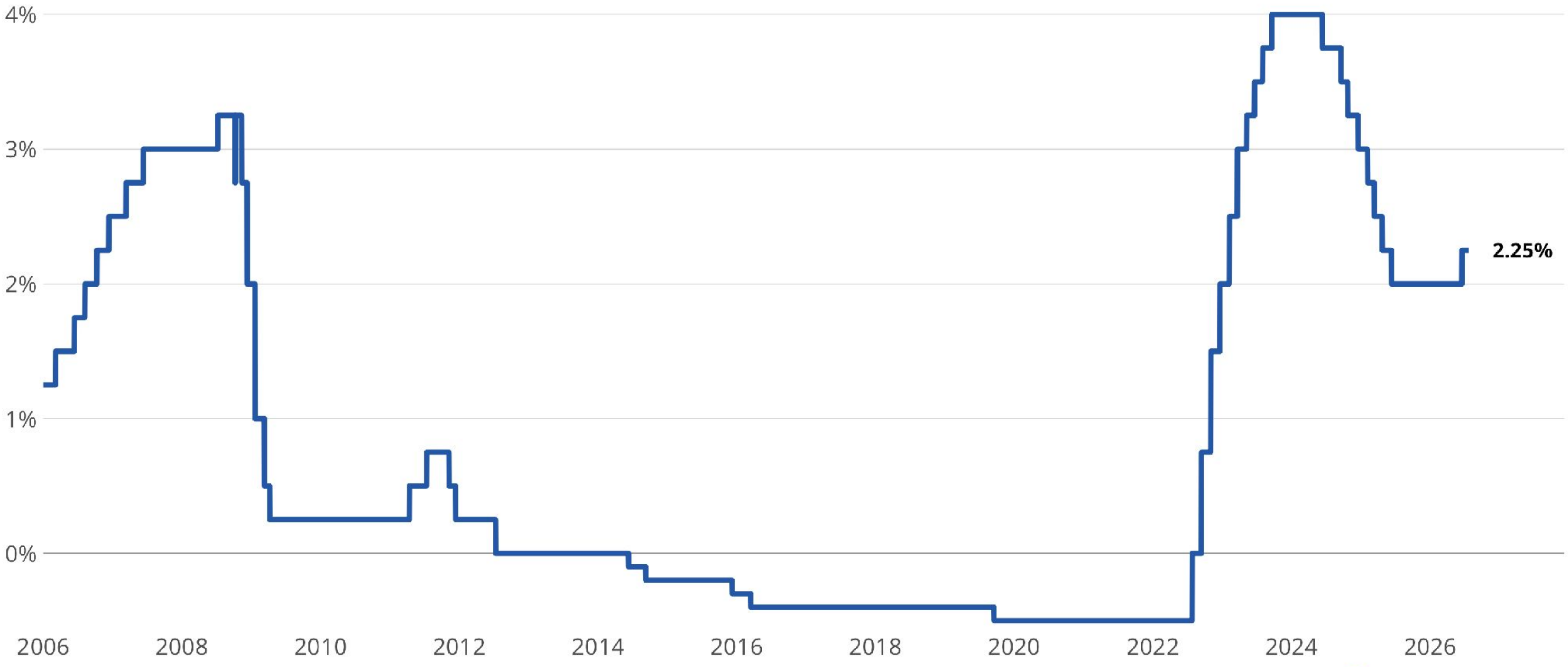
## 10-year government bond yields, 7-day moving avg., through 22 Jul 2026




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.

# The European Central Bank has begun a new rate-hiking cycle

ECB deposit facility rate (%), daily, through 22 Jul 2026




Source: European Central Bank (ECB) via FRED (ECBDFR).

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