

European Labour Market Trends

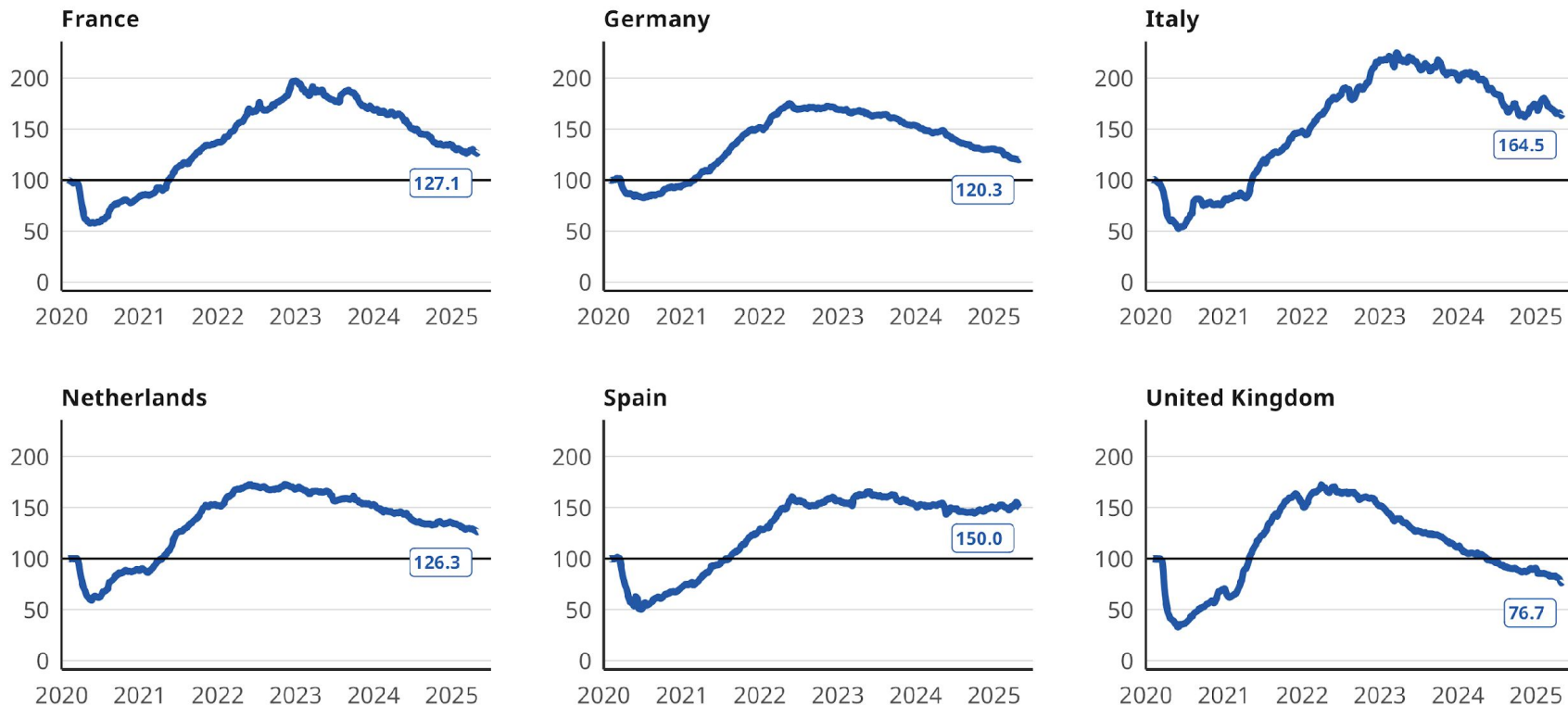
May 2025

Europe: Labour Market Overview

- Job postings continue to decline, though at a slower rate. Italy and Spain withstand the downward trend.
- Growth rates in job postings are still negative, but are recovering somewhat.
- The share of occupational sectors in which postings are still higher than before the pandemic has decreased even further.
- High-remote, high-wage sectors have seen the largest decreases in postings.
- Remote work has become common practice, but reached a plateau in most countries.
- AI terms appear in 2-5% of job postings — GenAI postings rarer but growing.
- Employment expectations are catching up with below-average economic sentiment in Europe.
- Posted wage growth remains stable or declines, with variations across countries.
- Women are catching up with men in terms of employment and labour force participation.

Posting volumes still gradually declining — Italy and Spain buck the trend

Indeed Job Postings Index (100 = 01 Feb 2020), seasonally adjusted, to 09 May 2025

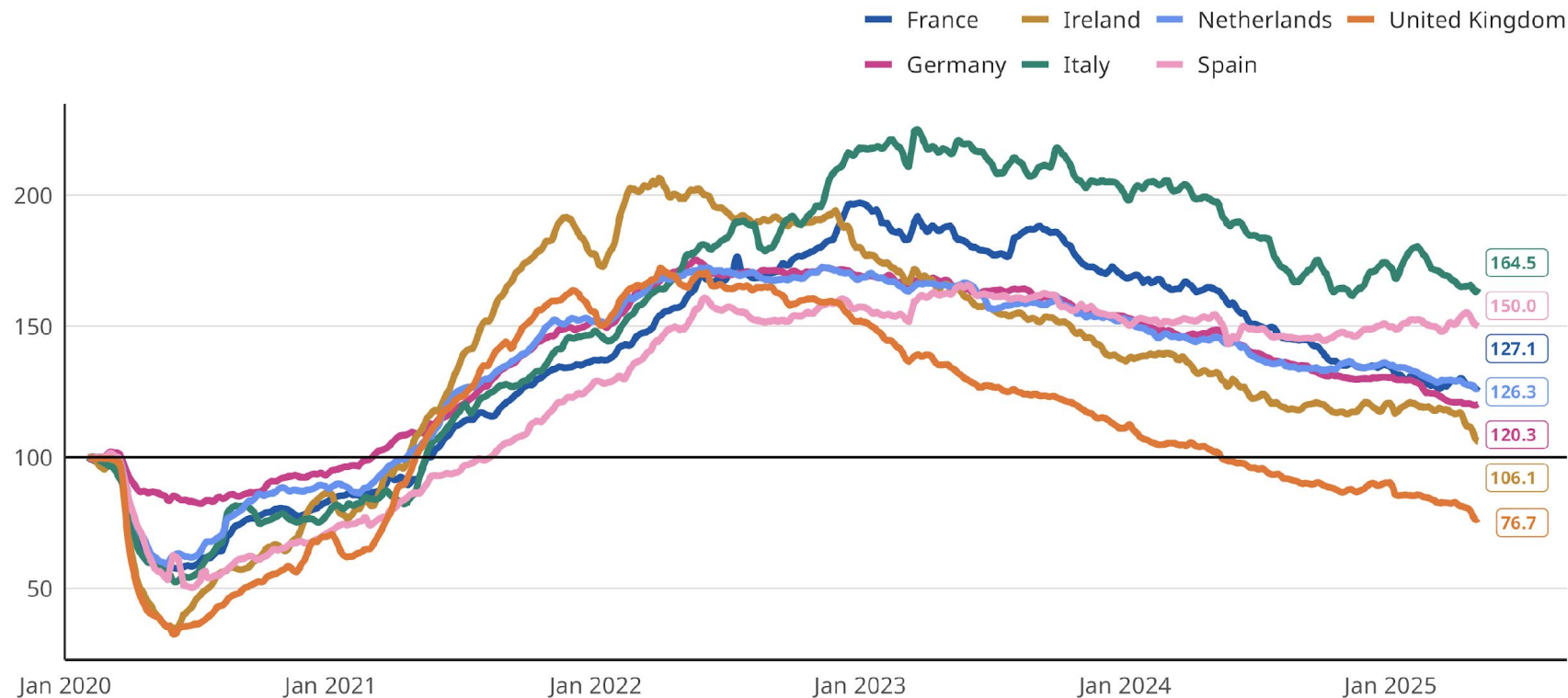


Source: Indeed



Job postings: hiring trends diverge across Europe

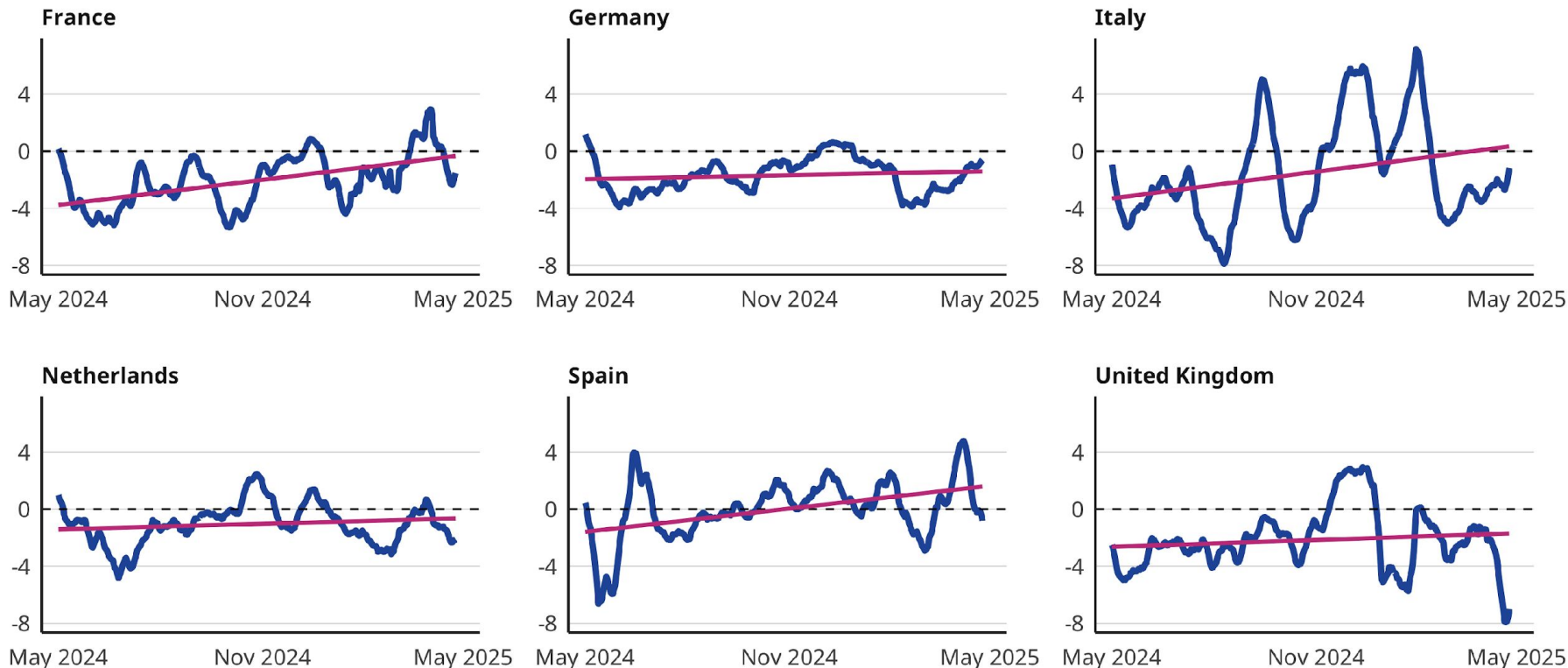
Indeed Job Postings Index (01 Feb 2020 = 100), seasonally adjusted, to 09 May 2025



Source: Indeed

Growth remains negative, but has eased over the past two years

Month-on-month growth rates in the Indeed Job Postings Index, seasonally adjusted, 09 May 2024 - 09 May 2025

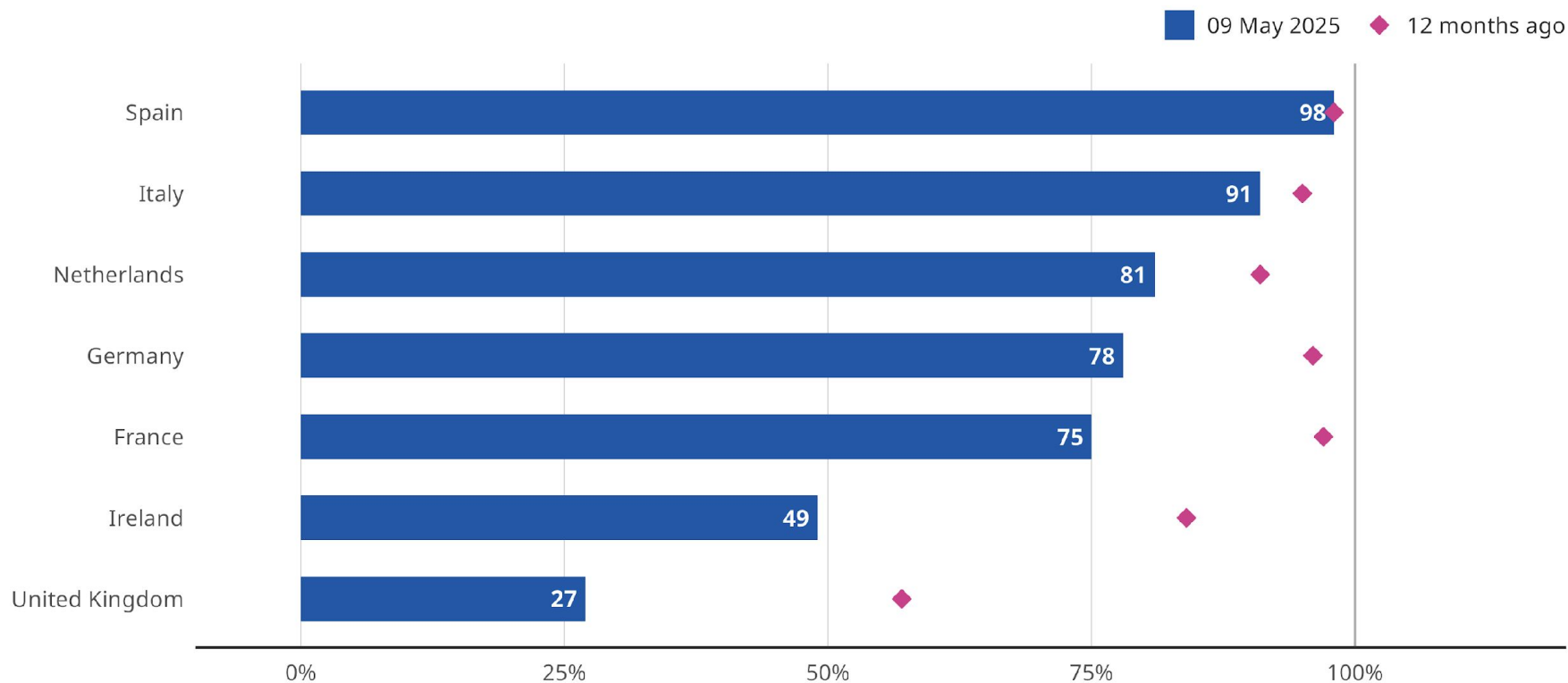


Source: Indeed



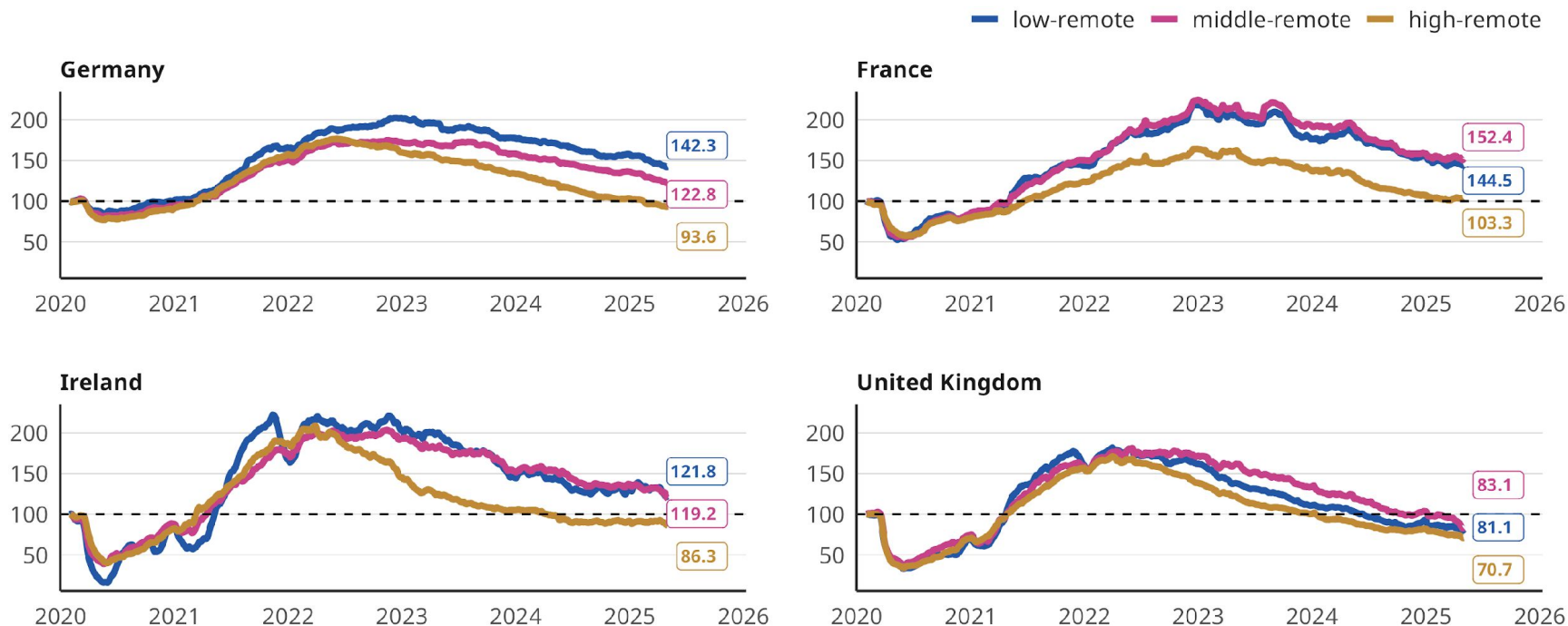
Further decline in sectors with demand above pre-pandemic levels

Share of occupational categories with postings above the pre-pandemic baseline (01 Feb 2020)



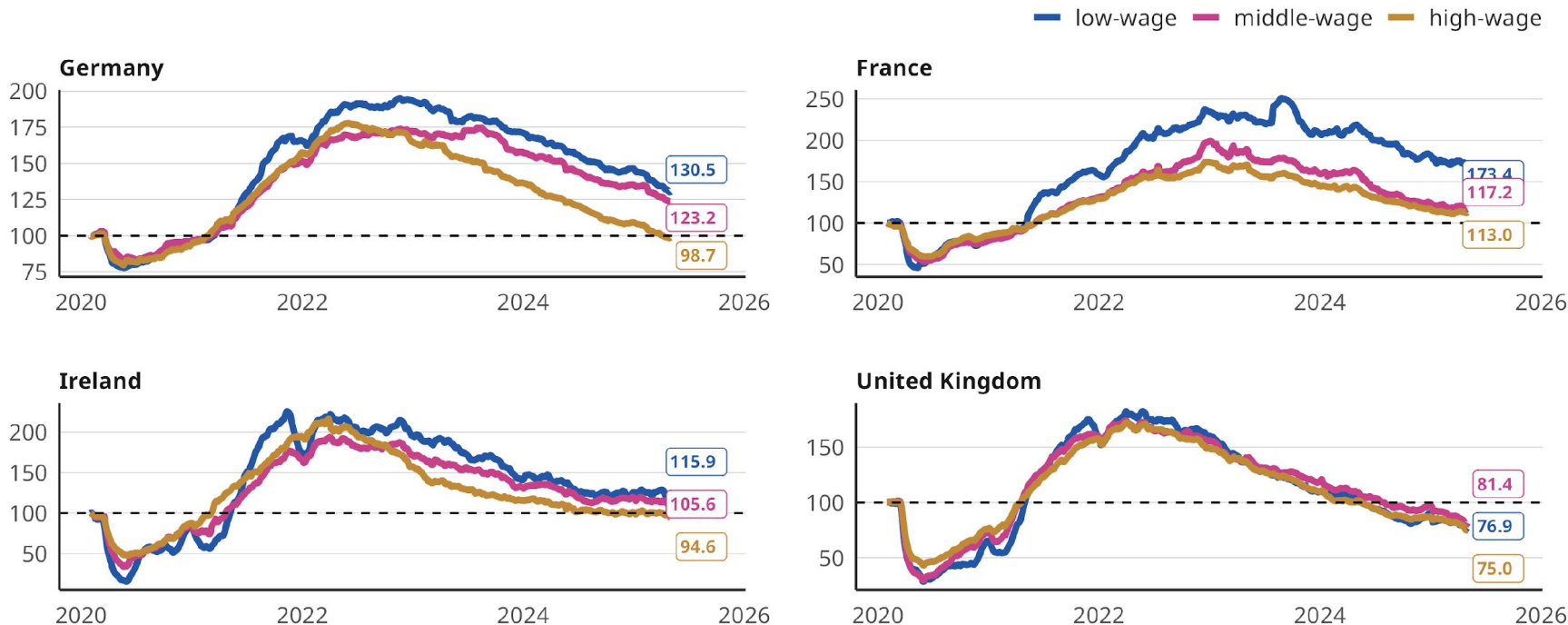
Postings are at or below pre-pandemic baseline in high-remote sectors

Index 100 = Feb 2020, seasonally adjusted, to 09 May 2025



High-wage sectors experienced the strongest decrease in postings

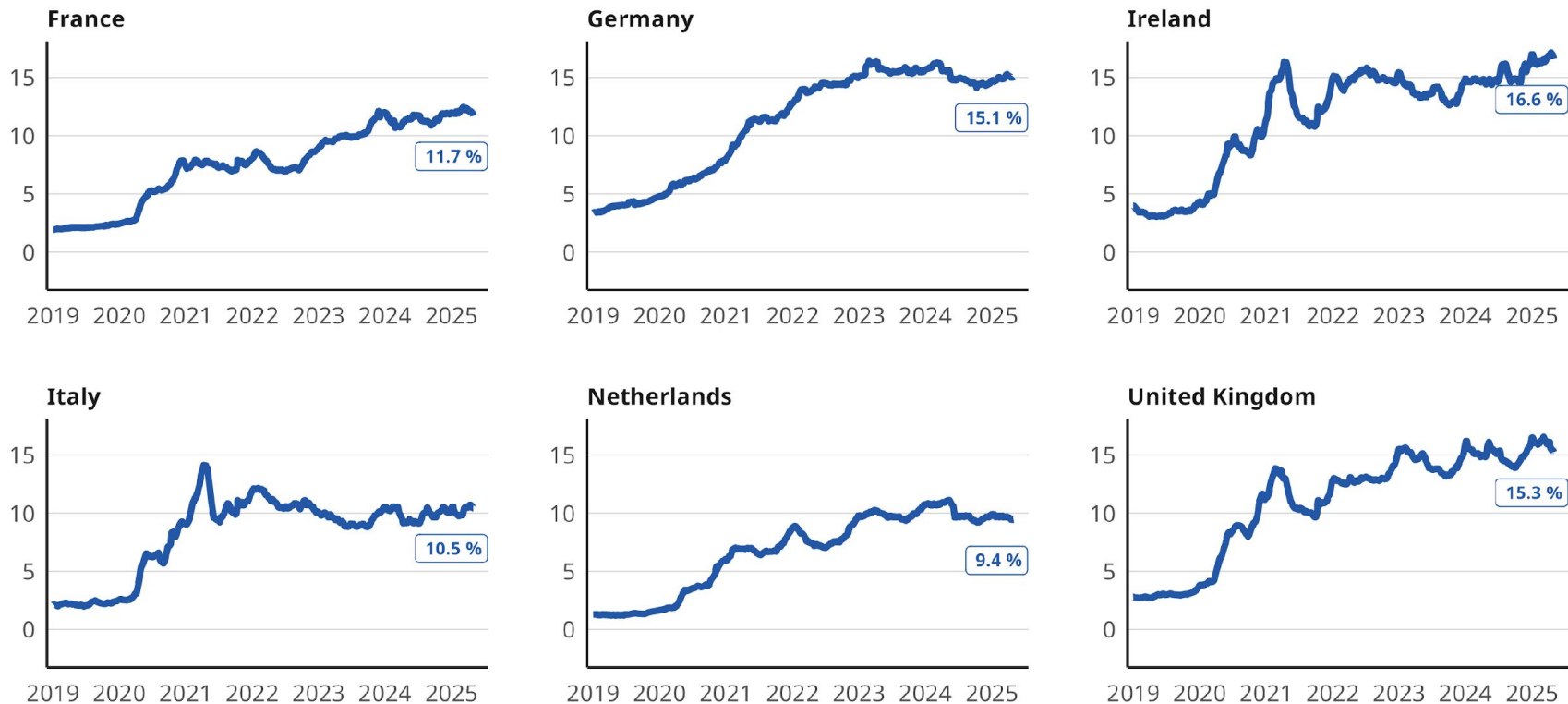
Index 100 = Feb 2020, seasonally adjusted, to 09 May 2025



Source: Indeed. Wage tiers based on 2023 salary data.

Remote work remains has become established practice but reached plateau

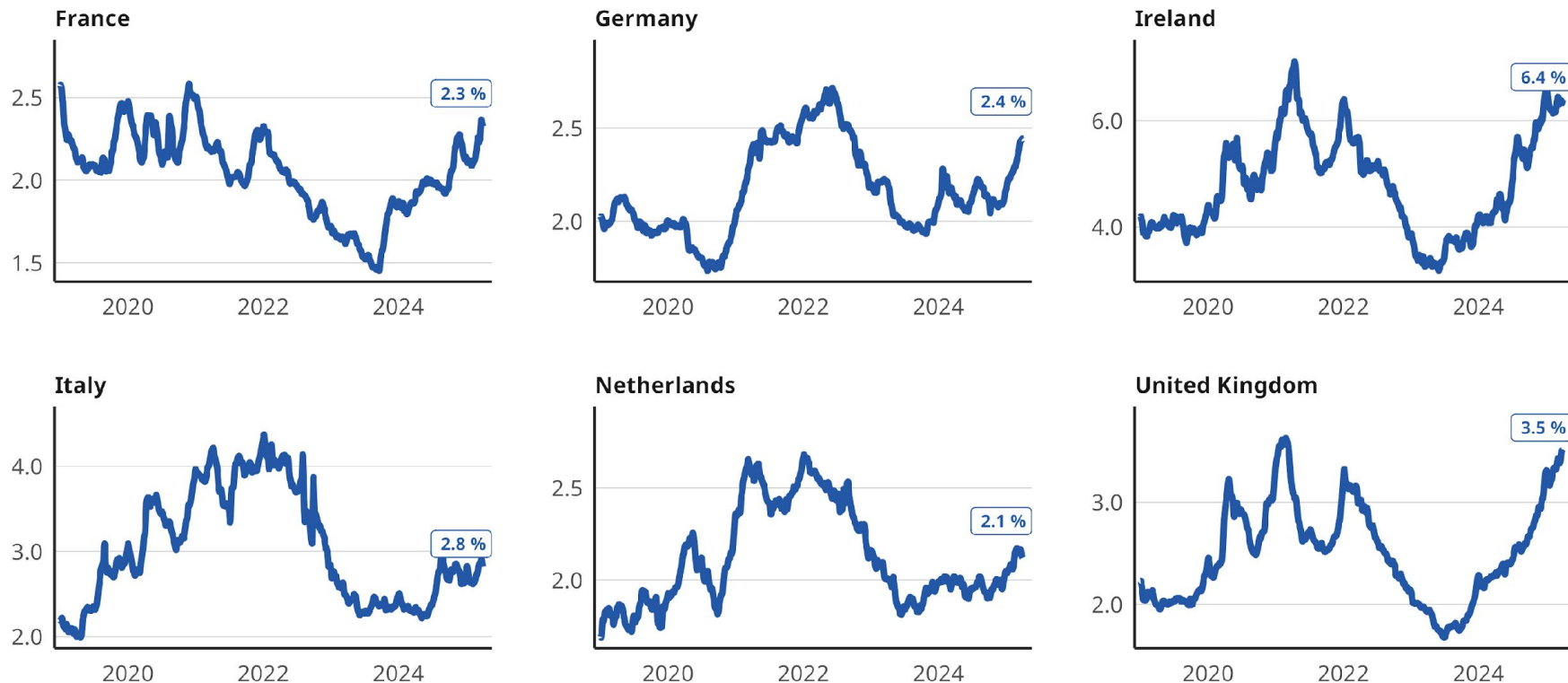
Share (%) of job postings mentioning remote/hybrid terms, to April 2025



Source: Indeed. Cross-country level differences are partly due to differences in sector composition.

The share of AI jobs is picking up pace again

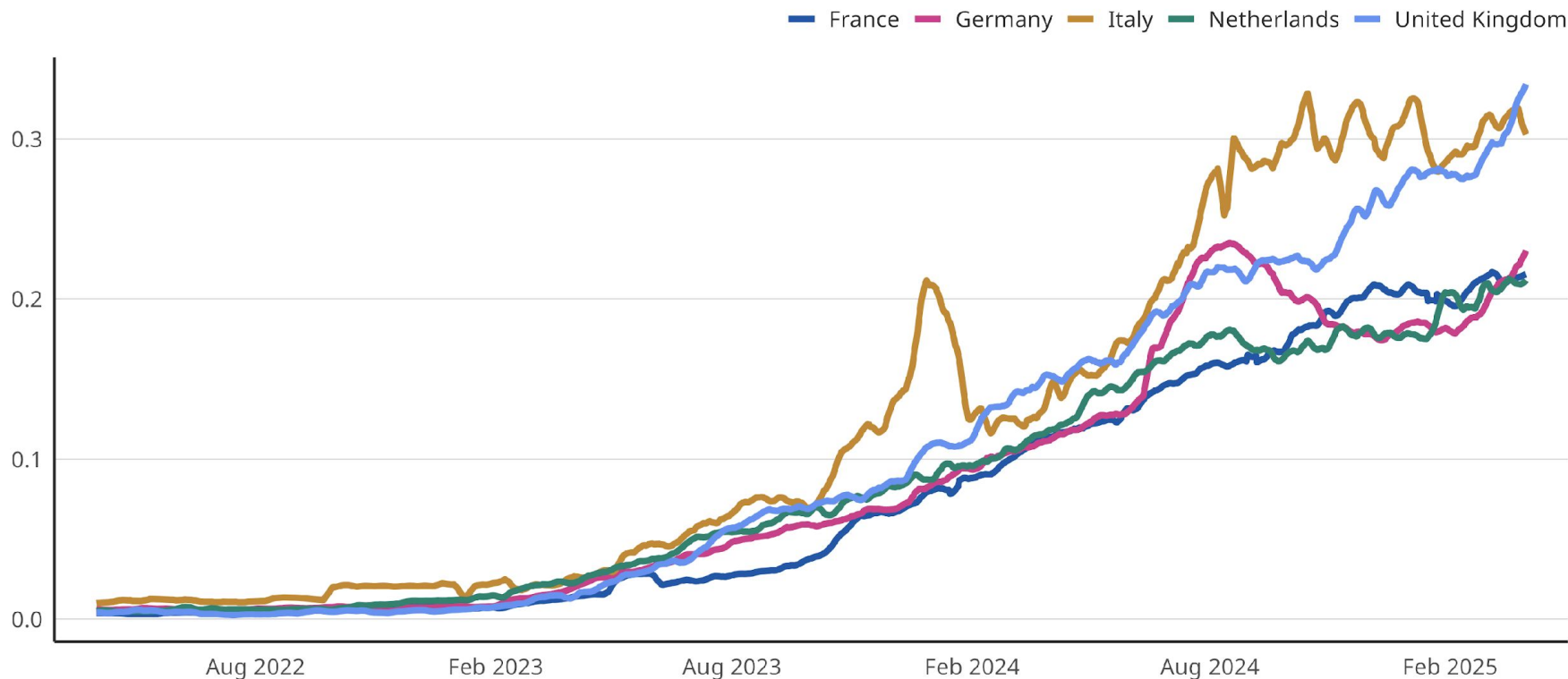
Percentage (%) of job postings mentioning AI terms, 7-day moving average, to March 2025



Source: Indeed. Cross-country level differences are partly due to differences in sector composition.

GenAI-related jobs are a small but rapidly growing market segment

Percentage (%) of job postings mentioning GenAI terms, 7-day moving average, to March 2025

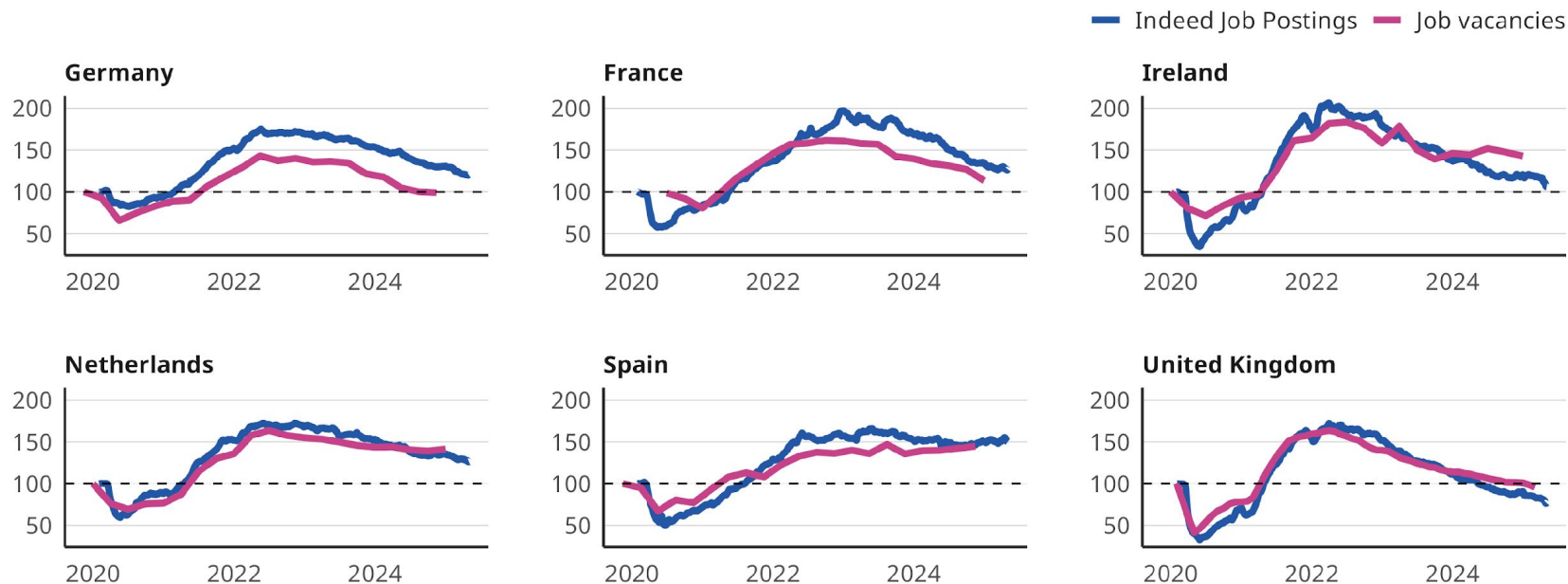


Source: Indeed. Cross-country level differences are partly due to differences in sector composition.



Indeed job postings and official job vacancy data track each other well

Job postings and official vacancies, indexed and seasonally adjusted, to 09 May 2025



Source: Indeed, Eurostat (quarterly data, to Q4 2024), ONS (UK, monthly data, to Mar 2025).

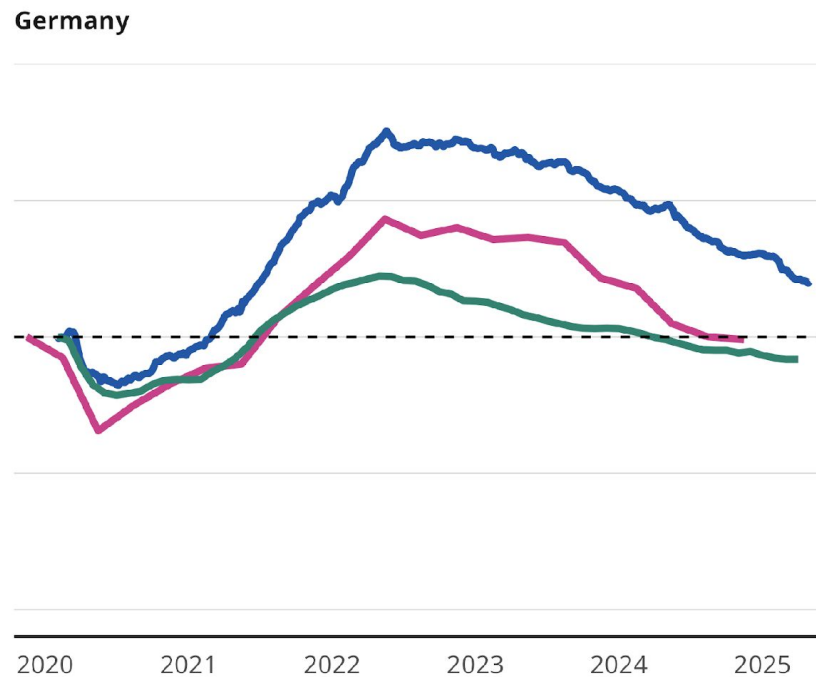
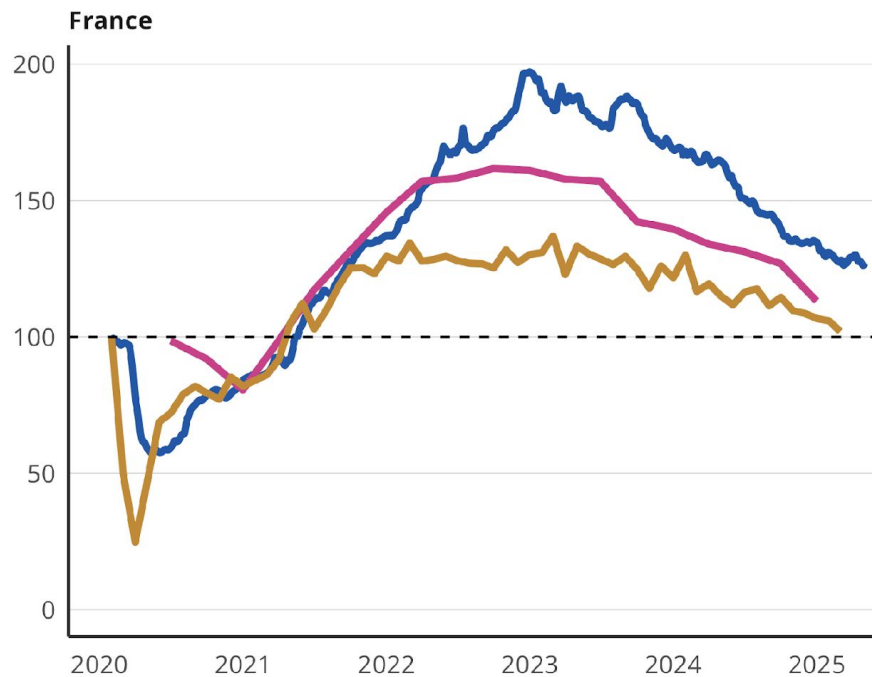
Index 100 = Feb 2020 for Indeed and ONS data. Index = Q4 2019 for Eurostat data. Missing value in French data for Q1 2020. Eurostat data is survey-based and refers to NACE-Rev. 2 sectors B-S (French data excludes sector O (public administration) as well as public jobs in P (education) and Q (human health/social work)).



Alternative measures of job vacancies show similar declining trends

Indeed job postings and official vacancy data, seasonally adjusted, to 09 May 2025

— Indeed Job Postings — Job vacancies — New registered vacancies — Registered vacancies

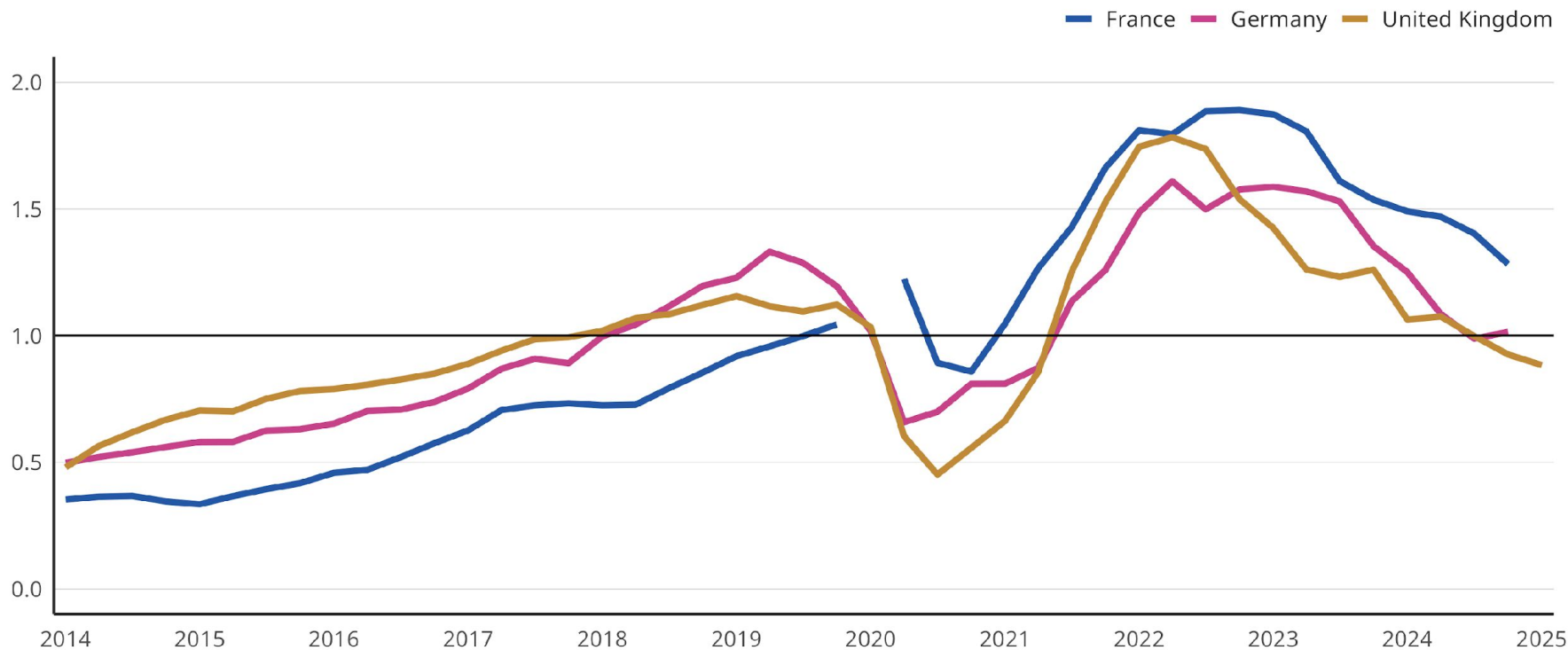


Sources: Indeed, Eurostat (Job vacancies, quarterly data, to Q4 2024, missing value in French vacancy data for Q1 2020), OECD (Registered vacancies, monthly data, to Apr 2025). Index 100 = Feb. 2020 for Indeed and OECD data. Index = Q4 2019 for Eurostat data.



Labour market tightness is at its long-term average in Europe's biggest economies

Vacancies per unemployment, normalised to their long-term mean, seasonally adjusted data

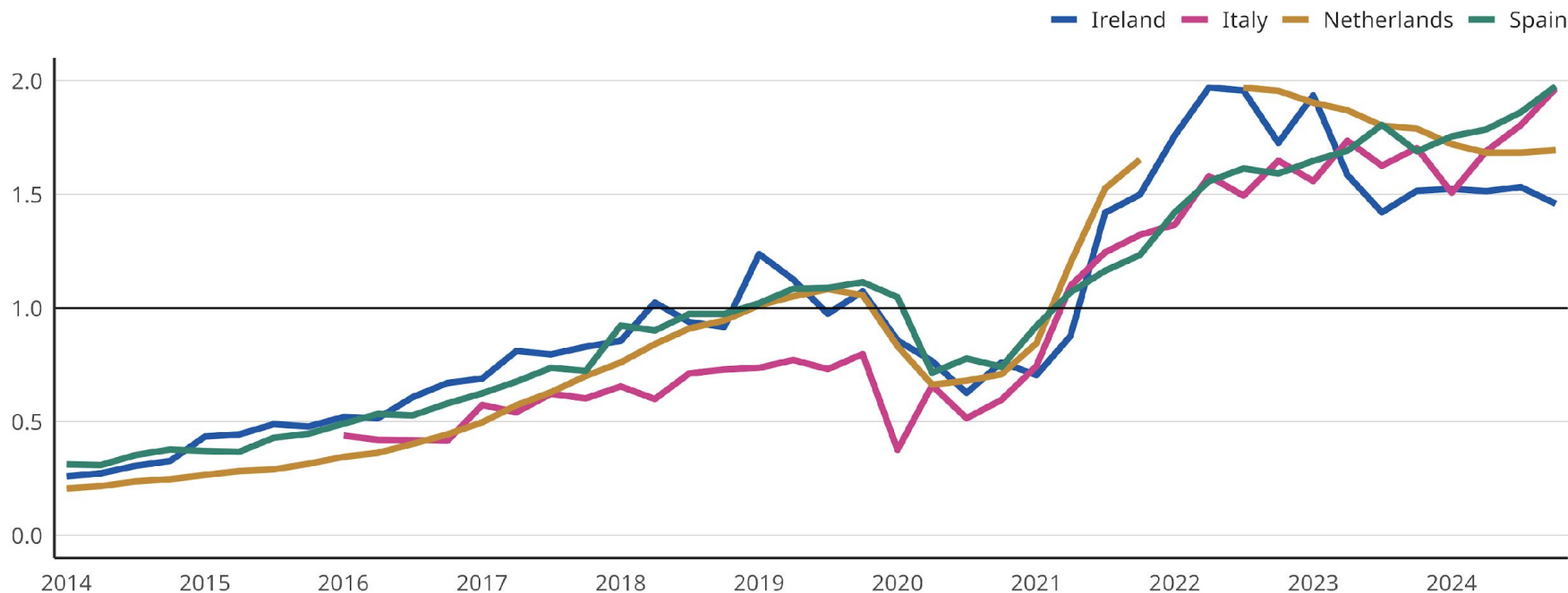


Sources: Eurostat (to Q4 2024), ONS (to Q1 2025). Tightness is normalised to its mean over the observed period. Unemployment among ages 15-74 (UK: 16-64). Vacancies from Eurostat refer to NACE-Rev.2 sectors B-S. Missing value in French vacancy data for Q1 2020.



Labour market tightness is still above its long-term average in several European economies

Vacancies per unemployment, normalised to their long-term mean, seasonally adjusted data

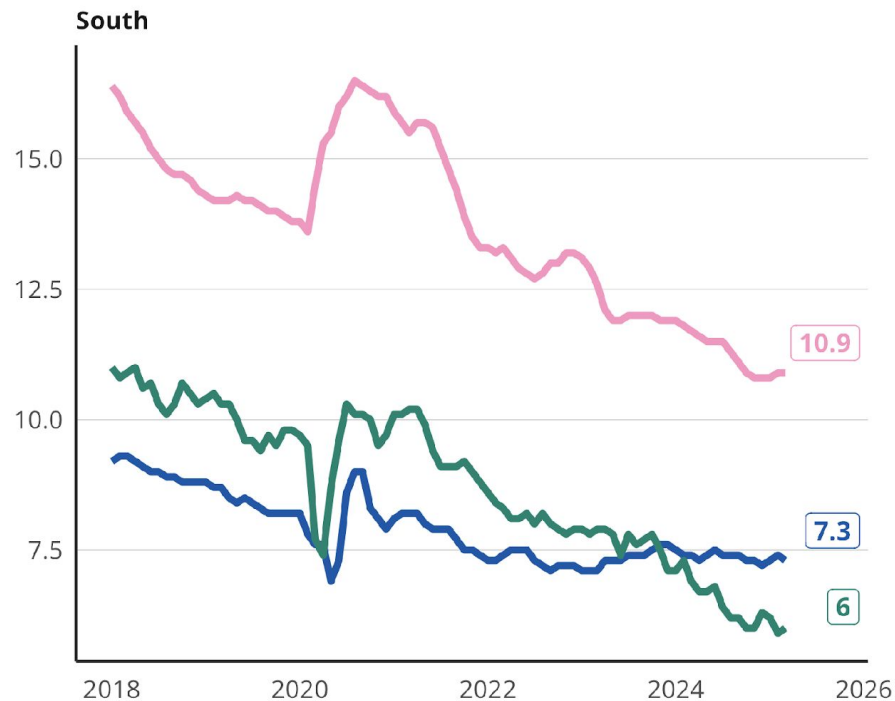
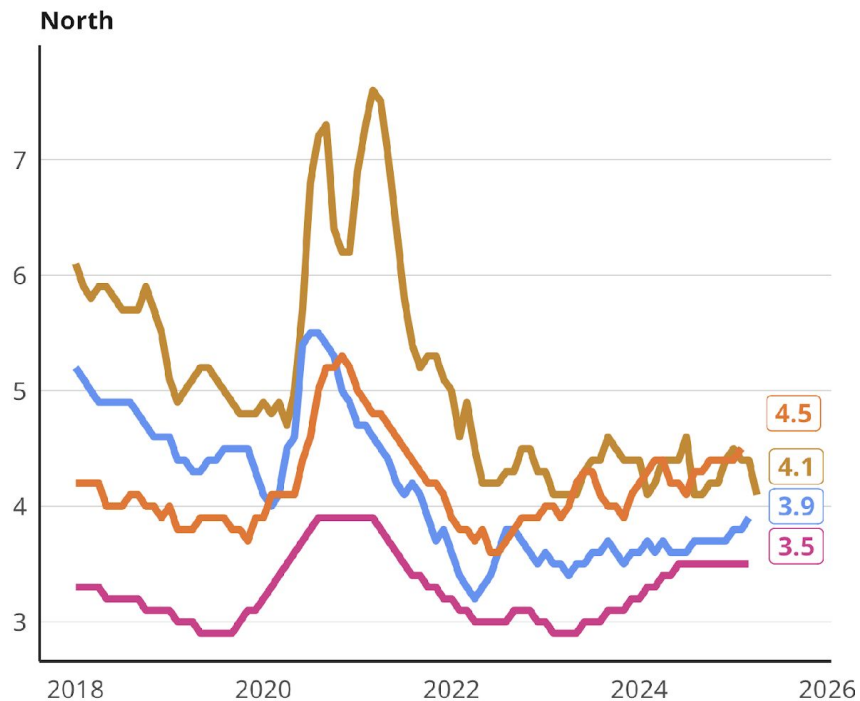


Sources: Eurostat (to Q4 2024). Tightness is normalised to its mean over the observed period. Unemployment among ages 15-74 (Spain: 16-74). Vacancies refer to NACE-Rev.2 sectors B-S. For Italy, the number of vacancies is approximated by the vacancy rate referring to sectors B-S except O.

Unemployment is moderate, slowly rising in some countries

Unemployment, in % of the labour force, Europe, Jan 2019 - Apr 2025

France Germany Ireland Italy Netherlands Spain United Kingdom

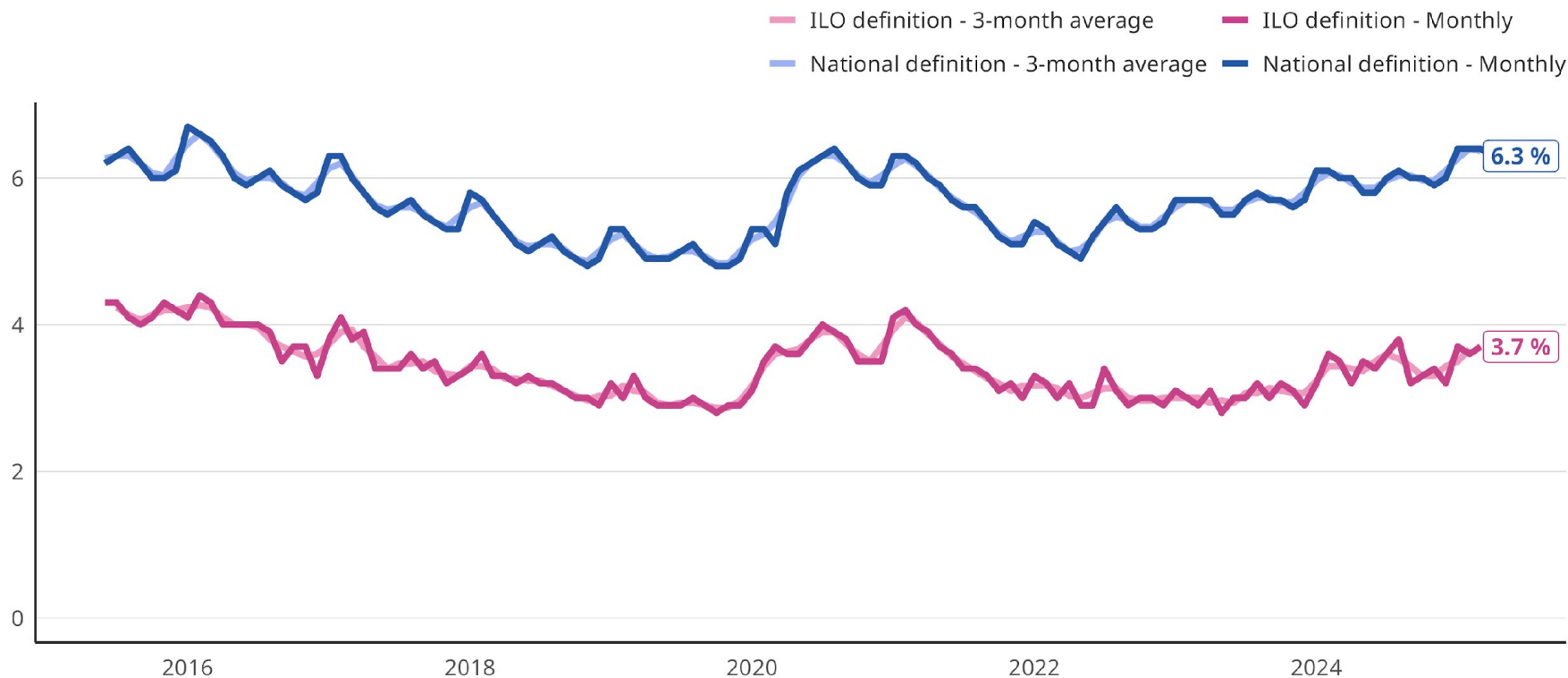


Sources: Eurostat, ONS. Seasonally adjusted unemployment rate among ages 15-74. ONS data refers to ages 16-64, latest data: Feb 2025.



Unemployment in Germany keeps slowly rising

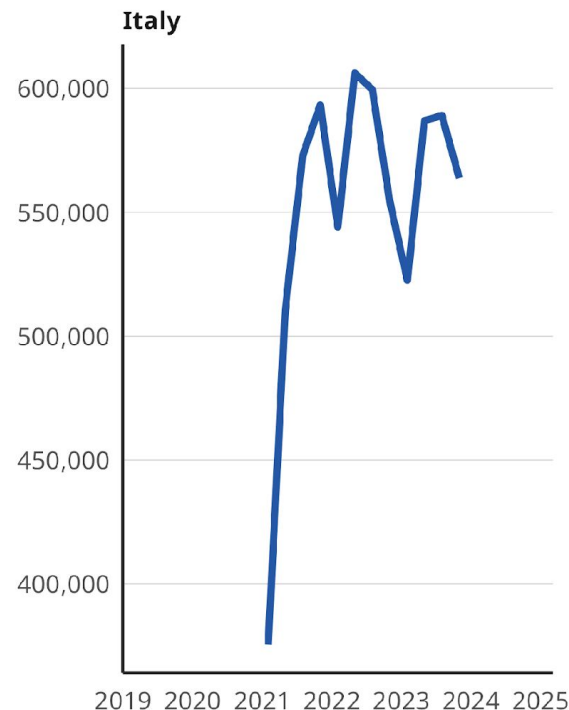
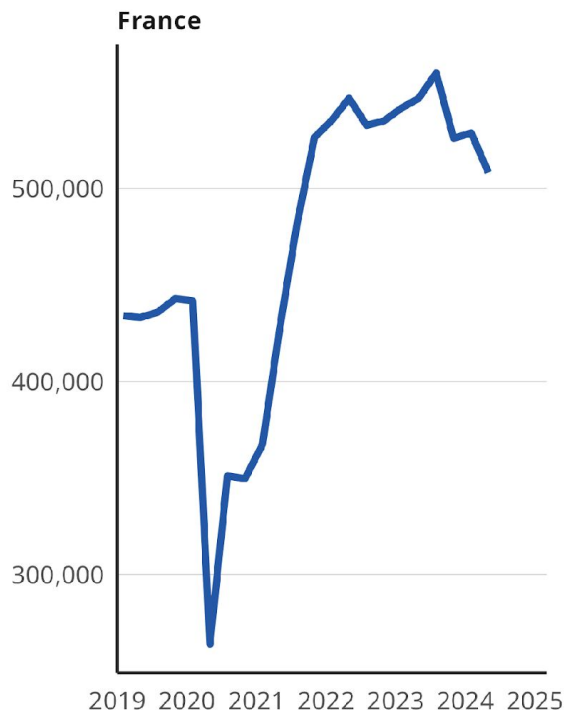
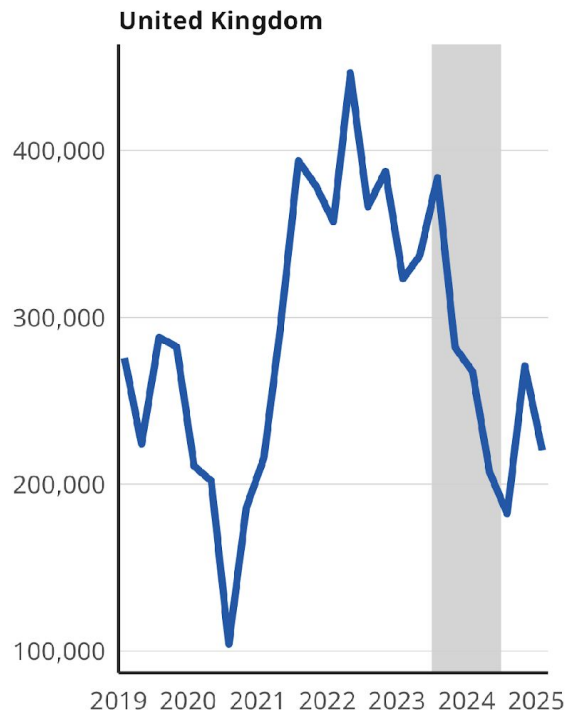
Unemployment, in % of the civilian labour force, Europe, May 2015 - April 2025



Sources: Eurostat (ages 15-74, to March 2025), Destatis (ages 15-65, to April 2025). Centered moving average.

Resignations are down from their peaks

Number of quits by country

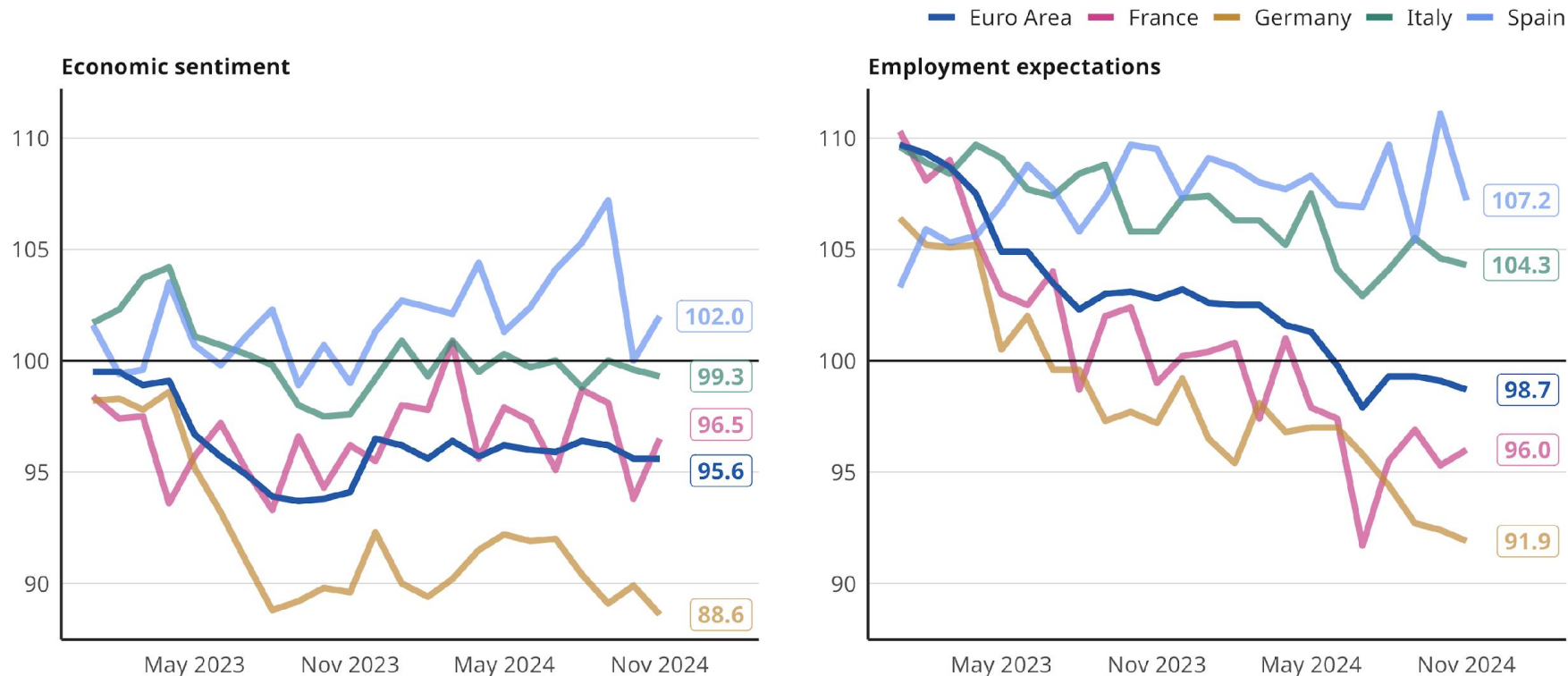


Sources: ONS (United Kingdom, LFS data quality issues in 2023-2024, to 2025-Q1), DARES (France, administrative data, including authorized early terminations of fixed-term contracts, to 2024-Q2), Ministry of Labour and Social Policies (Italy, administrative data available 2021-2023, to 2023-Q4).



Employment expectations catch up with economic sentiment

Index (long-term average = 100), monthly data, to Nov 2024

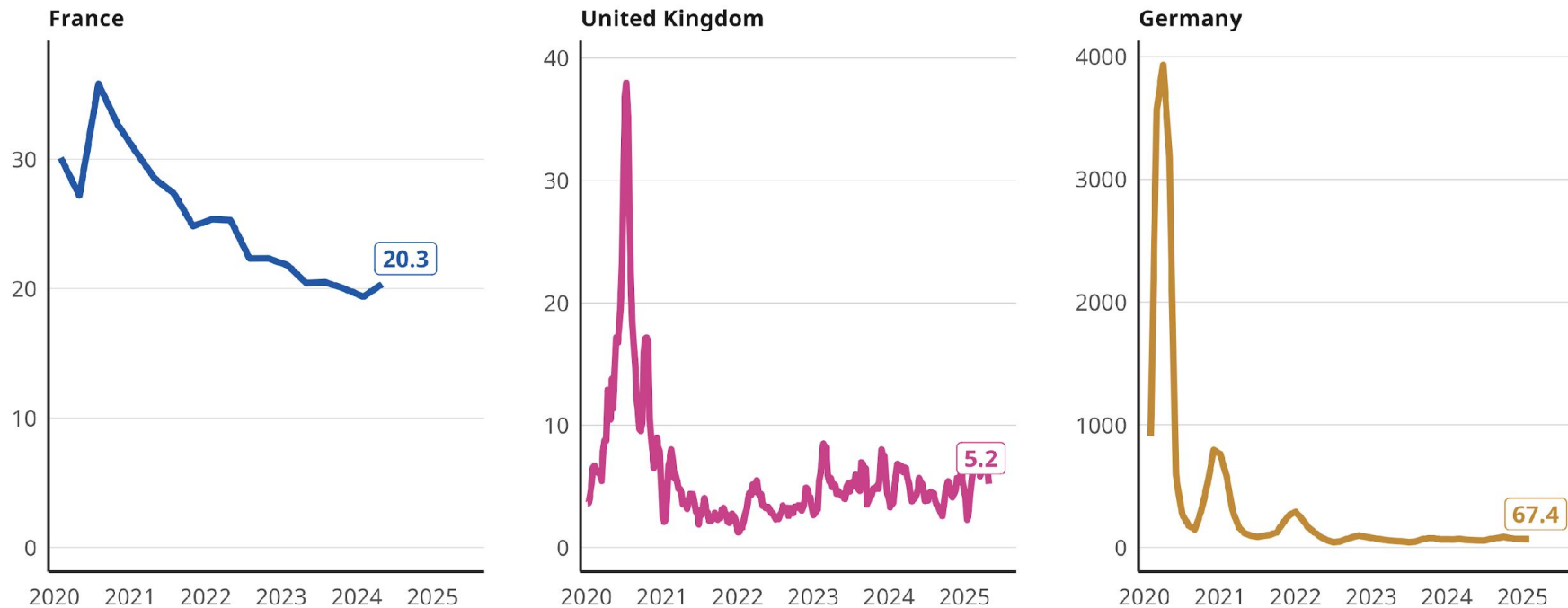


Source: Business and Consumer Survey, European Commission. Seasonal adjustment long-term averages calculated by the publisher.

Workforce adjustments remain modest

Redundancy measures over the past five years, in thousands

— Layoffs ('licenciements économiques') — Notified potential redundancies — Number of short-time workers (notifications)

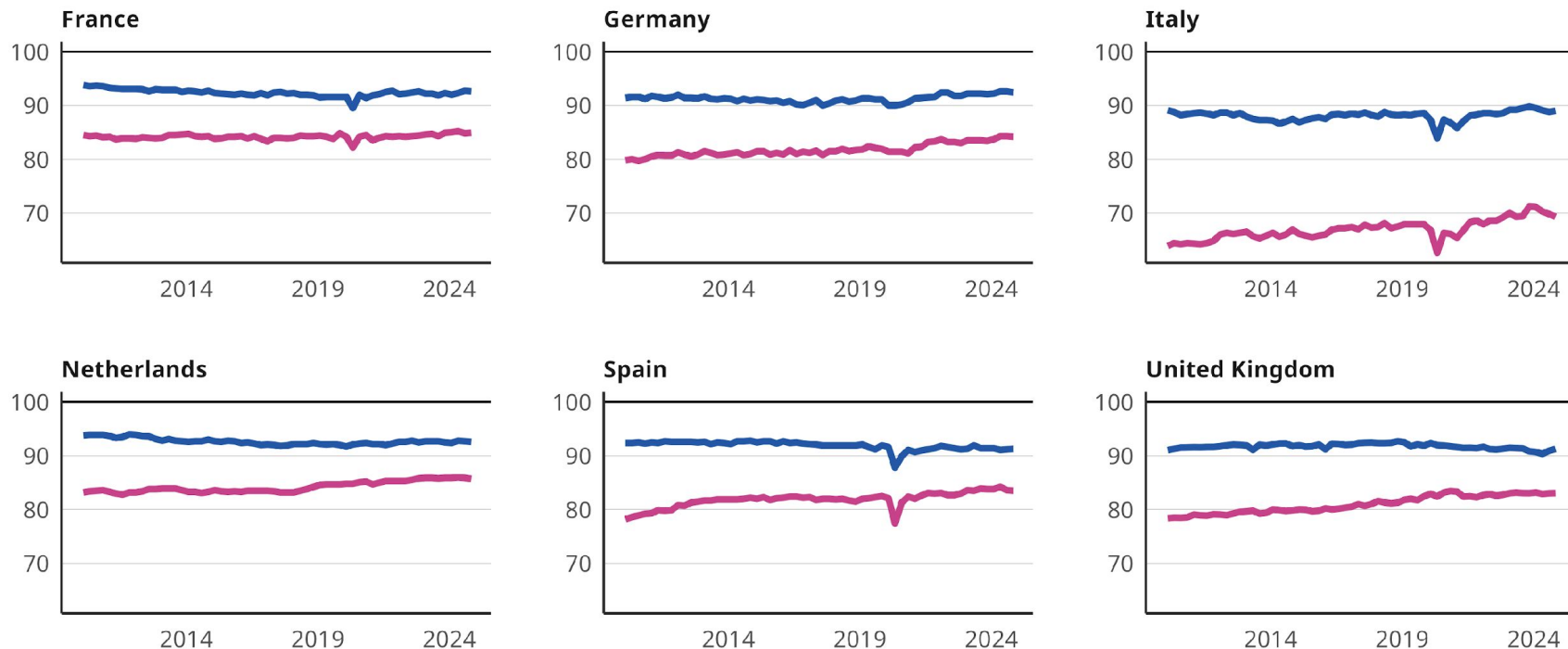


Sources: ONS (UK, 4-week average of weekly data, to Apr 2025), DARES (France, quarterly data, s.a., to Q2 2024), Bundesagentur für Arbeit (Germany, three-month moving average, to Feb 2025).

Women's labour force participation is rising, but potential remains underutilised

Labour force participation rate by gender, in percent of the population aged 25-54, Q1 2009 to Q4 2024

— Male — Female

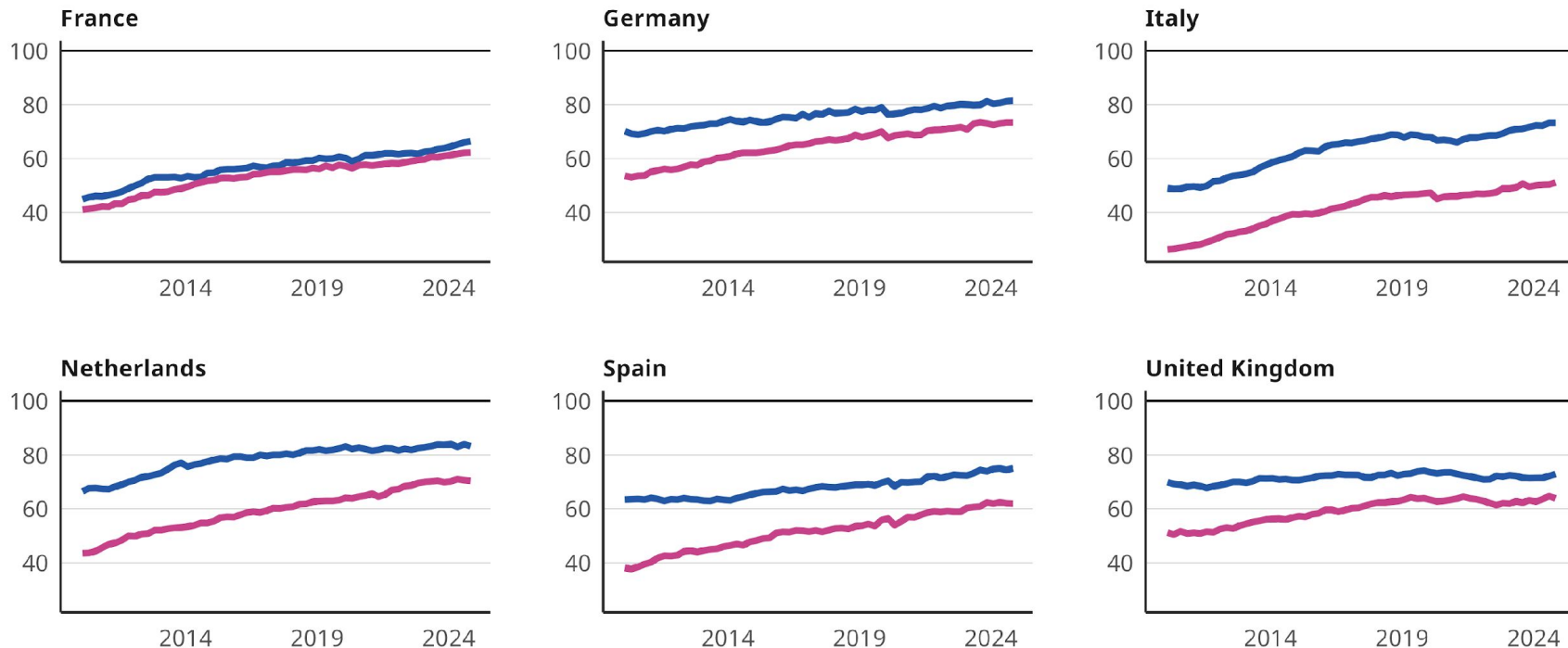


Sources: ILOSTAT (UK, to Q4 2024), Eurostat (EU countries, to Q4 2024). Seasonally adjusted.

Older workers participate at increasing rates with strong cross-country differences

Labour force participation rate by gender, in percent of the population aged 55-64, Q1 2009 to Q4 2024

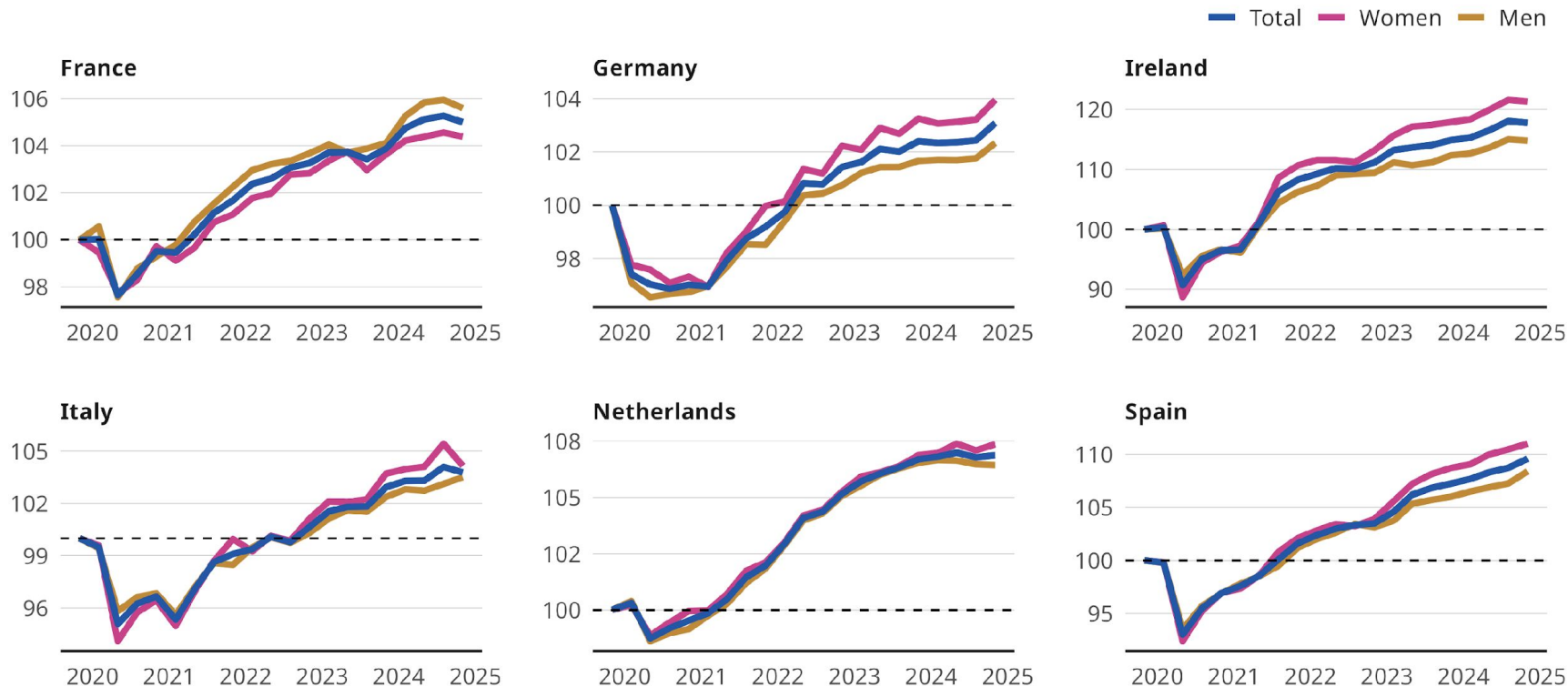
— Male — Female



Sources: ILOSTAT (UK, to Q4 2024), Eurostat (EU countries, to Q4 2024). Seasonally adjusted.

Across much of Europe, women drove post-pandemic employment gains

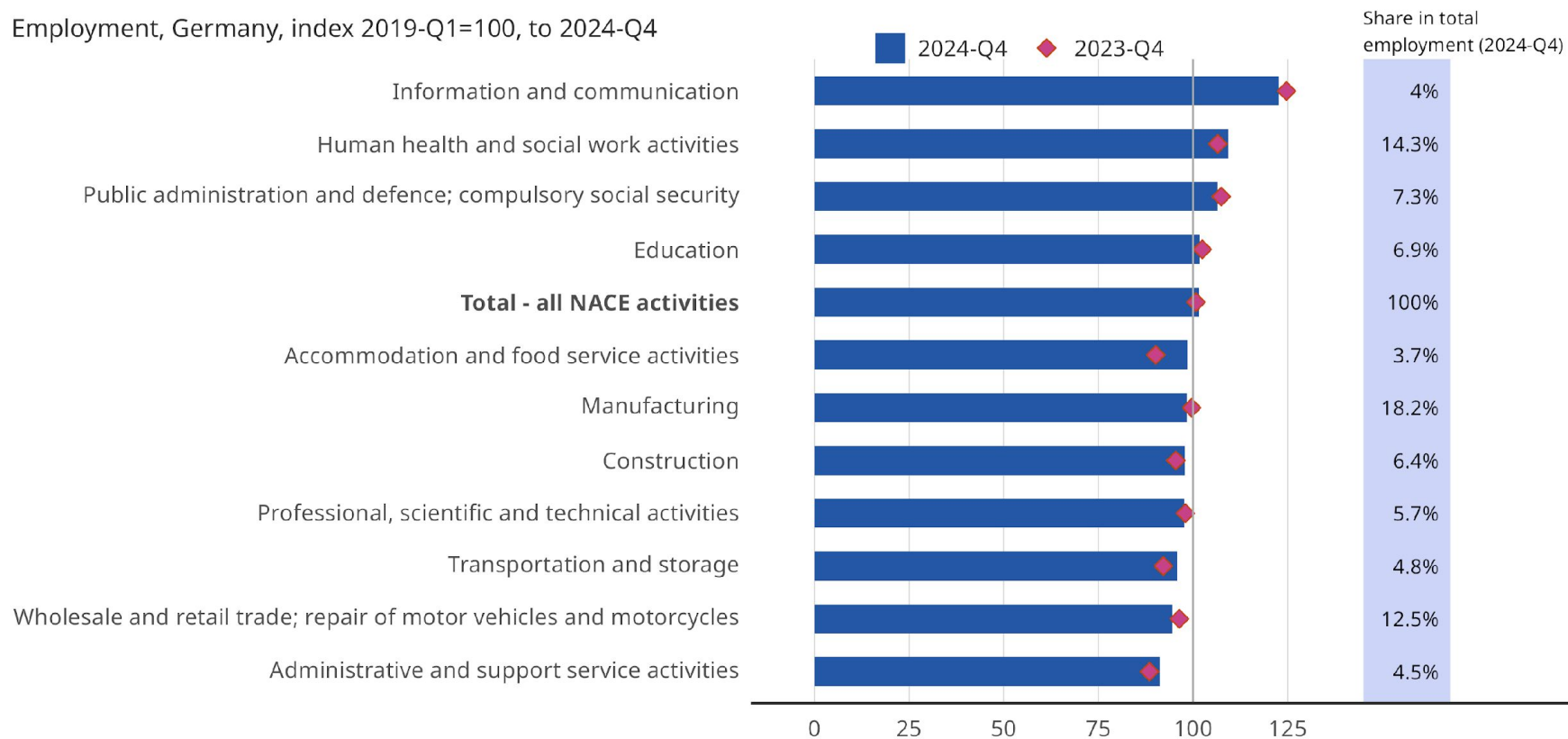
Index 2019-Q4 = 100, to 2024-Q4



Source: Eurostat Employment (lfsq_egan2, s.a., ages 15-74) to 2024-Q4.

Public, health, and ICT jobs above pre-pandemic with some signs of weakness

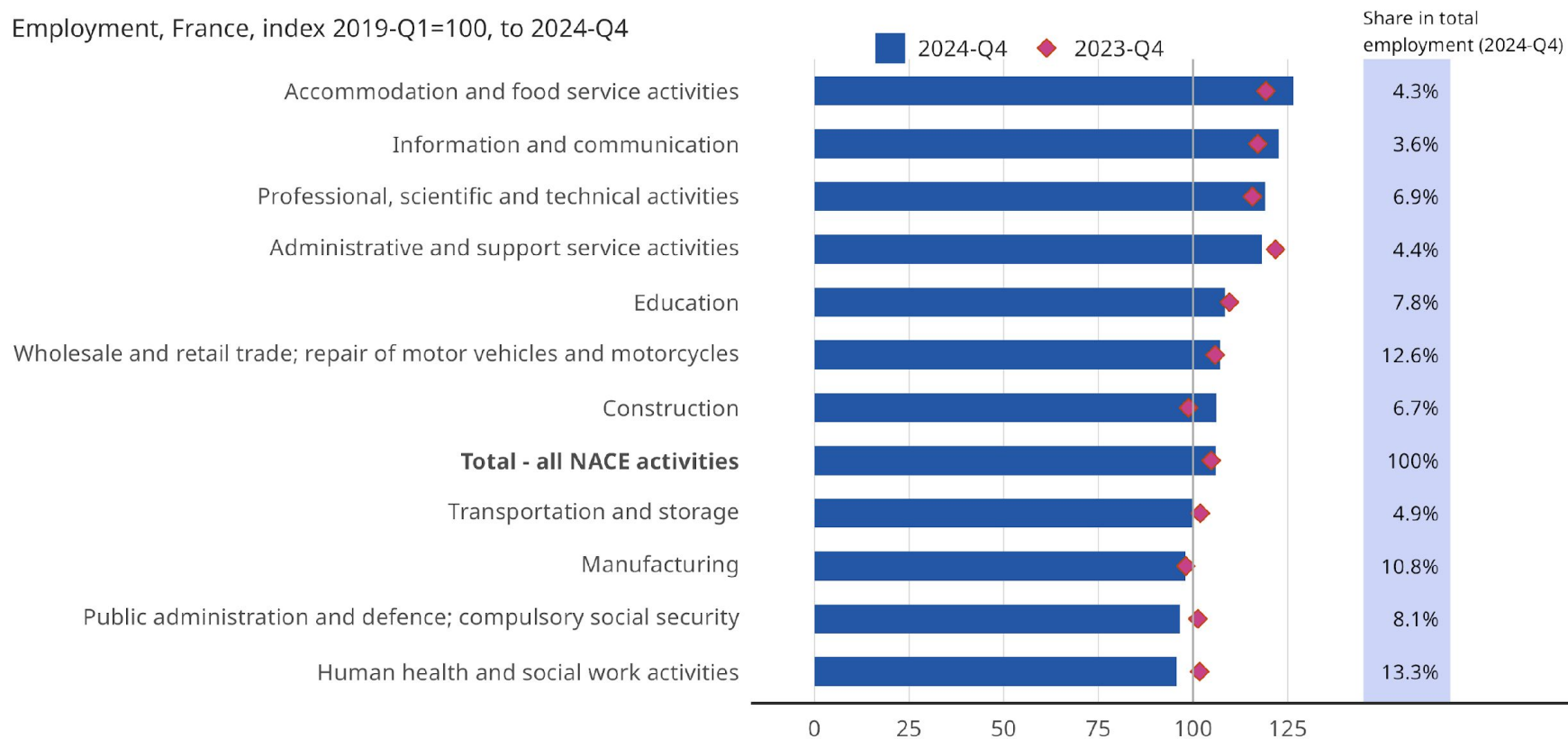
Employment, Germany, index 2019-Q1=100, to 2024-Q4



Source: Eurostat. Unadjusted series, ages 15-74.

Robust employment growth in hospitality, ICT and professional services

Employment, France, index 2019-Q1=100, to 2024-Q4



Source: Eurostat. Unadjusted series, ages 15-74.

Posted wages show stable to declining growth across countries

Y-o-y growth in posted wages, to Mar 2025

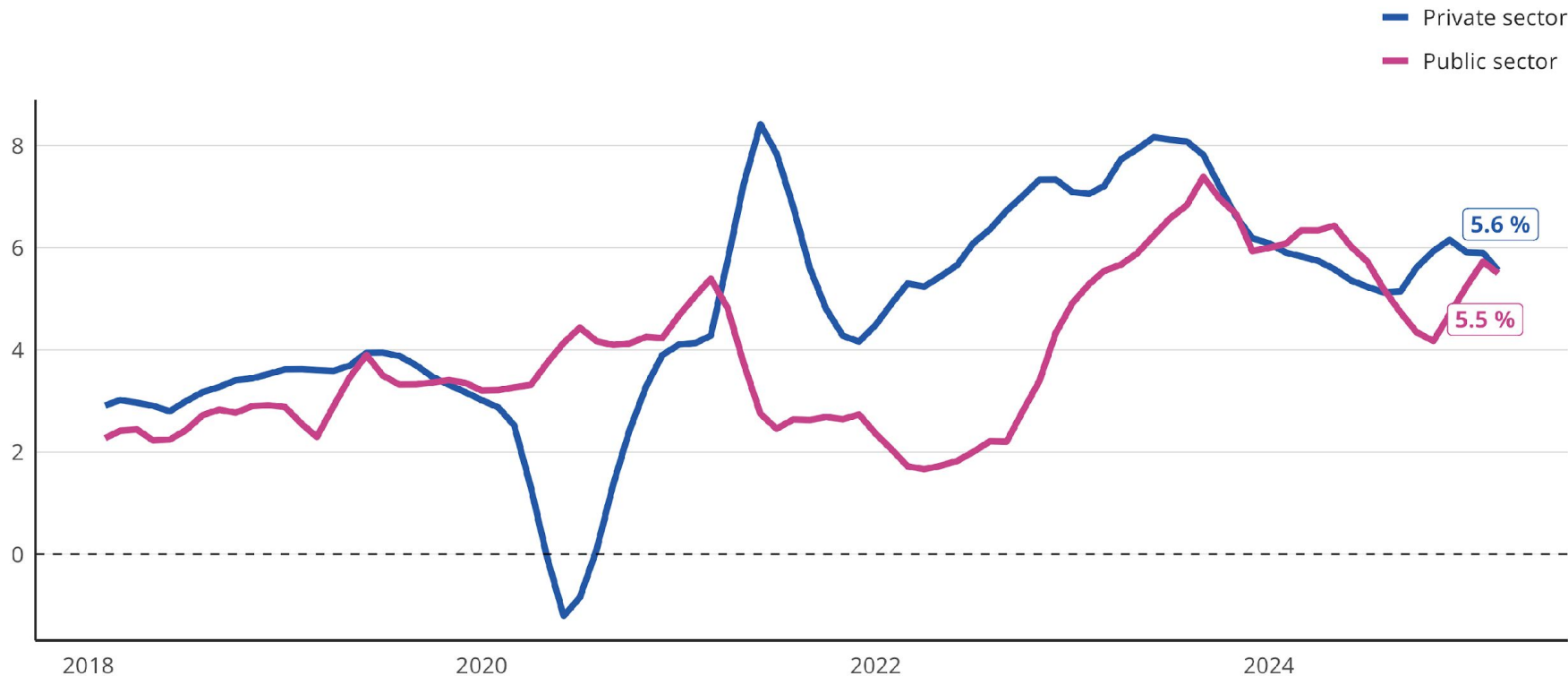


Source: Indeed Wage Tracker



United Kingdom: growth in average weekly earnings remains strong

Year-on-year growth rates in regular pay, seasonally adjusted, to March 2025



Source: ONS.

→ hiringlab.org

→ data.indeed.com