2025 YEARBOOK

Eurofound

Living and working in Europe

Living and working in Europe 2025

Eurofound

European Foundation for the Improvement of Living and Working Conditions

When citing this report, please use the following wording:
Eurofound (2026), *Living and working in Europe 2025*, Publications Office of the European Union, Luxembourg.

Author: Ciara Burbridge

Acknowledgements: Thanks to Martina Weadick for her contribution to Chapter 11.

A note on gender

While Eurofound acknowledges that the concepts of gender and sex are different, gender is used in this yearbook to denote female and male characteristics unless otherwise stated. The European Working Conditions Survey 2024 included a question on gender identity, whereby respondents could describe themselves as a man, woman or 'in another way'. A total of 26 individuals across all countries covered identified as non-binary. When data are displayed by gender in this yearbook, non-binary individuals are excluded because their sample size is too small to provide reliable results; they are, however, included in all other breakdowns. Other data sources used in this yearbook (the Living and Working in the EU e-survey, EU Statistics on Income and Living Conditions (EU-SILC), the European Central Bank's European Social Survey and the Household Finance and Consumption Survey) similarly categorise respondents as male or female; where a third option was available, numbers were not sufficient for separate analysis. Where data from the EU Labour Force Survey are cited, the term 'sex' is maintained, in line with that survey's methodology.

Luxembourg: Publications Office of the European Union, 2026

Print:	ISBN 978-92-897-2553-8	ISSN 2363-0299	doi:10.2806/2309332	TJ-01-26-004-EN-C
Web:	ISBN 978-92-897-2552-1	ISSN 2363-0302	doi:10.2806/7156145	TJ-01-26-004-EN-N

This report and any associated materials are available online at eurofound.link/ef26001

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.

European Foundation for the Improvement of Living and Working Conditions

Telephone: (+353 1) 204 31 00
Email: information@eurofound.europa.eu
Web: www.eurofound.europa.eu

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Foreword

What does financial resilience look like in Europe in 2025? For some, it means the confidence that comes with stable employment, a home that is affordable and savings that can absorb an unexpected shock. For others, it means something more precarious: getting by, month to month, with little margin for error.

This yearbook tells the story of that divide. Drawing on the latest round of Eurofound's Living and Working in the EU e-survey, the 2024 European Working Conditions Survey and a rich body of research published over the past year, it shows how cost-of-living pressures, housing insecurity and fragile mental well-being continue to shape the lived experience of millions of Europeans – unevenly across income groups, age cohorts and household types. These pressures are unfolding against a backdrop of continued geopolitical instability, including Russia's war of aggression in Ukraine, and the escalating instability in the Middle East and beyond, which compound economic uncertainty and test European solidarity.

The evidence shows that overall improvements can coexist with deepening inequalities beneath the surface. Inflation has eased and employment remains broadly stable, yet economic strain has intensified among low- and middle-income households. Minimum wages have converged remarkably, yet what they can buy – especially in terms of housing – varies sharply across Member States. Job quality has improved on several indicators, yet psychosocial pressures and gender gaps persist. Mental well-being has not recovered from successive crises.

This edition is structured around three connected themes: work (job quality, wages, ageing and sectoral restructuring), quality of life (housing, mental health and institutional trust) and inequality (the gender pay gap and the distribution of wealth). The thread running through the report is that these pressures are interconnected. Housing costs erode purchasing power gains. Unpaid care constrains participation. Financial strain feeds poor mental health, which undermines the trust on which democratic societies depend. The EU's policy ambitions – from the Competitiveness Compass to the European Affordable Housing Plan and the forthcoming Anti-Poverty Strategy – recognise these connections. Whether these policies translate into meaningful change will depend on implementation.

Eurofound's role is to provide evidence to support that implementation. The data in these pages describe pressures that are real and unevenly shared. They also describe a Union with the institutional capacity, the policy frameworks and the evidence base to respond. How it does so is the question that matters most.

1 What kind of year was 2025 for people in Europe?

About the Living and Working in the EU e-survey

The Living and Working in the EU e-survey was launched by Eurofound in 2020 to assess the impact of the COVID-19 pandemic on living and working conditions. Since 2022, it has monitored longer-term developments linked to the pandemic, Russia's war in Ukraine and rising living costs. In 2025, a module on climate and environmental impacts was added, developed together with the European Environment Agency.

Between 1 April and 4 June 2025, around 27,000 responses were collected across the EU-27. The survey uses a non-probability online sampling approach, with post-stratification weighting by gender, age, education and region.

In 2025, financial pressure remained part of everyday life for households across the EU – and not only for those on the lowest incomes. Economic strain has increased across all income groups since 2022, reaching 61% among low-income households and 30% among those on middle incomes. Although inflation had eased and employment levels were broadly stable, the eighth round of the Living and Working in the EU e-survey shows that housing insecurity and poor mental well-being compound these financial pressures – unevenly across income groups, tenures and age cohorts.

This chapter provides the lived-experience context for the more detailed analysis that follows, highlighting where pressures were most visible in 2025 and where inequalities in financial resilience remain most pronounced.

Cost-of-living pressures and financial resilience

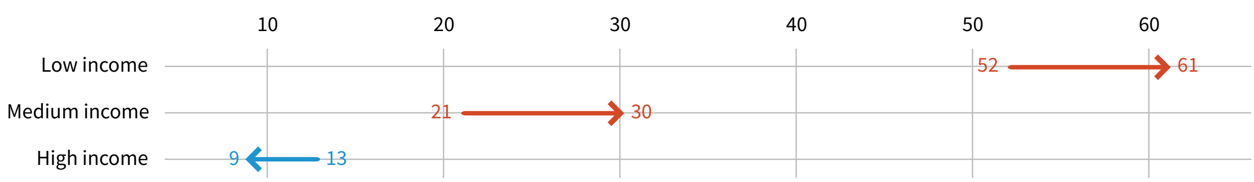
Cost-of-living pressures remain central to reported living conditions. Since 2020, economic strain – measured as the proportion of respondents who said it was 'difficult' or 'very difficult' to make ends meet – has increased across all age groups. The share is highest among those aged 50–64, rising from around 27% in 2020 to nearly 40% in 2025, and among the oldest respondents (65+), from about 17% to almost 29%, narrowing the gap with younger groups.

The income gradient is stark. In 2025, 61% of low-income households report financial difficulty, up from 52% in 2022, reflecting ongoing cost-of-living pressures (Figure 1). But financial stress is no longer confined to the lowest earners: among medium-income households, economic strain rose from 21% to 30% over the same period. The share of high-income households experiencing difficulty has remained low and stable at around 9%, indicating that higher-income households have been largely insulated from recent cost pressures.

Short-term insecurity is also evident. In 2025, 18% of respondents reported recent arrears on utility bills and 20% expected to face such difficulties in the coming three months – both higher than in 2024 (up from 15% and 18%, respectively). Arrears are most common among low-income, single-parent and multigenerational households.

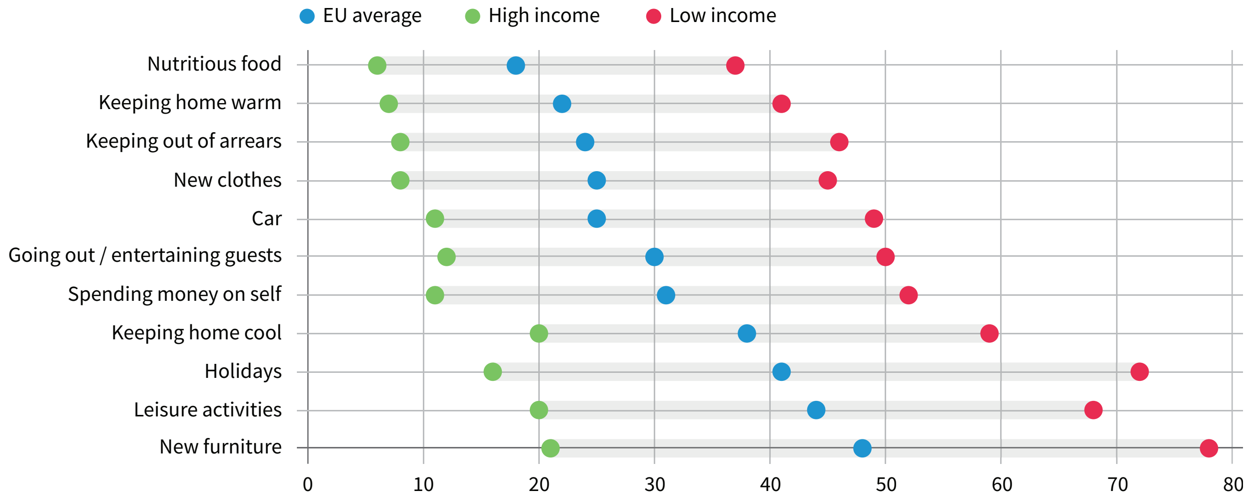
Savings remain limited. More than half of respondents (53%) reported either having no savings or only enough savings to cover less than three months of expenses. Private renters are more likely than homeowners to report having no savings: 28% of private renters report no savings at all, compared with 18% of homeowners with a mortgage and 15% of those owning outright.

Figure 1: Change in difficulty making ends meet, by income level, EU, 2022–2025 (%)



Source: Living and Working in the EU e-survey series.

Figure 2: Unaffordability of basic items for respondents on high and low incomes, EU, 2025 (%)



Source: Living and Working in the EU e-survey series.

Deprivation and inequality in living standards

Low-income respondents report substantially higher levels of material deprivation than high-income respondents across all items measured. The largest gaps between high- and low-income respondents are in relation to the affordability of furniture, holidays and leisure activities (Figure 2).

Since 2023, when deprivation was first measured in the e-survey, average deprivation levels have remained relatively stable, but income gaps have widened slightly for most items – especially keeping out of arrears (+9 percentage points), spending money on oneself (+8 percentage points) and leisure activities (+7 percentage points). Cost-of-living pressures have deepened inequality rather than changed overall deprivation rates.

These findings arrive at a time of renewed EU-level attention to poverty. In July 2025, the European Commission launched a public consultation on the first-ever EU Anti-Poverty Strategy. The e-survey evidence on deepening income-related inequality – and its reach into middle-income households – underlines the timeliness of that ambition.

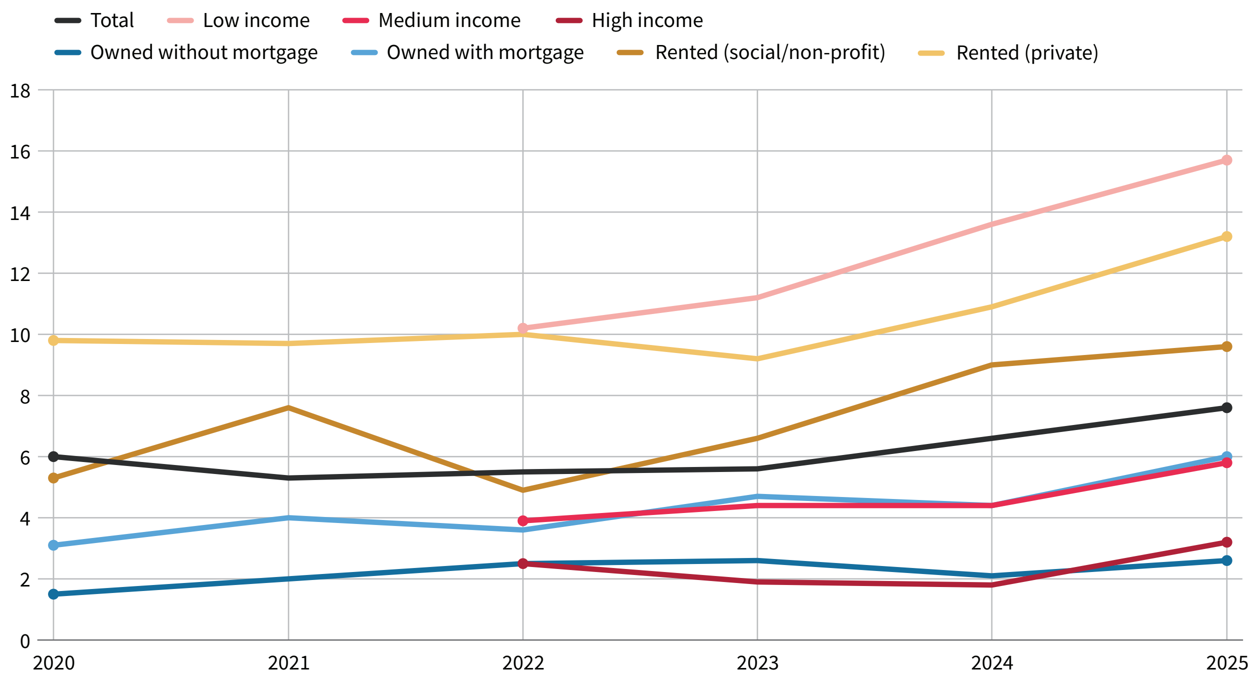
Housing as a defining life pressure

Housing pressures remain closely linked to financial strain. Housing insecurity – defined as the likelihood of having to leave one's home in the next few months because it is no longer affordable – has increased since 2020. The rise is most pronounced among renters and low-income households.

Among low-income households, the share experiencing housing insecurity increased by more than 6 percentage points between 2022 and 2025. In 2025, 12.4% of non-homeowners reported concerns about having to leave their home owing to affordability pressures – a share that rises to 13.2% among private renters specifically. Shares among homeowners remain comparatively low and stable (Figure 3).

The patterns across countries and the pressures facing specific groups are examined in Chapter 6.

Figure 3: Respondents experiencing housing insecurity, by income and tenure, EU, 2020–2025 (%)



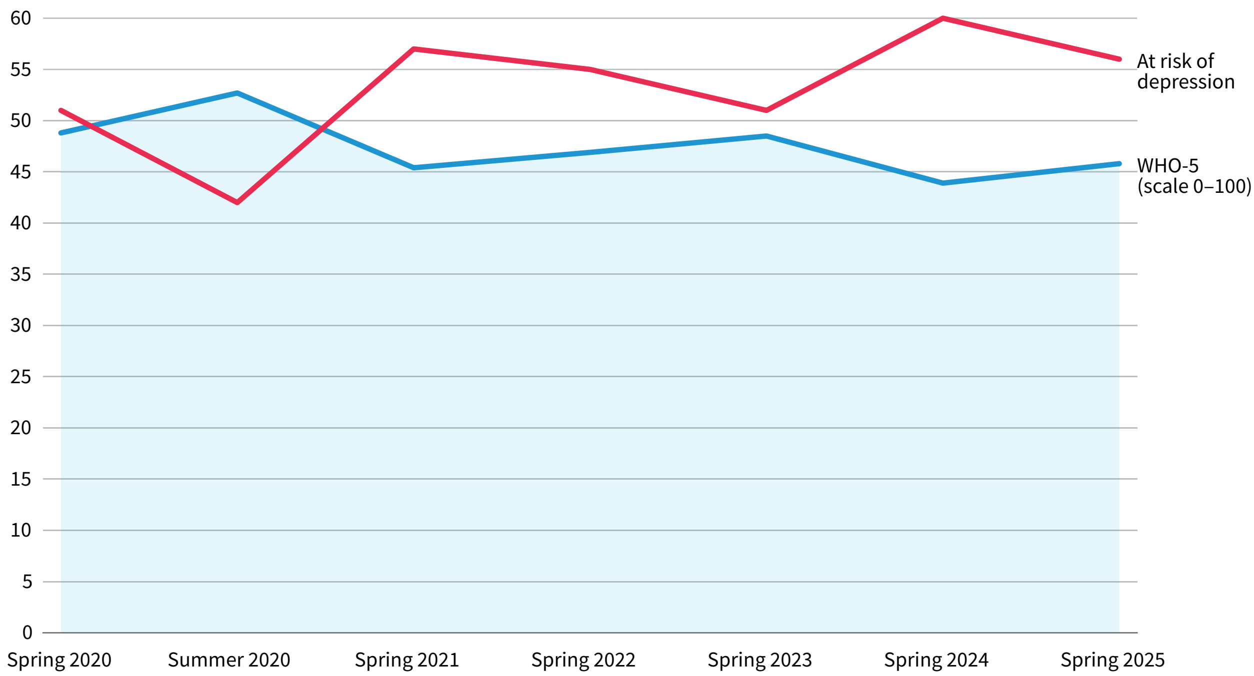
Source: Living and Working in the EU e-survey series.

Well-being and mental health

Financial pressure is reflected in declining optimism and persistently low levels of mental well-being. Since a sharp drop in 2022 – measured around the start of Russia's war in Ukraine – the share of respondents reporting that they are optimistic about their own future has not recovered across age groups (Figure 4).

Mental well-being, as measured by the WHO-5 Well-being Index (WHO-5), remains below levels recorded in the early part of the pandemic. The mean score was highest in summer 2020, following the lifting of initial lockdown restrictions, but has since declined gradually. In spring 2025, more than half of respondents scored at or below the threshold, indicating risk of depression – a finding examined in the context of longer-term mental health trends in Chapter 7.

Figure 4: Average mental well-being and proportion of respondents at risk of depression, by rounds of e-survey, EU (%)



Source: Living and Working in the EU e-survey series.

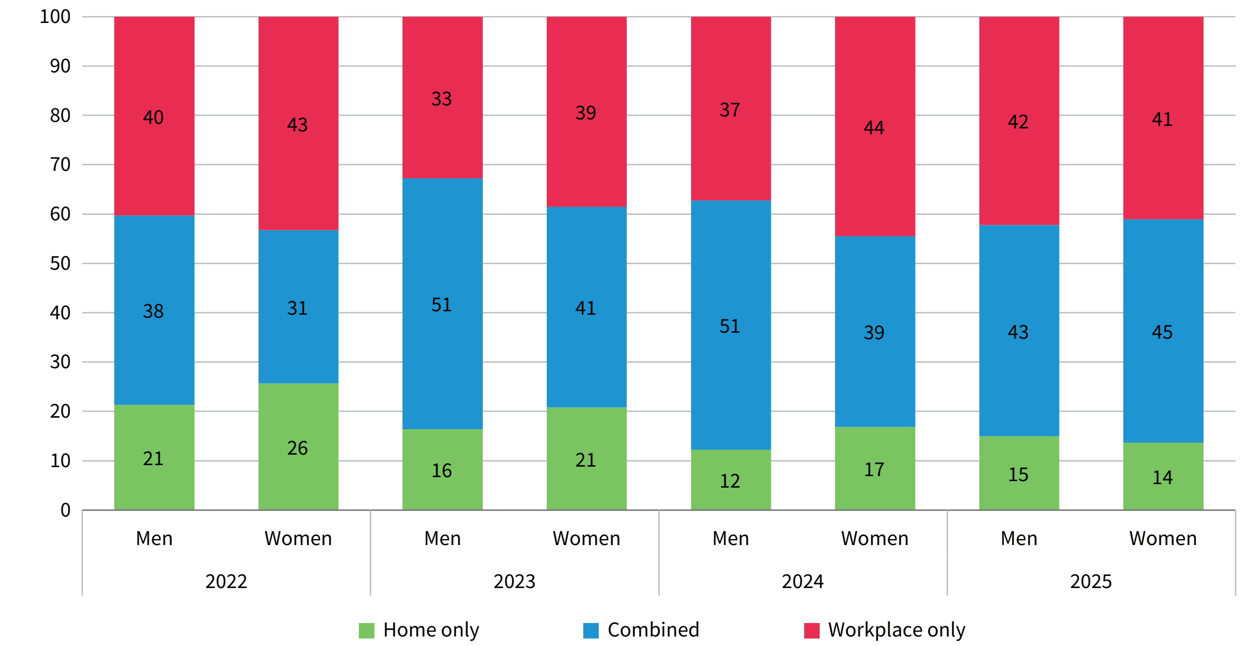
Hybrid work and work–life balance

Among respondents in teleworkable jobs, combined arrangements – working from home and from the employer's premises – were the dominant pattern in 2025. Since 2022, the share working exclusively from home has declined steadily: from 21% to 15% among men and from 26% to 14% among women. Combined work arrangements have become considerably more common (Figure 5).

Preferences for regular teleworking have strengthened: about half of men and more than half of women would prefer to work from home several times a week, up from around a quarter in 2021.

Among respondents in teleworkable jobs, around one-fifth report being constrained teleworkers – wishing to telework but unable to do so.. The implications for working time, intensity and autonomy vary across occupations and sectors (see Chapter 2).

Figure 5: Work location of respondents in teleworkable occupations, EU, 2022–2025 (%)



Source: Living and Working in the EU e-survey series.

Trust and satisfaction with democracy

Institutional trust varies systematically by age and income. Respondents aged 35–64 report both higher levels of financial strain and lower levels of trust in national government and the EU than younger respondents. Income gradients are equally marked: high-income respondents report the highest trust across almost all domains, while low-income respondents report lower trust and lower satisfaction with democracy. The biggest gap by income level is in relation to trust in the EU (Figure 6).

At a time when the EU's competitiveness agenda depends on broad public support for reform and investment, this combination of economic vulnerability and low institutional confidence warrants attention. The patterns are analysed in detail in Chapter 8.

Figure 6: Social and institutional trust, by income level, EU, 2025 (scale 1–10)

	Trust in people	Government	EU	Healthcare system	Police	News media	Social media	Satisfaction with democracy
High income	5.7	4.1	5.5	6.2	6.1	4.6	3.2	5.4
Medium income	5.1	3.6	4.5	5.8	6.0	3.9	3.2	4.7
Low income	4.3	3.1	3.9	5.3	5.5	3.6	3.2	4.1

Source: Living and Working in the EU e-survey series.

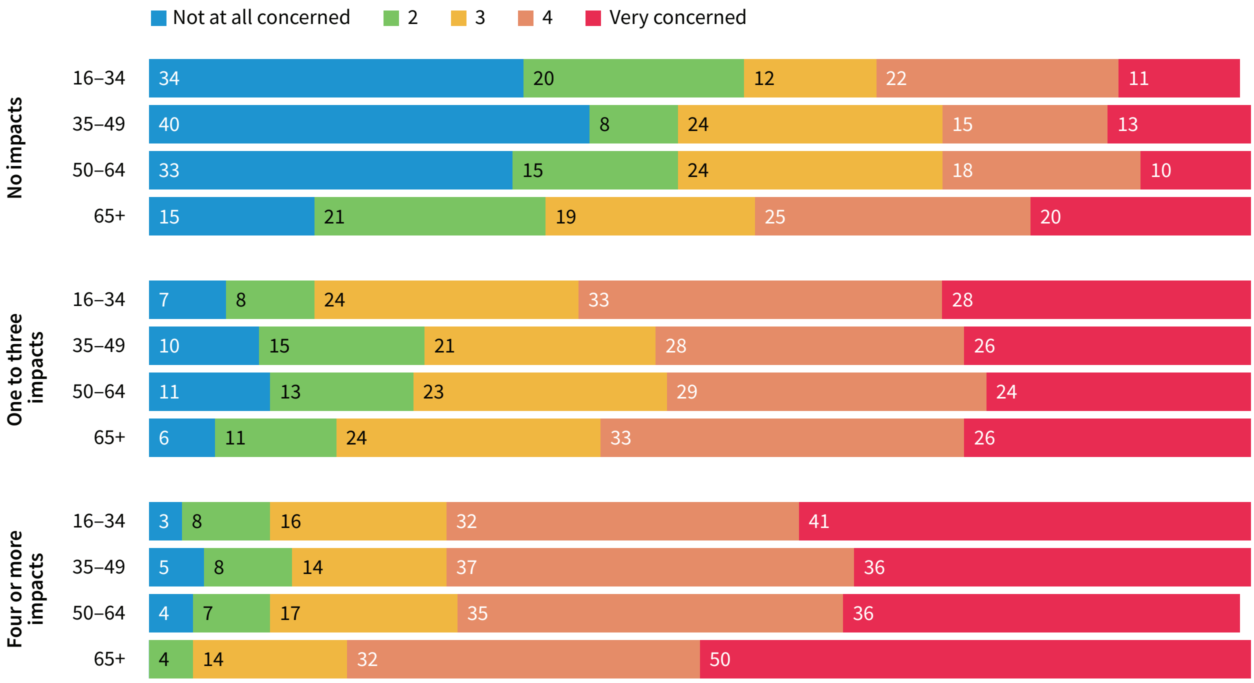
Climate-related experiences and concern

Across all Member States, more than 80% of respondents reported experiencing at least one climate-related adverse event in the previous five years, with nearly all respondents in southern and central Europe affected.

Climate change also has implications for working conditions. As Chapter 2 documents, exposure to high temperatures at work has increased significantly, particularly in agriculture, construction and food services – sectors where the majority of workers must be physically present. The findings provide new evidence relevant to the European Green Deal and the imperative of a just transition.

Concern increases with exposure and is reported across age groups: among respondents who have faced four or more climate impacts, more than 40% of those aged 16–34 and half of those aged 65+ report being 'very concerned' (Figure 7).

Figure 7: Concern about environmental issues, by age and number of climate impacts experienced, EU, 2025 (%)



Source: Living and Working in the EU e-survey series.

From snapshot to deeper analysis

Taken together, the 2025 e-survey findings point to uneven financial resilience across different population groups. Economic strain remains concentrated among lower-income households; renters face heightened housing insecurity and limited savings buffers; mental well-being remains fragile; and institutional trust varies systematically with economic security.

The chapters that follow examine these themes in greater depth. Chapters 2 to 5 focus on work, wages, labour market participation and restructuring. Chapters 6 to 8 explore housing affordability, mental health trends and patterns of institutional trust. Chapters 9 and 10 examine two structural dimensions of inequality: persistent gender pay gaps and the distribution of wealth.

Discover more

Uneven picture of a changing Europe: Findings from Living and Working in the EU e-survey 2025

The hybrid workplace: Ensuring benefits for workers and organisations

Shaping the future of work: Inside Europe's hybrid work strategies

Eurofound Talks: Is Europe's teleworking experiment coming to an end?

Quality of work

1

The cost-of-living pressures and uneven financial resilience documented in Chapter 1 are partly shaped by work but also by the provision of safety nets and public services across Member States. For those in employment, whether households can absorb rising costs depends on the quality of the jobs people hold, the wages those jobs pay, whether people can stay in the labour market as they age or take on caring responsibilities, and whether the sectors they work in are navigating structural change in ways that sustain employment.

Chapters 2 to 5 examine these four dimensions. The 2024 European Working Conditions Survey provides new evidence on job quality – where conditions are improving and where pressures persist. Eurofound's annual minimum wage review tracks whether the convergence of wage floors across the EU is translating into real purchasing power. Three reports on older workers, unpaid care and undeclared care work explore who remains in the labour market and who is pushed out. And research on the automotive, construction and tourism sectors examines how the twin transitions – green and digital – are reshaping competitiveness across very different parts of the economy.

Together, these chapters pose a question that connects directly to the resilience story: are the jobs good enough – in terms of pay, sustainability and adaptability – to support the people who depend on them?

2 Job quality in 2024: improvement with uneven gains

Ask Europe's workers what matters most in a job and the answer may surprise: it is not pay. A safe working environment for mental and physical health (71%) and a trusting working environment (69%) come out ahead of good pay and benefits (66%), according to the 2024 European Working Conditions Survey (EWCS 2024). This finding sits at the heart of a broader picture in which job quality in Europe is improving – but not for everyone equally.

The EWCS, conducted by Eurofound since 1990, tracks job quality across seven dimensions: physical environment (exposure to noise, chemicals, temperature and other physical hazards), social environment (relationships with colleagues and managers, including exposure to adverse social behaviour), working time quality (hours, predictability and fit with private life), work intensity (pace, deadlines and emotional demands), skills and discretion (training, autonomy and the ability to apply and develop skills), prospects (career advancement and job security) and earnings (pay level and perceived fairness). In 2024, more than 36,000 workers across the EU were interviewed face to face.

The EU's Quality Jobs Roadmap, published in December 2025, sets out a framework for fair wages, good working conditions and just transitions. The EWCS 2024 findings show continued improvement in several core areas. Long working weeks have become less common: the share of workers reporting 48 hours or more per week has almost halved, from 19% in 2005 to 11% in 2024. Access to training has expanded, and the physical work environment has improved overall. Yet these gains coexist with emerging pressures. Digitalisation and changing work patterns are reflected in rising levels of sedentary work, with 42% of women and 39% of men sitting for prolonged periods. Exposure to high temperatures affects 34% of men and 18% of women at least a quarter of the time. And gender differences persist across several dimensions, particularly work intensity and exposure to adverse social behaviours.

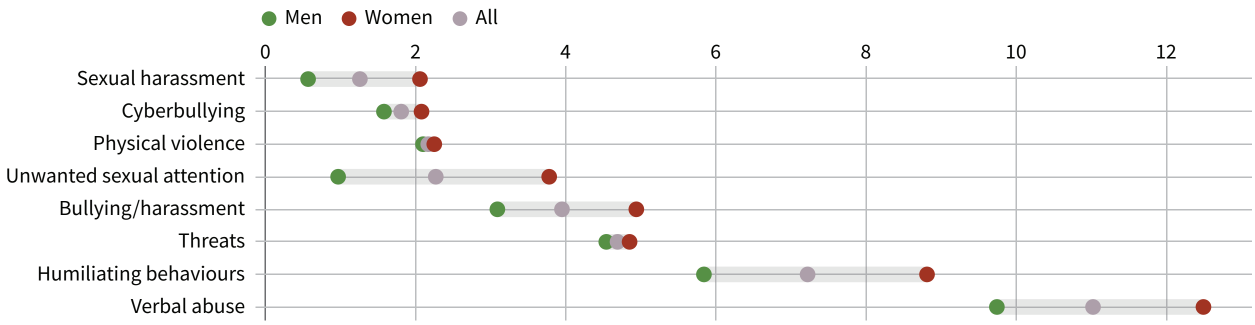
Psychosocial and physical risks: rising social pressures and shifting exposures

Working hours may be shorter but work itself has not necessarily become easier.

Work intensity remains a central feature of many jobs, with women reporting higher levels than men in 2024. Emotional demands, like having to hide one's feelings, and frequent interruptions are reported more often in healthcare and education, where women are overrepresented. In transport and parts of industry, tight deadlines and working at high speed continue to characterise everyday work.

The social environment at work shows relative stability overall, but the gender gap has widened since 2015, with women's scores consistently lower than men's. Women are more likely to report being subjected to verbal abuse and humiliating behaviour, particularly in roles involving regular interaction with clients, patients or the public (Figure 8).

Figure 8: Prevalence of adverse social behaviours, by gender, EU, 2024 (%)



Source: EWCS 2024.

The physical environment has improved since 2010, but the profile of exposure is evolving. In 2024, prolonged sitting affected large shares of the workforce, while episodic exposure to high temperatures had increased – with workers in agriculture (68%), construction (52%), industry and transport (both 33%) reporting above-average exposure. Gender differences reflect occupational patterns: men report higher exposure to vibration, heavy loads and high temperatures; women to lifting or moving people and to prolonged sitting.

Skills, prospects and earnings: opportunity, security and divergence

Job quality is not only about what workers are exposed to – it is also shaped by the resources and opportunities that work provides. Here, the EWCS 2024 findings show measurable progress.

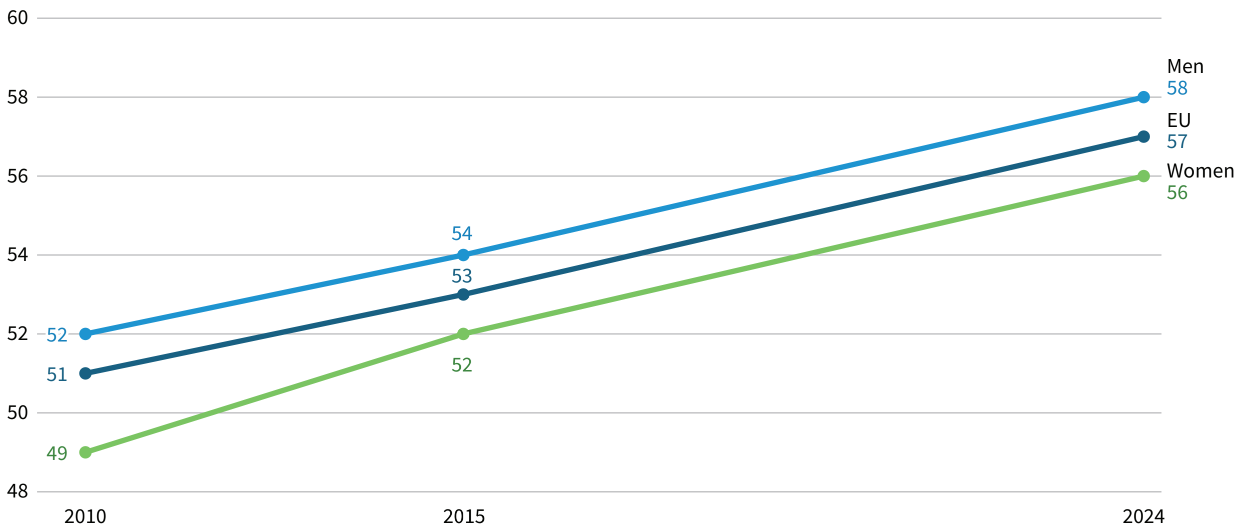
Skills and discretion at work have improved since 2010 for both men and women, with the gender gap narrowing over time (Figure 9). In 2024, 48% of employees reported receiving employer-funded training in the previous 12 months, and 46% reported on-the-job training. A majority of workers (76%) reported opportunities to learn new things at work. However, only 44% fully agree with the statement that their job gives them enough opportunities to use their skills and knowledge, and marked differences remain between higher-skilled and lower-skilled occupations.

Notably, while skills development and access to training have improved, the ability of workers to influence collective work processes and apply their own ideas has decreased for both men and women – a concerning countertrend.

Career prospects have improved significantly since 2010. In 2024, 49% of men and 43% of women reported that their job offers good career advancement opportunities – a 15-percentage-point increase for both since 2010. The gender gap has remained at 6 percentage points. Fear of job loss was lower than in earlier rounds of the survey, though younger workers and those in lower-skilled occupations reported higher levels of insecurity.

Earnings predictability varies markedly across countries. While 60% of workers report being able to predict quite accurately how much they will earn over the next three months, 15% report that they cannot predict their earnings at all. Uncertainty is more common among men (17%) than women (13%) and is particularly prominent among young workers under the age of 24. The share of workers who feel they are not paid appropriately has been decreasing since 2005, but a gender gap persists: in 2024, 30% of women and 24% of men reported an effort–reward imbalance.

Figure 9: Skills and discretion index, by gender, EU, 2010–2024 (scale of 0–100)



Source: EWCS 2024.

Digitalisation and AI – reshaping control and autonomy

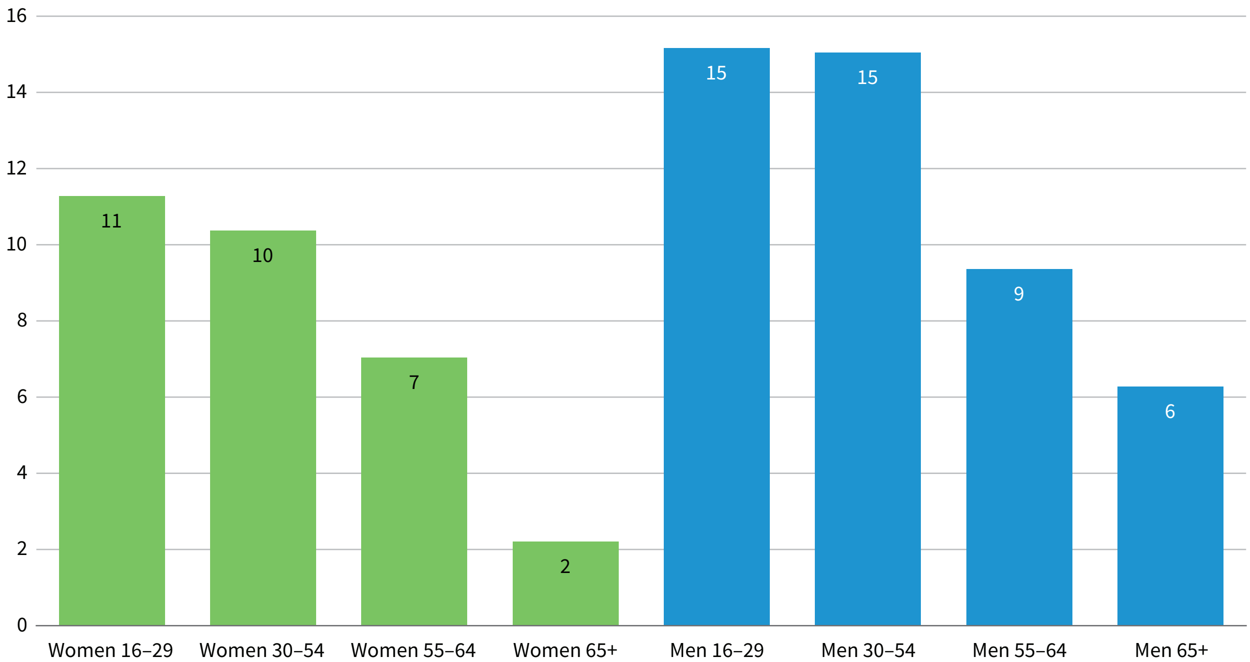
Digitalisation has long shaped the organisation of work in Europe. Hybrid arrangements, now established in many teleworkable occupations, introduce flexibility but also blur boundaries: workers in these arrangements are more likely to work during their free time, to be contacted outside working hours and to change private activities to accommodate work.

Contrary to the assumption that technology destroys jobs, the data show that technology creates more tasks than it removes: 43% of survey respondents report new tasks created, 31% say tasks have been removed. Technology use has also facilitated increased interaction with colleagues rather than greater isolation.

At the time of the 2024 e-survey, the use of generative AI at work was still limited: only 12% of workers reported using generative AI tools. Prevalence varies markedly – from at least one in five workers in Luxembourg, Sweden, Belgium and Denmark to 5% or below in Greece, Italy, Portugal and Romania. Use is more common among men and younger workers (Figure 10).

A more established development is algorithmic management – digital systems that monitor performance, allocate tasks or schedule work. In 2024, 17% of workers reported automated performance monitoring, 16% automated task allocation and 10% automated scheduling, with higher prevalence in financial services and transport. The implications for job quality depend on how these tools are introduced: where systems increase work intensity and surveillance without adequate consultation, psychosocial risks can rise, underscoring the importance of worker involvement and transparency.

Figure 10: Use of generative AI tools, by gender and age group, EU-27 (%)



Source: EWCS 2024.

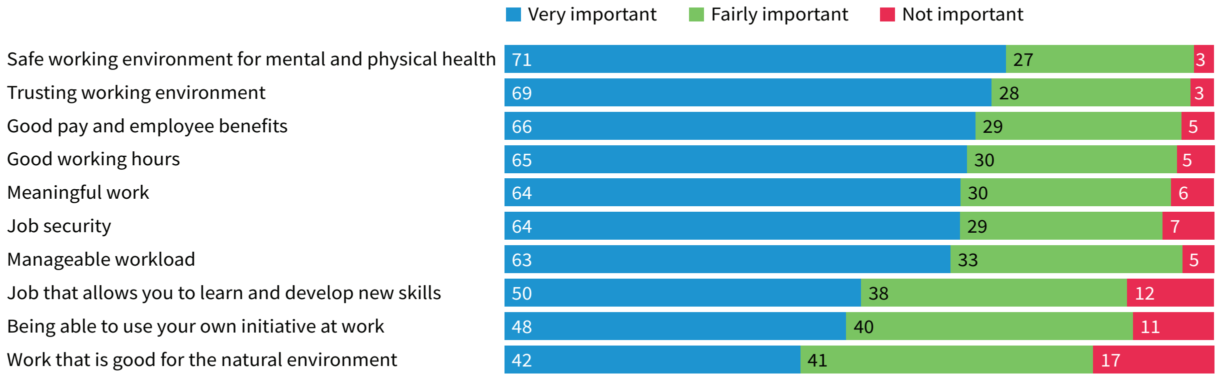
Health, well-being and what workers value

The proportion of workers carrying out monotonous tasks has risen from 39% in 1995 to 48% in 2024, and worker engagement has declined slightly compared with 2015.

When asked what matters most in a job, workers' priorities differ by gender and age. Men aged 16–54 prioritise good pay and benefits, whereas women across most age groups most value a safe working environment for mental and physical health (Figure 11). For the self-employed, being able to use their own initiative at work is the most important aspect (74%).

Work–life balance has improved slowly but steadily for both men and women since 2010. In 2024, most workers reported that their working hours fit very well (31%) or well (52%) with their family or social commitments.

Figure 11: Relative importance of several work-related aspects, EU (%)



Source: EWCS 2024.

Gender equality: progress and persistent segregation

Almost two-thirds of all net new jobs created in the EU since 2000 have been occupied by women, and women accounted for 46.4% of the EU workforce in 2024, compared with 45.2% in 2010. Some progress has therefore been made towards the European Pillar of Social Rights Action Plan objective of halving the gender employment gap by 2030, though the pace of change has been modest. But a gender-balanced workplace remains the exception, with only 23% of workers reporting that they work in workplaces where about half the workforce is female.

Very little progress has been made towards gender balance at management level over the past 25 years. The proportion of female managers increased from 27% in 2000 to 34% in 2024. However, it should be noted that female managers continue to be concentrated in female-dominated workplaces. This reflects a labour market that remains heavily segregated by gender – and, as the findings on work intensity, social environment and career prospects show, that segregation continues to influence unequal job quality outcomes for men and women.

Job quality: improvement with persistent differences

The EWCS 2024 findings present a picture of improvement alongside persistent differences. Across several core indicators – working time, elements of the physical environment, access to training and career prospects – the long-term direction of travel remains positive. Fewer workers report very long working weeks, exposure to certain traditional industrial hazards has declined, and access to learning opportunities has expanded.

At the same time, convergence is not universal. Psychosocial pressures linked to pace, emotional demands and exposure to adverse social behaviours remain significant, with gender and sectoral differences shaping how work is experienced. The social environment has actually deteriorated for women since 2010, while improving for men. Work intensity shows a similar divergence. Overall positive trends can mask worsening conditions for specific groups.

Nor are improvements distributed evenly across the EU. Country-level differences in earnings predictability, heat exposure and access to digital tools illustrate the extent of variation. The diffusion of generative AI tools and algorithmic management is proceeding unevenly across countries, sectors and demographic groups, adding a further layer of differentiation.

The EU's Quality Jobs Roadmap provides a framework for addressing these challenges – including through fair wages, improved working conditions and support for just transitions.

Discover more

European Working Conditions Survey 2024: First findings

Trends in job quality – EWCS 2024 first findings

A new world of work – challenges and opportunities: EWCS 2024 first findings

The hybrid workplace: Ensuring benefits for workers and organisations

Shaping the future of work: Inside Europe's hybrid work strategies

Eurofound Talks: The evolution of working conditions in Europe

Eurofound Talks: Is AI making work safer?

Eurofound Talks: Is work in Europe more stressful for women?

3 Minimum wages in 2025: real gains and adequacy

For millions of workers at the bottom of the wage distribution, the minimum wage is the most direct determinant of whether the cost-of-living pressures described in Chapter 1 translate into real hardship or manageable strain. Whether these wages are adequate connects directly to the effort–reward balance that emerged in Chapter 2 as a key dimension of job quality. In 2025, the trajectory of minimum wage convergence continued – and a new factor began to shape the landscape.

In 2000, the minimum wage in Luxembourg was more than 47 times higher than that in Romania. By January 2025, the gap between the highest and lowest statutory minimum wages in the EU – Luxembourg and Bulgaria – had narrowed to just under five times. When expressed in purchasing power standards, the ratio fell even more dramatically: from more than 20:1 to 2:1. This convergence is among the most significant wage developments in the EU over the past quarter-century.

Gross national minimum wage rates increased between January 2024 and January 2025 in 21 of the 22 Member States with a national minimum wage, with Cyprus being the only exception where the rate remained unchanged. Although nominal increases were lower than those of the previous year, in line with the moderation in inflation, they were still significant and resulted in a boost in the purchasing power of minimum wage earners in most countries. The role of inflation in driving significant minimum wage hikes has declined.

Instead, the Minimum Wage Directive – transposed into national legislation by most Member States by the end of 2024 – appears to be an emerging structural factor, with a growing number of countries linking their uprates to certain percentages of average or median wages.

Real gains in purchasing power

As of January 2025, monthly minimum wage rates ranged from €551 in Bulgaria to €2,638 in Luxembourg (Figure 12). The most substantial of the nominal minimum wage rate uprates took place in central and eastern European Member States: almost 23% in Romania, above 15% in Croatia and Bulgaria, 12% in Lithuania, 10% in Czechia and Poland, 9% in Hungary and Slovakia, and 8% in Estonia. Significant increases of above 6% occurred in Greece, Ireland, Portugal and the Netherlands, while more moderate increases were adopted in Spain, Malta, Belgium, Germany, Luxembourg, France and Slovenia.

With inflation generally returning to much lower levels – 2.8% for the EU aggregate between January 2024 and January 2025 – these nominal hikes translated into real gains in purchasing power in most countries. The gains were particularly strong in Romania (above 16% in real terms), Bulgaria (11%), Croatia (10%) and Lithuania (almost 9%). Minimum wages in real terms remained largely stable in Germany, Luxembourg, France, Slovenia and Belgium, while Cyprus – where the nominal rate was unchanged – experienced a decline of almost 3%.

Figure 12: Minimum wages in the EU in 2025 (monthly national minimum wages converted to 12 monthly payments in euro)

Country	Jan 2010–Jan 2025	Jan 2024	Jan 2025	Year-on-year change	Annual inflation: Dec 2023–Dec 2024
Belgium	1,387.49 – 2,070.48	€1,994	€2,070	3.8%	4.4%
Bulgaria	122.71 – 550.67	€477	€551	15.4%	2.1%
Cyprus	940 – 1,000	€1,000	€1,000	0.0%	3.1%
Czechia	302.19 – 825.89	€764	€826	8.0%	3.3%
Germany	1,407.13 – 2,122.28	€2,054	€2,122	3.3%	2.8%
Estonia	278 – 886	€820	€886	8.0%	4.1%
Spain	738.85 – 1,323	€1,323	€1,381	4.4%	2.8%
France	1,343.77 – 1,801.8	€1,767	€1,802	2.0%	1.8%
Greece	862.82 – 968.33	€910	€968	6.4%	2.9%
Croatia	385.48 – 970	€840	€970	15.5%	4.5%
Hungary	271.8 – 706.94	€697	€707	1.4%	4.8%
Ireland	1,461.85 – 2,281.5	€2,146	€2,282	6.3%	1.0%
Latvia	253.77 – 740	€700	€740	5.7%	3.4%
Lithuania	231.7 – 1,038	€924	€1,038	12.3%	1.9%
Luxembourg	1,682.76 – 2,637.79	€2,571	€2,638	2.6%	1.6%
Malta	659.92 – 961.05	€925	€961	3.9%	1.8%
Netherlands	1,407.6 – 2,193.36	€2,070	€2,193	6.0%	3.9%
Poland	320.87 – 1,091.46	€978	€1,091	11.7%	3.9%
Portugal	565.83 – 1,015	€957	€1,015	6.1%	3.1%
Romania	141.63 – 814.18	€663	€814	22.8%	5.5%
Slovenia	647.22 – 1,358.39	€1,358	€1,384	1.9%	2.0%
Slovakia	307.7 – 816	€750	€816	8.8%	3.2%

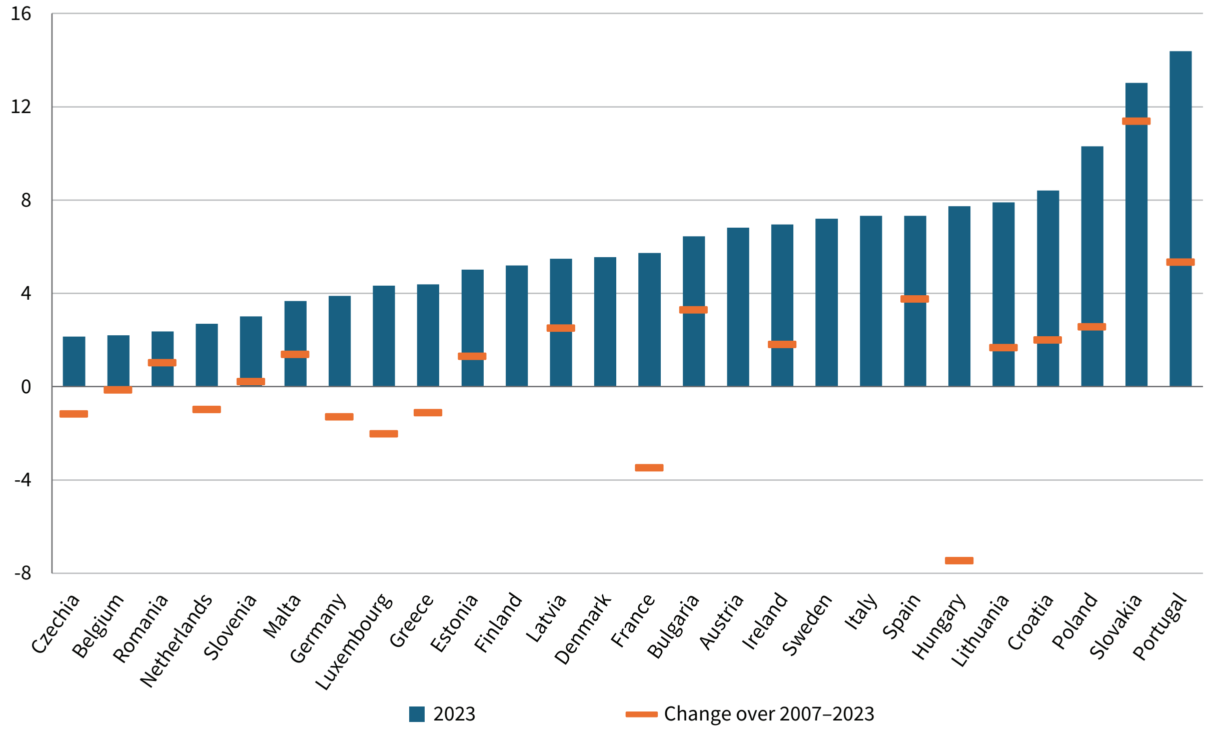
Note: Table compiled by Eurofound.
Source: Eurofound, Network of Eurofound Correspondents, based on legislation or similar regulations (for minimum wage rates) and HICP – monthly data – annual rate of change [PRC_HICP_MANR].

A widening reach: more workers clustered near the minimum wage

As minimum wages rise faster than average and median wages, the wage floor moves higher within national wage structures. Available data for 2023 show that minimum wages reached 60% of the median wage in very few countries: Portugal, Slovenia and France. In several others – Luxembourg, Romania, Poland, Spain, Germany and Slovakia – they were above 50% but had not yet reached the 60% threshold.

One consequence of this shift is that more workers now earn wages close to the minimum. The share of employees earning close to the minimum wage increased in more than half the Member States with available time series data between 2007 and 2023 (Figure 13). The shares are highest in Portugal, Slovakia and Poland (above 10%) and much lower (below 3%) in Czechia, Belgium and the Netherlands. The expansion was most significant in countries – such as Slovakia, Portugal, Spain, Poland and Latvia – where minimum wage developments clearly outperformed those for average or median wage developments.

Figure 13: Proportion of employees earning close to the minimum wage, EU, 2007 and 2023 (%)



Notes: Data on the change over the period (change in the proportion of minimum wage earners, expressed inpercentage points) refer to the EU-SILC edition in 2007 as the initial year, except for Bulgaria and Croatia (2010) and Germany (2016). For countries without national minimum wages, data on the change over the period are missing because no information on the average level of minimum wages (based on the lowest rates across 10 jobs) was collected by Eurofound before 2020. Data regarding Cyprus are missing because its statutory minimum wage was only adopted in 2023.
Source: EU-SILC, 2007–2023 (referring to wage information for 2006–2022) and Eurofound calculations.

Minimum wages and collective bargaining

As minimum wages rise within wage structures, a question with direct policy implications arises: do higher statutory minimum wage floors crowd out collective bargaining, or do they reinforce it?

Eurofound's empirical findings – based on a sample of nearly 700 collective agreements in low-paid sectors across 17 Member States between 2015 and 2022 – show that higher national minimum wages did not discourage collective wage bargaining. On the contrary, the change in the national minimum wage level since the last agreement emerged as the main factor increasing the probability of social partners signing a new agreement, and higher minimum wages contributed to raising collectively agreed wage floors in low-paid sectors.

Beyond their direct effect on those at the floor, minimum wage increases also lift wages more broadly. Eurofound research shows that a 1% increase in the national minimum wage resulted in a 0.43% increase in wages for low-paid employees (the lowest-paid 25%) during the period 2015–2021. The impact stems mainly from periods of substantial increases: hikes above 15% have by far the most significant effect, disproportionately raising wages among the lowest paid and compressing the wage distribution.

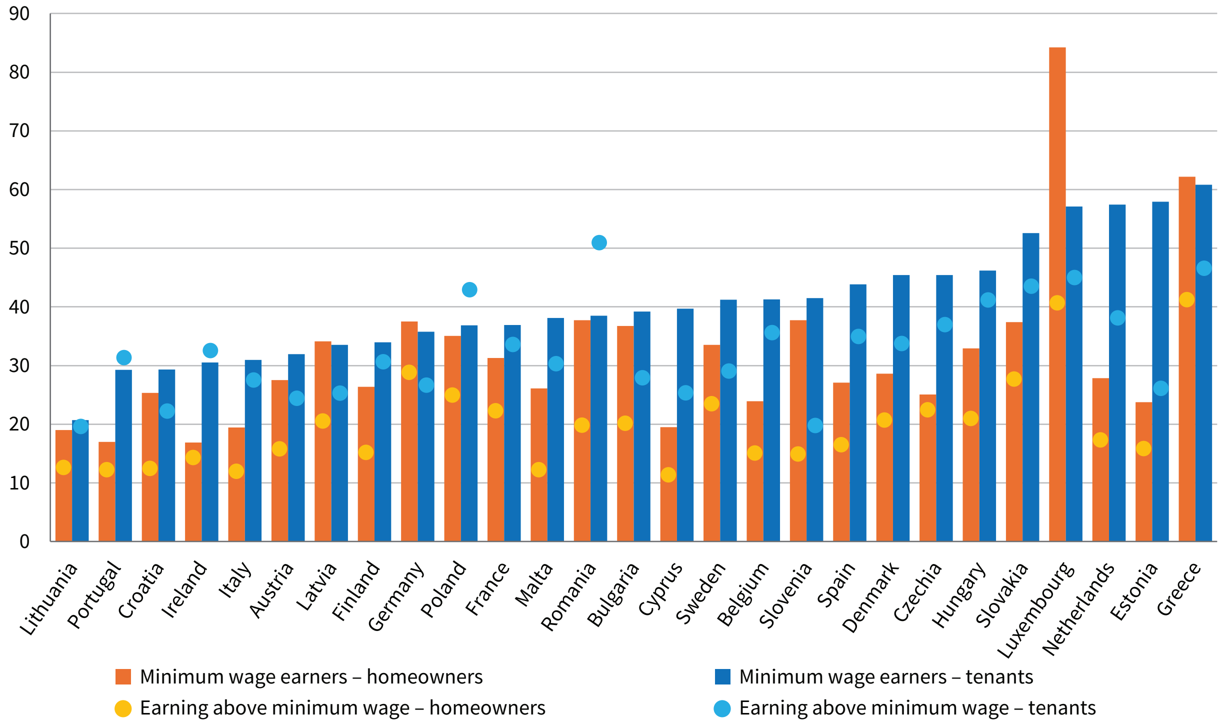
Adequacy under pressure: housing costs and purchasing power

Minimum wage debates are not only about how much the wage floor rises, but whether the resulting level is adequate. The directive provides a framework for assessing the adequacy of minimum wage levels, which has both a relative dimension – where the minimum wage sits compared with typical wages – and an absolute dimension: what minimum wage earners can actually afford. Most Member States have focused on the relative dimension, including specific percentages based on average or median wages as indicative reference values in their regulations – ranging from 46% of average wages in Latvia to 55% of projected average wages in Poland. Very few have addressed the absolute dimension.

Housing provides a particularly revealing measure of the absolute dimension of adequacy, because it is a large, unavoidable cost and one that has been rising sharply across the EU. Eurofound analysis of EU-SILC data shows that minimum wage earners living alone spend on average 34.8% of their disposable income on housing, compared with 26.2% for those earning more. For tenants, the gap is wider: minimum wage earners face housing costs of 37% of disposable income, while those with better-paying jobs spend 30.1%. Minimum wage earners are also more likely to perceive housing costs as a heavy burden: 35.6% report this, compared with 21.7% of those earning more.

Young minimum wage earners (aged 16–34) are significantly more likely than their better-paid peers to live with at least one parent – a gap that is especially

Figure 14: Housing costs as a proportion of total disposable income for full-time employees in single-adult households, EU Member States, 2023 (%)



Notes: Figure shows housing costs (net of housing benefits) as a proportion of disposable household income (net of housing benefits). Housing costs include rent (for tenants), mortgage interest payments (for homeowners), structural insurance, mandatory services and charges, regular maintenance and repairs, taxes and the cost of utilities (water, electricity, gas and heating).
Source: Eurofound calculations based on EU-SILC, 2023 (wages refer to 2022).

wide in several high-wage economies where housing costs are a binding constraint even for workers with steady employment (Figure 14). The interaction between minimum wage levels and housing costs is examined in Chapter 6.

Minimum wages: convergence, reach and the adequacy challenge

Minimum wages increased in 2025 in most Member States in both nominal and real terms, delivering gains in purchasing power in a majority of countries. These uprates form part of a longer-term pattern of remarkable upward convergence – a process that has narrowed the gap between the highest and lowest minimum wages in the EU from 47:1 to under 5:1 in just 25 years.

As the wage floor rises within national wage distributions, its bite increases. The growing share of employees earning close to the minimum wage indicates that uprates now influence pay outcomes for a wider segment of workers. Eurofound research shows that this wider reach extends to collectively bargained wages and to actual wages across the lower half of the distribution, without crowding out collective bargaining.

The Minimum Wage Directive is emerging as an important structural factor in wage-setting, with transposition largely progressing on schedule. However, while Member States have moved to address the relative dimension of adequacy – positioning minimum wages closer to median and average wages – very few have addressed the absolute dimension. The evidence on housing costs makes this gap visible: minimum wage earners spend a disproportionate share of their income on housing, young workers on the minimum wage are significantly more likely to live with their parents, and these pressures vary sharply across countries and tenure types. Whether the reference values favoured by most countries are sufficient to ensure a decent standard of living will depend not only on wage-setting frameworks but also on broader cost-of-living conditions.

Discover more

Minimum wages in 2025: Annual review

Collective bargaining beyond pay: An analysis of collective agreements in selected low-paid sectors

Impact of national minimum wages on collective bargaining and wages for low-paid workers

Minimum wages: Trends and early impacts of the EU directive

Substantial rises in national minimum wages for 2025 – linked to the EU directive?

Minimum wages have a significant effect on negotiated and actual wages

Eurofound Talks: How are minimum wage levels changing in Europe?

4 Keeping Europe working: care, ageing and sustainable participation

For millions of Europeans, paid work is now undertaken alongside unpaid care – for children, ageing parents, or both. At the same time, Europe's workforce is getting older. The number of employees aged 55 or above rose from 23.8 million in 2010 to almost 40 million in 2023, while the number of employees aged 54 or younger remained relatively stable. Behind these headline shifts lies a question that connects several strands of Eurofound research published in 2025: as Europe asks more people to work for longer, who is doing the caring – and at what cost to their own working lives?

Three Eurofound reports examine distinct but interlocking elements of this question. One analyses the retention and job quality of older workers. A second quantifies unpaid care across the EU and maps the needs of those who provide it. A third investigates undeclared care work – the paid but unregistered care arrangements that fill gaps in formal services. Together, they show that keeping Europe working depends not only on whether jobs are sustainable for an ageing workforce but also on how care is organised, valued and shared. The European Commission's forthcoming European Care Deal, referenced in the Gender Equality Strategy 2026–2030, will address precisely these questions – with a focus on the care workforce, working conditions and the affordability and accessibility of care services.

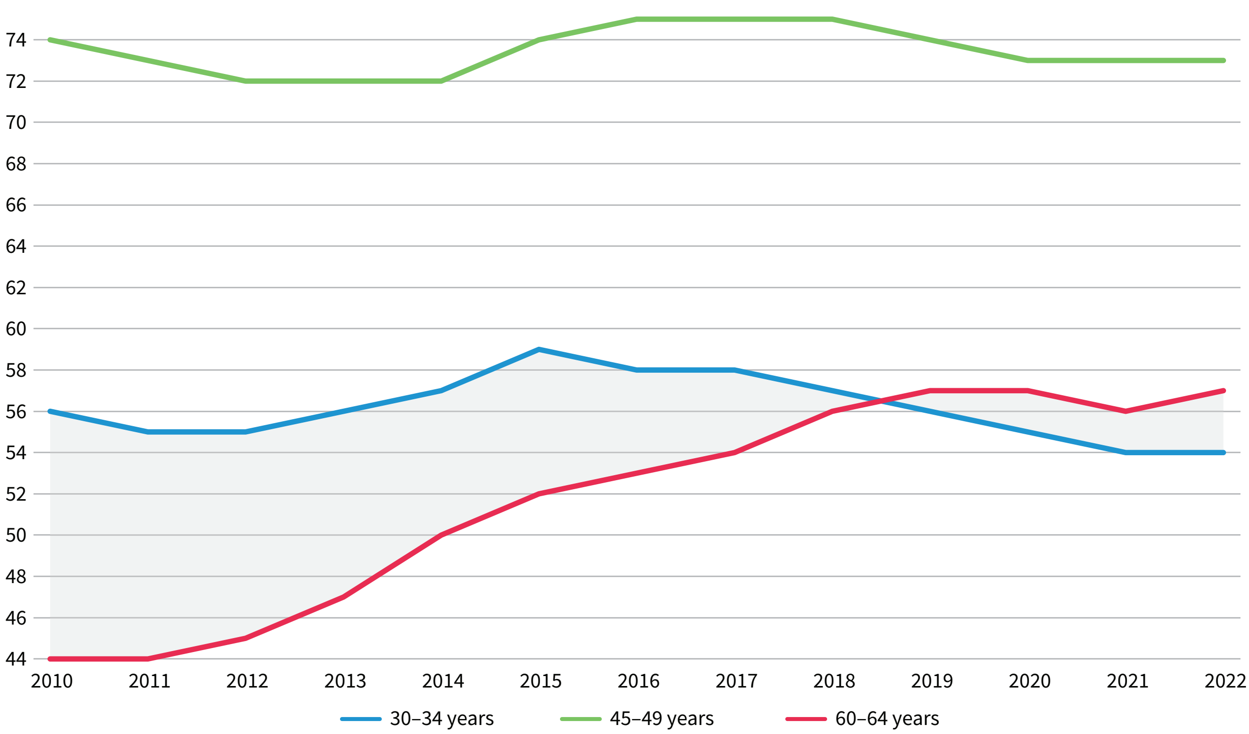
An ageing workforce

Europe's population is living longer, and with birthrates declining, demographic ageing is expected to continue as the baby boom generation retires. Most Member States have raised statutory retirement ages and limited early pension access, but extending working life requires more than just legal measures.

The employment rate among those aged 55 or older increased by almost 20 percentage points between 2010 and 2023, owing to factors including raised retirement ages, increased life expectancy and better health. In eight Member States – Bulgaria, Denmark, Finland, Germany, Italy, Latvia, Lithuania and Portugal – older workers accounted for more than one-fifth of total employment as of 2023.

The retention rate – the proportion of employees who stayed with the same employer over five years – increased from 44% in 2010 to 57% in 2022 among those aged 60–64, reflecting pension system reforms and tight labour markets (Figure 15). But gender differences in retention rates are particularly large in certain eastern European countries and Austria. These differences are driven by rules governing retirement systems that allow women to transition into retirement earlier, the more precarious labour market position of women and

Figure 15: Retention rate by age group, EU-27, 2010–2022 (%)



Source: Eurofound calculations based on 2022 EU-LFS.

cultural expectations that women will assume a more prominent role in the home even in later age.

Once displaced from the workplace, older workers face serious difficulty returning to it. The long-term unemployment rate among older workers in the EU is 13.5 percentage points higher than among mid-career workers. In most Member States, fewer than one in five unemployed people in the 55–74 age category transitioned back into employment in 2023. Long-term unemployment brings a series of adverse consequences for individuals, including a higher risk of poverty and social exclusion, earnings losses even upon re-employment and lower social mobility.

Not all older workers have good jobs

On average, older employees have better job quality than their younger counterparts, with lower physical demands, better working time quality and higher levels of autonomy. But averages conceal significant variation. Part of the reason job quality appears better for older workers may be the healthy worker effect: employees tend to retire earlier from lower-quality jobs or move to better ones.

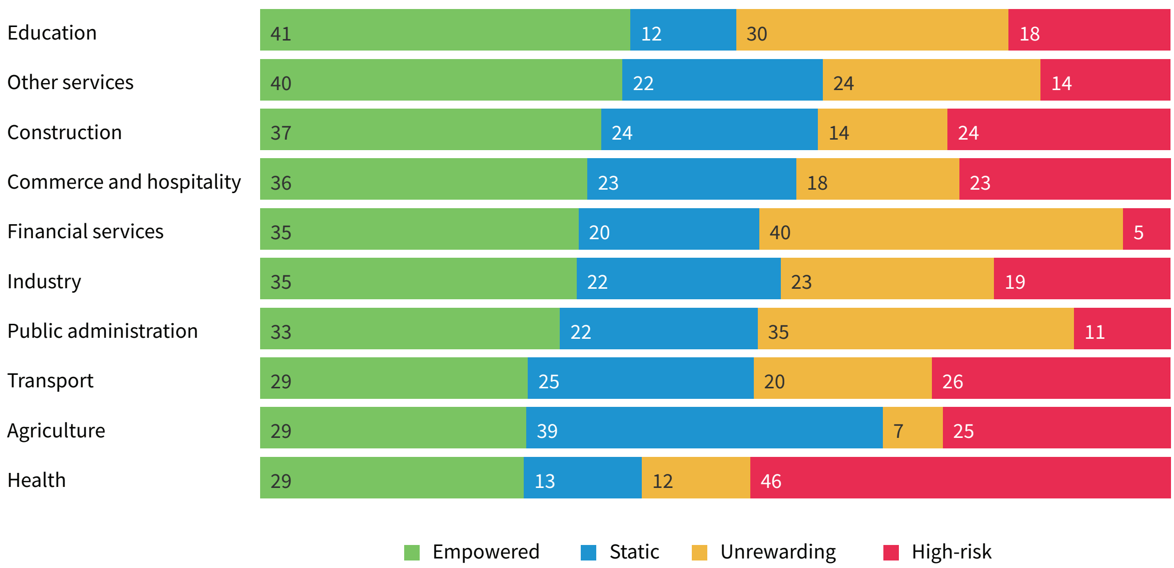
Eurofound's analysis of the 2021 European Working Conditions Telephone Survey identified four distinct job quality profiles among older employees – empowered, static, unrewarding and high-risk – that reveal the range of conditions in which people are being asked to work for longer. The broader picture of job quality across the full EU workforce, drawing on the more recent EWCS 2024 data, is presented in Chapter 2. The profiles below focus specifically on older employees.

About one-third of older employees (35%) work in empowered jobs – roles characterised by the highest levels of autonomy, task discretion and workplace voice, coupled with high levels of training and learning opportunities and the greatest opportunities for self-realisation. These workers also enjoy higher levels of social support and are the most likely to perceive their pay as appropriate.

At the other end, 22% of older employees are in high-risk jobs – non-discretionary, physically demanding roles with the highest prevalence of physical risks, adverse social behaviour and work intensity, combined with very low working hour flexibility. A further 23% are in unrewarding jobs, marked by high work intensity, combined with few opportunities for self-realisation and very low levels of intrinsic rewards. The remaining 20% are in static jobs, characterised by low physical risks and demands and low work intensity, but also the lowest levels of task discretion, autonomy and workplace voice, and the worst training opportunities. The characteristics of the job profiles are summarised in Table 1.

The consequences are tangible. Older workers in high-risk jobs are far more likely to report difficulties in making ends meet (41%, compared with 12% in empowered jobs), and more than half (51%) disagree that their pay is appropriate. Physical exhaustion is reported by 55% of those in high-risk roles and emotional exhaustion by 30% – compared with 22% and 10%, respectively, in empowered jobs. In the health sector, 46% of older workers are in high-risk jobs – the highest of any sector (Figure 16).

Figure 16: Job profiles of employees aged 55+, by sector, EU-27, 2021 (%)



Notes: Due to rounding, the percentages presented in the figure may not add up to 100%.
Source: EWCTS, 2021.

Table 1: Job quality of older employees aged 55+, by job profile and indicators of the job quality index, EU, 2021

Indicator	Empowered	Static	Unrewarding	High-risk
Physical risks	Very low	Low	Very low	High
Physical demands	Low	Low	Very low	High
Intimidation and discrimination	Very low	Very low	Very low	Low
Social support	High	High	High	High
Work intensity	High	Very low	High	High
Task discretion and autonomy	High	Low	Moderate	Low
Participation and workplace voice	High	Low	Moderate	Low
Unsocial work schedules	Moderate	Very low	Moderate	Moderate
Flexibility of working hours	Moderate	Moderate	Low	Very low
Perceptions of job insecurity	Very low	Very low	Very low	Very low
Training and learning opportunities	High	Very low	High	Moderate
Intrinsic rewards	High	Low	Very low	Very low
Opportunities for self-realisation	High	High	Low	High

Note: The colours range from green (the most positive outcome) to red (the least positive outcome).
Source: EWCTS, 2021.

Women are overrepresented in job profiles with lower job quality, particularly high-risk jobs (25% of women, compared with 19% of men). Older women have worse job quality than older men on average, especially as regards the social environment, exposure to emotionally disturbing situations, workplace voice, training, working time arrangements and career prospects.

Incentives, flexibility and workplace adaptation

Member States are responding with a mix of incentives and workplace adaptations. Many have sought to encourage delayed retirement by providing additional pension benefits for those who work beyond statutory retirement age. Recent workplace amendments have focused on facilitating gradual access to retirement and the possibility of combining income from employment with pension benefits. Collective agreements play a role too, focusing on retention schemes and provisions targeting older employees, such as reduced working time, part-time work and phased retirement schemes. Retaining older employees also depends on workplace adaptation – including digital skills support, flexible working arrangements and occupational health practices.

Why people leave – and what makes them stay

The decision to exit the labour market early or continue working beyond retirement age is complex and influenced by a multitude of interconnected factors. Poor health is a significant risk factor for early labour market exit: workers suffering from ill health are more likely to leave early through disability pension, unemployment or early retirement. Gender inequalities, particularly lower job quality in female-dominated sectors like healthcare, result in unfavourable conditions, mental health challenges, wage gaps and job insecurity, the detrimental effects of which can accumulate and intensify throughout women's careers. Ageism in recruitment and dismissal, as well as cultural preferences for early retirement, compound these pressures.

Care responsibilities are another powerful push factor. Many workers, disproportionately women, exit the labour market prematurely to care for family members, particularly in countries with insufficient care facilities. In the Baltic states, Bulgaria, Cyprus, Greece and Malta, this was specifically reported as driving early retirement among women.

The hidden backbone: unpaid care

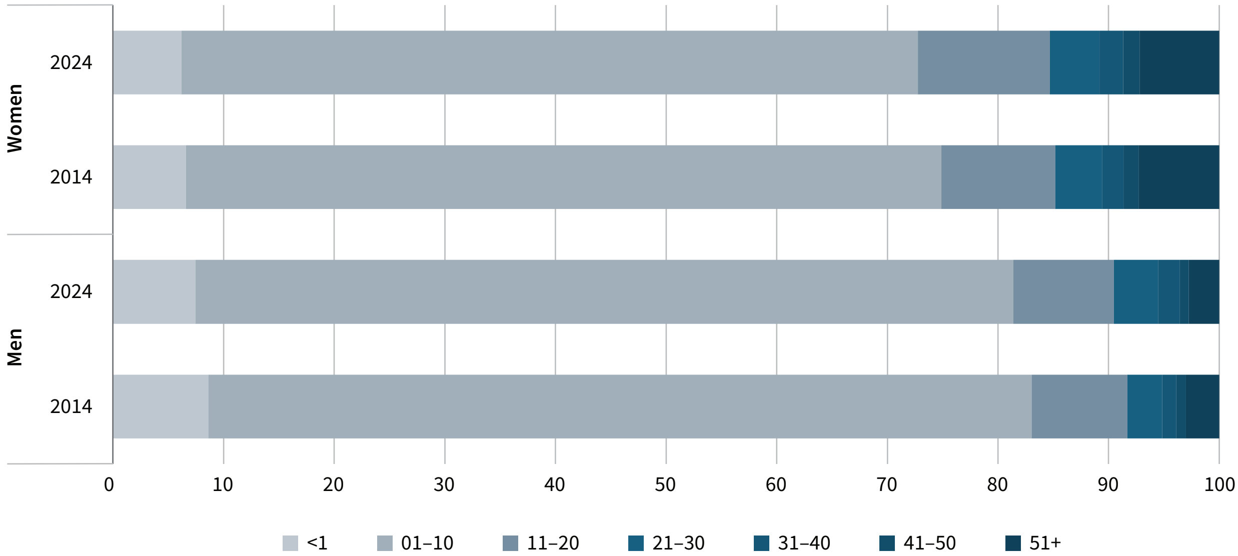
While policymakers focus on keeping people in jobs for longer, a parallel reality shapes millions of working lives. According to Eurofound analysis of the CARE survey (the Survey of Gender Gaps in Unpaid Care, Individual and Social Activities), 45.3% of the EU population provides some form of unpaid care – to children, older or disabled family members, or both. This makes unpaid care one of the most widespread forms of productive activity in Europe.

How much care, and who provides it

The scale is striking. Some 34.4% of the EU population provides childcare and 21.3% provides long-term care. Among those who provide care, the commitment is substantial: unpaid carers devote an average of 29.7 hours per week to caring activities. The majority of unpaid carers also hold paid jobs – 61% of long-term carers and 67% of childcare providers are also in paid work, making the reconciliation of care and employment a daily challenge for tens of millions of people.

The intensity of care has been shifting over time, with a move towards higher-intensity caregiving between 2014 and 2024 (Figure 17). Women provide 52% more hours than men for parental childcare, and all types of unpaid caregiving are more common among those reporting difficulties making ends meet.

Figure 17: Intensity of caregiving among unpaid carers (hours per week), by gender, 2014 and 2024 (%)

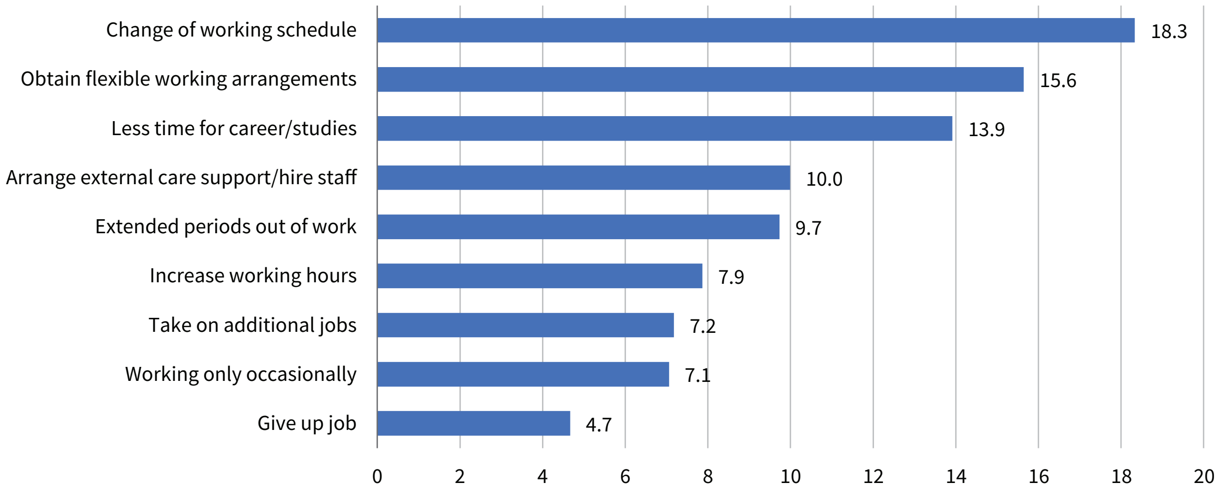


Notes: Data are available for 14 Member States: Austria, Belgium, Finland, France, Germany, Hungary, Ireland, Lithuania, the Netherlands, Poland, Portugal, Slovenia, Spain and Sweden.
Source: Eurofound analysis of microdata from the 7th round (collected during 2014 and 2015) and 11th round (collected during 2023 and 2024) of the European Social Survey (ESS).

Impacts on working life

For the millions of Europeans who combine paid work with unpaid care, the effects on employment are considerable. According to Eurofound analysis of the CARE survey, the most commonly reported effect was changing work schedules (18.3%), followed by obtaining flexible working arrangements (15.6%) and having less time for careers or studies (13.9%). Others report more substantial adjustments, including extended periods out of work (9.7%) or giving up work entirely (4.7%), while some increase their hours or take additional jobs to cover the costs that caring entails (Figure 18).

Figure 18: Share of unpaid carers in paid work reporting implications of caring responsibilities for working life, EU, 2022 (%)



Note: Data based on the survey question, ‘Have your caring responsibilities ever had any of the following implications for your working life or career?’
Source: Eurofound analysis of CARE microdata.

The monetary value of unpaid care

Unpaid care makes an enormous but largely unrecognised contribution to the economy. Using the opportunity cost method, Eurofound estimates the economic value of unpaid childcare provision in the EU at approximately €470 billion per year – equivalent to 4.1% of GDP.

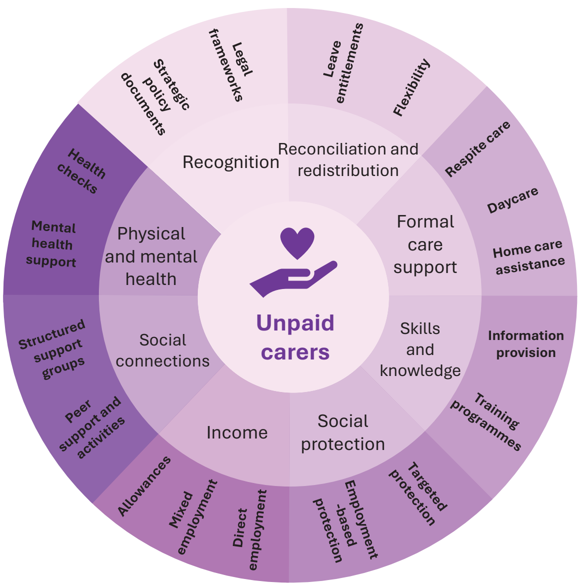
Replacement cost estimates range from €335 billion to €689 billion (2.9–5.9% of GDP), depending on the wage benchmark used. For long-term care, comparable estimates using replacement cost methods range from 0.9% of GDP in Germany to 4.2% of GDP in France – figures that reflect different national care models but consistently demonstrate that the volume of unpaid care dwarfs that provided in the formal care sector in economic terms.

A policy wheel for carers

Eurofound identifies eight critical areas of need for unpaid carers, from reconciliation and formal care support to social protection, income and health – underpinned by recognition as the key to transforming invisible carers into visible contributors to society (Figure 19).

Support mechanisms vary significantly across Member States, and recent developments have been pushed by the Work–Life Balance Directive, albeit with shortcomings. The findings underscore a fundamental point: for the provision of unpaid care to be a choice rather than a necessity, comprehensive carer support is essential. Without it, inequalities in care will be perpetuated and the well-being of both carers and care recipients compromised.

Figure 19: Policy wheel regarding support for unpaid carers



Source: Eurofound.

Care in the shadows: undeclared work

Where formal care services fall short and unpaid care reaches its limits, a third form of provision fills the gap: paid care work that is lawful in its nature but not declared to public authorities. The European Labour Authority estimates that 6.8 million undeclared workers provide care or household services across the EU, with the overall share of undeclared work in the sector slightly above 50%.

Women and migrants in undeclared care

Most undeclared care workers are women and migrants. In Germany, approximately 400,000 eastern European women are estimated to work as carers in German households – often as 24-hour carers in a grey market where labour and social regulations are not fully enforced. In Italy, an estimated 1.3 million *badanti* – predominantly migrant women providing live-in care for older people – work in the domestic sector, with nearly half lacking a regular employment contract. Without formal employment status, these workers have no access to social insurance, pension contributions or protection from exploitation – even as demand for their labour grows with demographic ageing. The European Care Strategy, introduced in 2022, aims to reduce the economic incentives for undeclared work by improving formal care affordability, while several Member States have shifted from deterrence towards regularisation.

Connecting the threads

The policy problems addressed by the abovementioned three bodies of Eurofound research – on the older workforce, unpaid care and undeclared care work – are not separate issues. They are interconnected mechanisms within a single challenge: how Europe can sustain both work and care as its population ages.

If jobs are not sustainable – if they damage health, fail to provide adequate income or deny workers flexibility – people will leave the labour market before retirement age. If care is not adequately supported through formal services, flexible work arrangements and recognition of carers, participation will be constrained at every stage of the life course – not only for older workers but for the younger workers, disproportionately women, who absorb caring responsibilities earlier in their careers.

The quality of those formal services depends in turn on the workers who deliver them: Eurofound research finds that childcare staff in most countries are paid at around minimum wage levels, with temporary and part-time contracts common – conditions that drive high turnover and constrain the very services that enable participation.

The research points to three interconnected priorities: making work sustainable through investment in job quality; supporting unpaid carers through recognition, financial security and formal care services; and bringing undeclared care work into the light through affordable services and pathways to regular employment.

Discover more

Unpaid care in the EU

Keeping older workers in the labour force

Europe must adapt to its ageing workforce

Undeclared care work in the EU: Policy approaches to a complex socioeconomic challenge

Working for children matters: An overview of service delivery and workforce in Europe

Eurofound Talks: How can Europe adapt to an ageing workforce?

5 Competitiveness, restructuring and the twin transitions

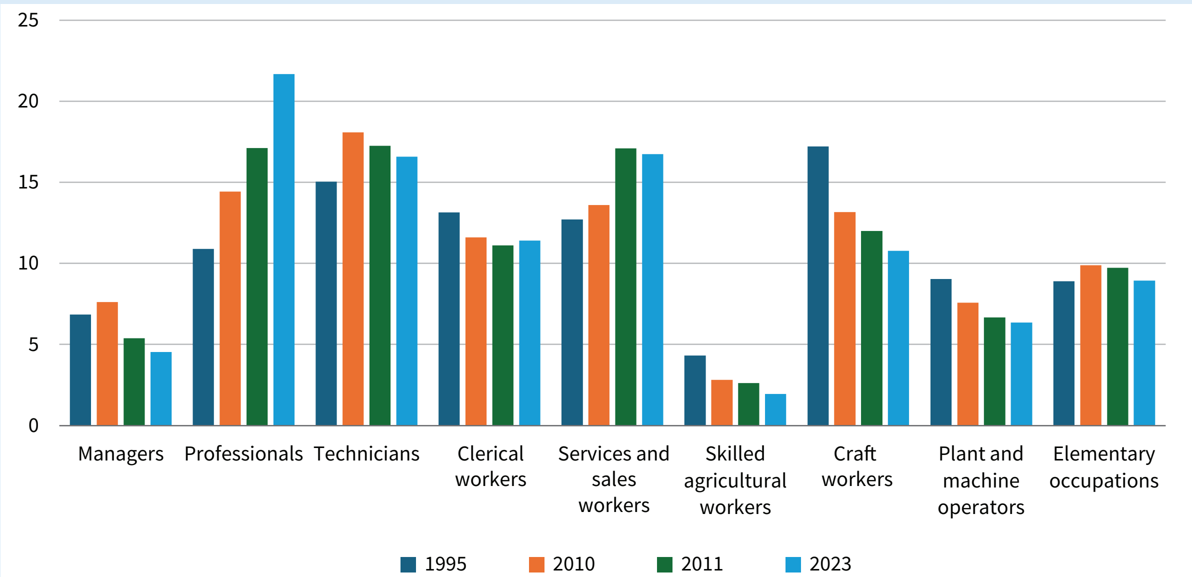
The previous chapters examined work from the perspective of workers – the conditions they face, the wages they earn, the care responsibilities that influence their participation. This chapter shifts the lens to focus on the sectors and firms in which those people work, drawing on Eurofound's European Restructuring Monitor (ERM) and complementary sector research on automotive, construction and tourism to examine how three sectors with distinct employment structures are navigating the twin transitions – and what their experiences reveal about the conditions under which competitiveness is sustained.

Europe's competitiveness debate has sharpened, with policymakers, employers and trade unions asking whether economies can sustain productivity growth and viable employment while navigating decarbonisation, digitalisation and shifting global demand. Eurofound research published in 2025 examines these pressures – from long-run structural change to the sector-level restructuring, skills needs and workplace change that the twin transitions are generating. One way in which these pressures become visible is through restructuring – where firms reorganise production, relocate activities, expand or contract employment, and renegotiate workplace arrangements.

Long-run structural change

Over the past three decades, EU labour markets have undergone sustained structural change. Employment increased by almost 30 million jobs between the mid-1990s and 2023, despite population ageing and a decline in the working-age population since 2009. Figure 20 shows the implications of this trend at occupation level. More than two-thirds of net employment growth since 2000 has been among women, reflecting their rising participation and higher educational attainment. Yet as Chapters 2 and 9 document, this growth has not translated proportionately into closing the gender pay gap or achieving gender balance in management and higher-paid occupations – progress in quantity of employment has outpaced progress in equality of conditions.

Figure 20: Employment share by occupation,1995–2023, EU-12 (%)



Note: Excludes armed forces. Covers the EU-12 only – Austria, Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain – in order to have the longest time series. Owing to the switch to using the revised ISCO-08 classification in 2011, there is a break in employment shares in 2010/2011. While similar occupational titles are used at the one-digit level in ISCO-88 up to 2010 and in ISCO-08 post-2010, these titles refer to different aggregates of occupations at a more detailed level. For this reason, only the employment share comparisons for 1995–2010 and 2011–2023 are like for like.
Source: EU-LFS microdata.

This transformation has been shaped by a broad shift towards services, which now account for close to three-quarters of EU employment. The most pronounced change has been occupational upgrading: the share of professional occupations doubled between 1995 and 2023, rising from 11% to 22% in the Member States for which data are available over the full period. Yet this upgrading has not translated into stronger economic performance. Productivity growth has slowed markedly since the mid-1990s, even as labour input and human capital have risen – a disconnect that sits at the heart of Europe's competitiveness challenge.

The twin transitions and restructuring

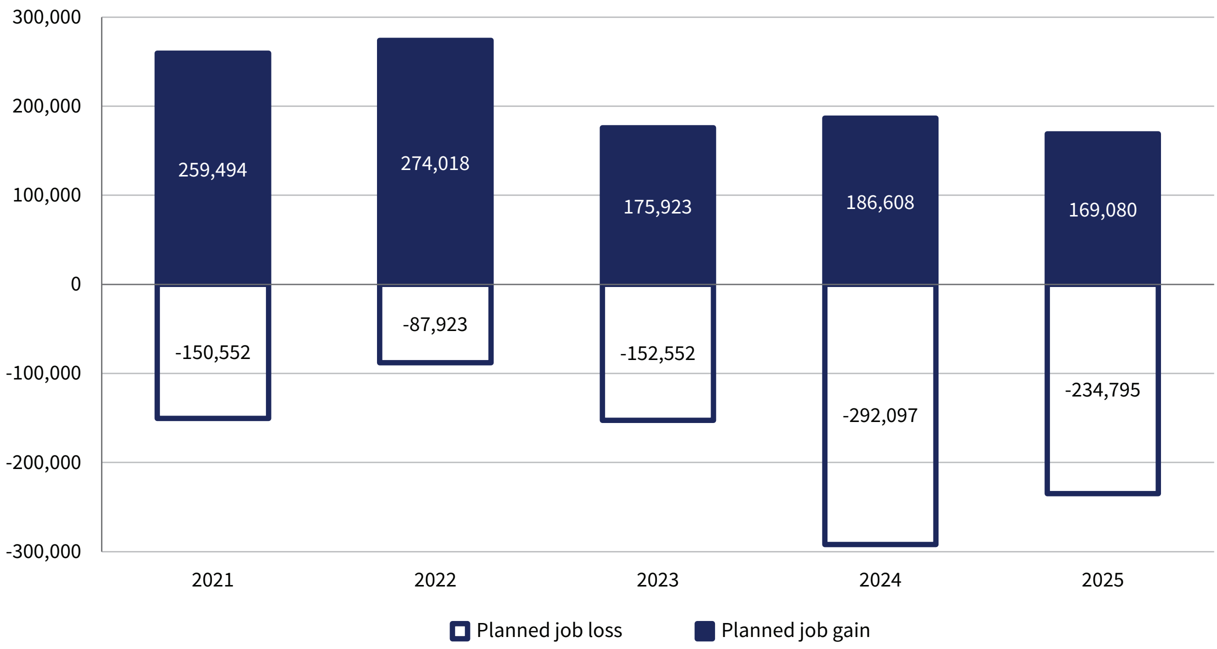
The green and digital transitions are becoming visible in company-level changes to production processes, technologies and business models. Eurofound's ERM provides systematic evidence on these developments, tracking publicly announced restructuring events involving at least 100 job losses or gains, or affecting at least 10% of the workforce in companies with 250 or more employees. It captures announced large-scale restructuring rather than incremental workplace change.

Between 2021 and 2024, the ERM recorded 3,554 large-scale restructuring announcements. Of these, 621 cases (17%) were linked to the green transition and 665 cases (19%) to the digital transition. Over the four-year period, announcements implied overall net job creation, but 2024 was the first year with a net loss of announced jobs (105,489). In 2025, the balance was also negative, with 234,795 jobs lost and 169,080 jobs created (Figure 21).

A striking finding is what the twin transitions look like in practice at company level. While a substantial share of large-scale restructuring is linked to one or the other transition, the ERM finds no evidence of integrated twin transitions occurring across large companies. Only 4% of cases referenced both transitions, and even then, digitalisation was mainly a tool supporting green objectives. The twin transitions, it appears, remain more a policy aspiration than a company-level reality.

The following sections examine how these dynamics play out in three sectors – automotive, construction and tourism – each illustrating a different pathway through which competitiveness pressures translate into restructuring, skills needs and workplace change.

Figure 21: Job gains and losses in large-scale restructuring announcements, EU-27, 2021–2025



Notes: Data refer to announced restructuring cases affecting 100+ jobs or 10% of the workforce in firms with at least 250 employees. N (2021) = 875; N (2022) = 853; N (2023) = 838; N (2024) = 988.
Source: European Restructuring Monitor (ERM).

Automotive: restructuring amid electrification

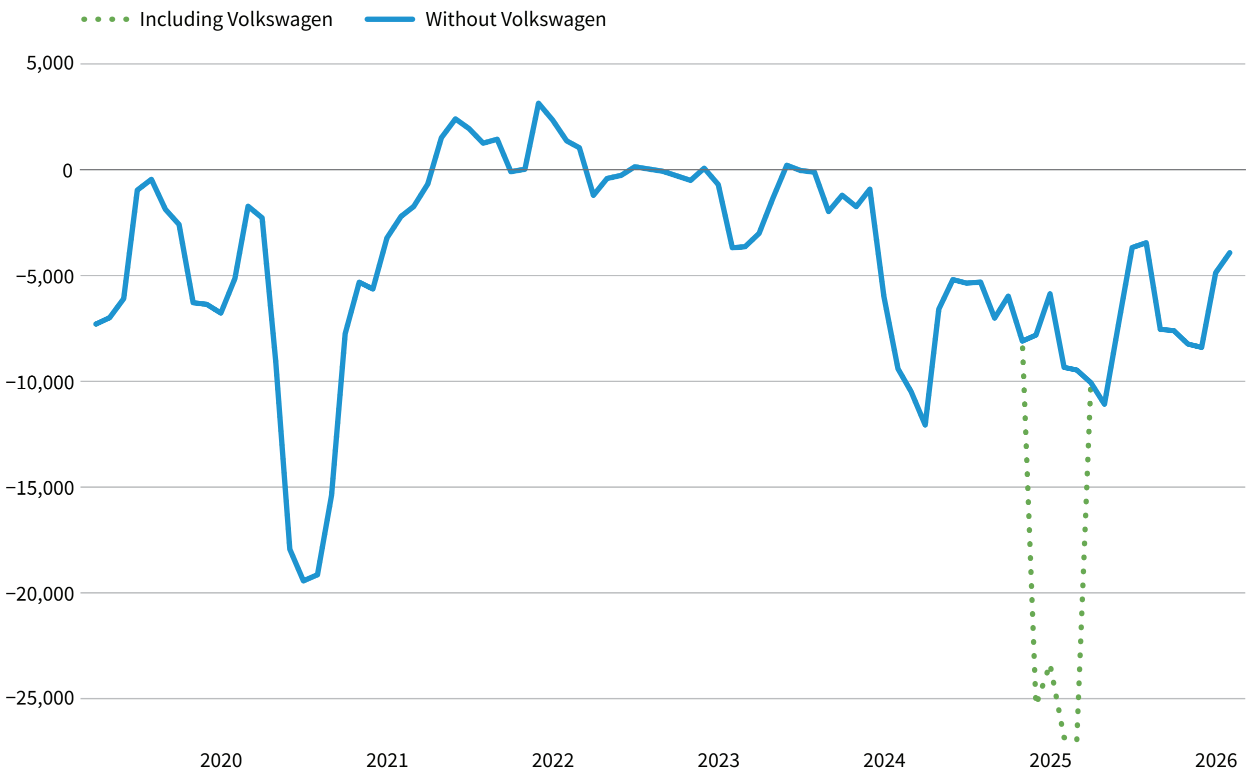
Among the sectors examined, automotive stands out as the most restructuring-intensive. The sector employs around six million workers when counted narrowly (manufacturing plus sales, repair and the aftermarket), with employment estimates doubling when related activities are included. Employment exposure is uneven across Member States, with automotive manufacturing accounting for a particularly high share of national employment in Slovakia, Czechia, Romania, Hungary and Germany.

The current structural transformation is driven by electrification – itself fuelled by policy-driven environmental requirements as well as intensified global competition and shifting demand. These pressures are reflected in large-scale restructuring announcements captured by the ERM. In 2024 and the first quarter of 2025, announcements in the sector mostly concerned job contraction, totalling around 106,500 announced job losses. Companies most frequently cited rising costs, competitive pressures, weakening demand and the need to adapt sites to electric-vehicle (EV) production.

But the picture is not one of uniform decline. Alongside workforce reductions and plant closures, the ERM records business expansion, mergers and relocation. In 2024, business expansion accounted for 5,978 new jobs, around a third of which were linked to expansion by Chinese and other non-EU companies. At the same time, around 5,700 announced job losses were linked to offshoring; these included around 3,600 jobs beyond the EU, indicating that cost-based location strategies remain part of sector adjustment (Figure 22).

Electrification and digitalisation are also shifting skills profiles across the value chain. Electrification eliminates the need for internal combustion engine components while increasing demand for batteries, electrical systems and software integration. This contributes to a pattern in which contraction in some segments coexists with growth in others: employment and investment activity in battery manufacturing is rising alongside continuing restructuring exposure in adjacent supply segments. Software content per vehicle is expected to grow at 11% annually until 2030. Yet some vehicle assembly work remains labour-intensive and difficult to automate with current technology – a reminder that the transition's employment effects are uneven across the value chain. The sector's workforce is also ageing: the share of workers aged 55 or older has nearly doubled, from around 10% to close to 20% – mirroring the demographic pressures examined in Chapter 4.

Figure 22: Restructuring announcements in the EU's vehicle manufacturing sector, 2019–2026



Notes: EU-27; NACE C29, 4-month moving average. Data valid as of 13 January 2025. The ERM captures announcements of restructuring affecting at least 100 jobs or 10% of workers in enterprises with 250 or more employees, and may not reflect incremental employment changes and developments in SMEs.
Source: European Restructuring Monitor (ERM).

Social dialogue and restructuring management

Strong collective bargaining structures in many Member States shape how restructuring is managed. Trade union membership in automotive manufacturing increased from 78% to 82% between 2015 and 2024, and social partner engagement features prominently in ERM cases involving job losses. The December 2024 'Zukunft Volkswagen' (Future Volkswagen) agreement illustrates this: it provides for a socially responsible reduction of the vehicle manufacturer's workforce by more than 35,000 across its German locations by 2030, alongside a newly formulated job security plan. However, institutional capacity differs across the value chain: original equipment manufacturers typically operate within more developed industrial relations systems, while supplier firms – particularly smaller enterprises – face more limited scope to negotiate or manage restructuring.

Construction: delivering the transition under capacity constraints

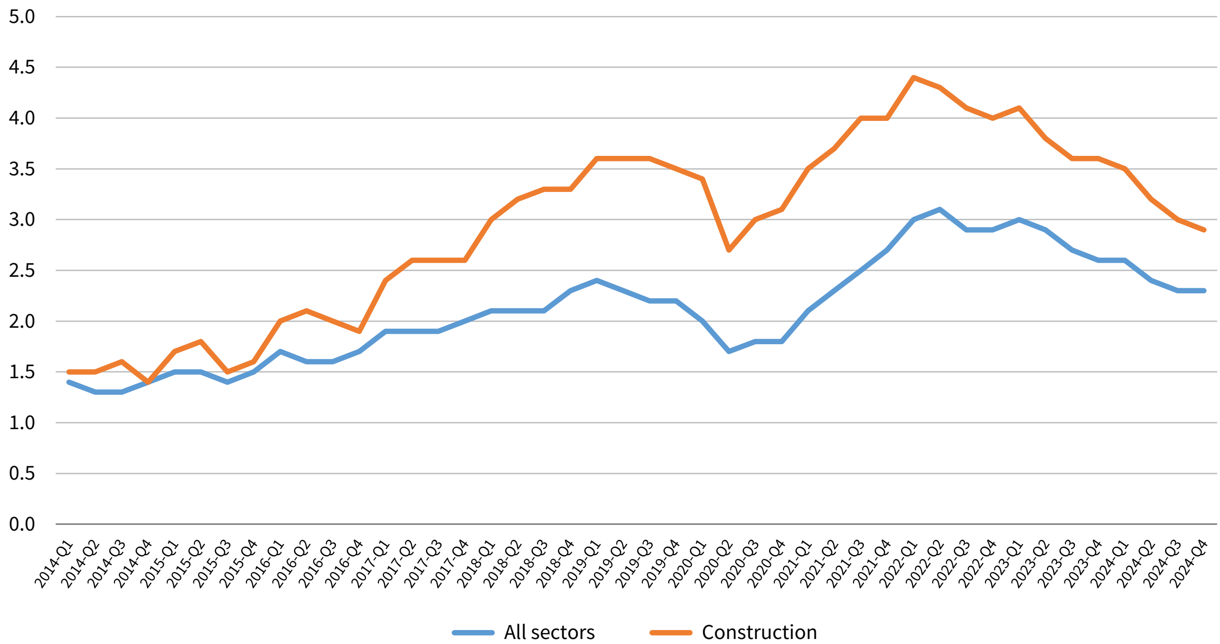
Construction illustrates a contrasting pathway. Competitiveness in this sector depends less on managing large-scale restructuring and more on whether the sector can mobilise enough workers with the right skills to deliver on Europe's decarbonisation ambitions. Buildings account for approximately 40% of EU energy consumption and 35% of greenhouse gas emissions. The Renovation Wave aims to renovate 35 million buildings by 2030, and the Energy Performance of Buildings Directive requires Member States to reduce the average primary energy use of residential buildings by 16% by 2030 and 20–22% by 2035. Achieving these targets depends on the construction sector's capacity.

That capacity is under strain. Since 2018, vacancy rates in construction have been at least 1 percentage point higher than in the economy as a whole, signalling structural recruitment difficulties rather than short-lived tightness (Figure 23). The workforce is ageing: between 2010 and 2023, the sector lost 1.1 million workers in the core age group (25–54) while gaining 1.2 million workers aged 55 or older – a demographic pressure that extends well beyond construction. The European Centre for the Development of Vocational Training (Cedefop) estimates at least seven million job openings between 2021 and 2035, combining replacement demand with the additional labour demand associated with renovation and infrastructure investment. Several Member States have responded by adjusting migrant worker quotas and permit schemes to address labour shortages in construction. Similar action has been taken in the tourism and agriculture sectors.

Skills, training and enterprise structure

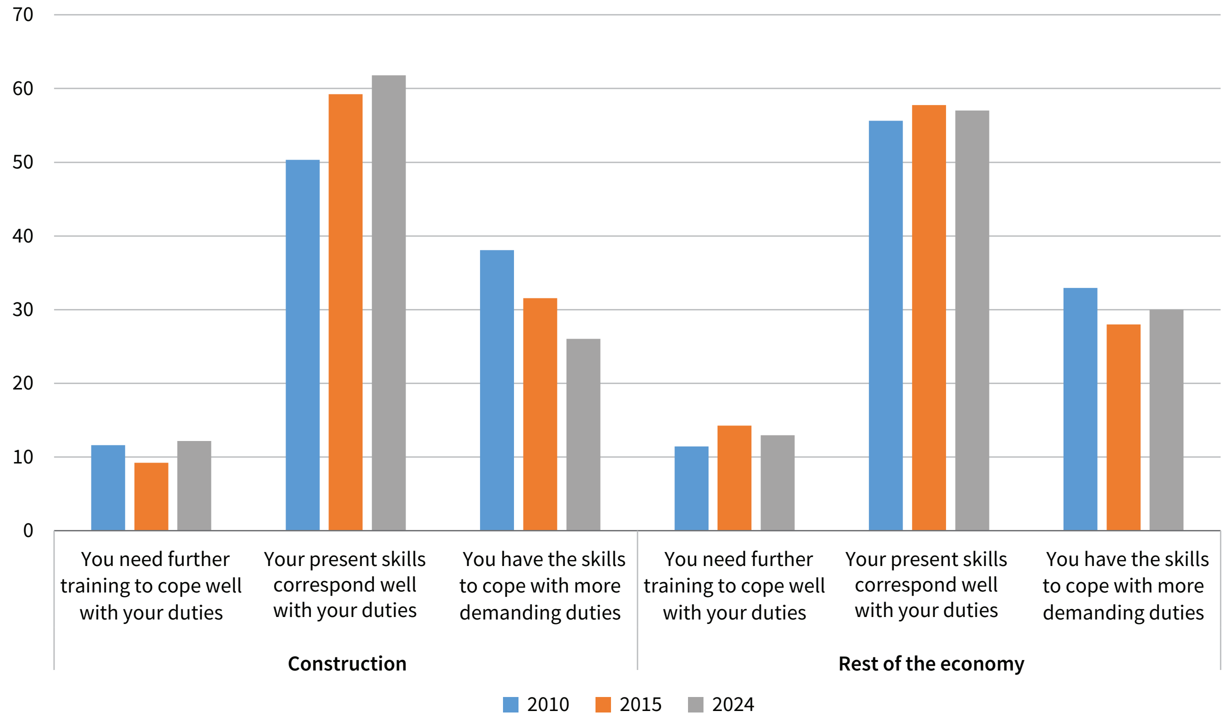
Transition pressure in construction is expressed through changing materials, technologies and work processes. Energy-efficient renovation and sustainable construction increase demand for skills linked to insulation, heat pumps, solar panels and other energy-saving technologies, often requiring upskilling energy-system installers, carpenters and digital construction roles, such as functions related to building information modelling (BIM). An estimated three million to four million construction workers will need to develop energy-efficiency-related skills.

Figure 23: Job vacancy rates in the EU construction sector and the economy as a whole, by quarter, 2014–2024 (%)



Source: Eurostat (jvs_q_nace2).

Figure 24: Skills matching in the construction sector and the rest of the economy, EU-27, 2010, 2015 and 2024 (%)



Source: Eurofound calculations based on EWCS data.

A distinctive structural feature is the sector's fragmented enterprise landscape: 94% of companies have fewer than 10 employees. Construction companies with more than 250 workers employed only around 13% of the sector's workforce in 2023, compared with 36% across all sectors. This matters for competitiveness, because small firm dominance can slow the diffusion of productivity-enhancing work processes and constrain investment in training and technology uptake. Complex subcontracting chains common in the sector can act as a further barrier.

Survey data suggest that skills alignment is not necessarily deteriorating, even as recruitment difficulties persist. The share of construction workers who say their skills correspond well with their duties rose from 50.3% in 2010 to 63% in 2024, exceeding the economy-wide average of 57% (Figure 24). Training participation has also improved: the share of construction workers receiving training on the job increased from 17% in 2010 to 35% in 2024, and the share receiving training paid for by their employer rose from 22% in 2015 to 35% in 2024.

This combination – improved matching and increased training alongside persistent shortages – indicates that delivery constraints are not explained by skills mismatch alone but reflect deeper structural barriers in a fragmented sector where the share of migrant workers is high and women make up just 11% of the workforce – the most gender-segregated sector in Europe.

Social dialogue and sectoral coordination

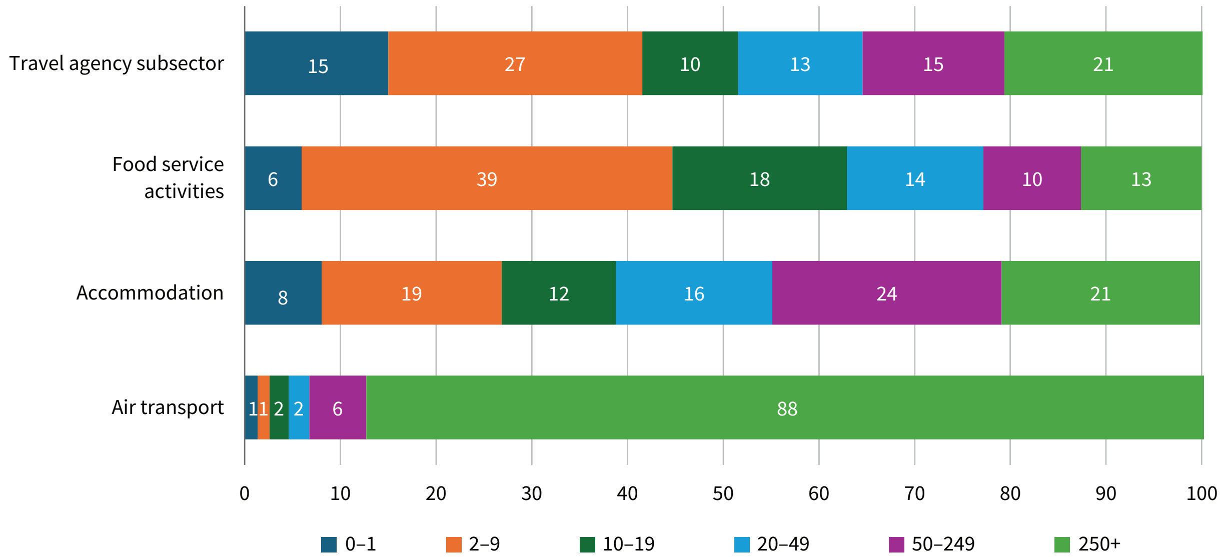
Industrial relations and social dialogue arrangements in construction vary widely across Member States. Because the sector is dominated by small firms and organised through subcontracting and project-based work, bipartite and sectoral mechanisms are particularly relevant for coordinating training provision, supporting occupational standards and diffusing new practices. The Pact for Skills in construction aims to upskill or reskill 25% of the workforce – some three million workers – in five years. Direct references to the twin transitions in collective agreements remain limited, but skills upgrading and sustainability-related provisions appear in a number of Member States, often embedded within broader training and qualification frameworks.

Tourism: incremental adaptation in an SME ecosystem

In contrast to the restructuring intensity seen in the automotive sector and the capacity constraints in construction, pressures in tourism are reflected primarily in gradual adaptation rather than large-scale restructuring.

The tourism ecosystem contributes around 10% to EU GDP and employs 10.3 million workers across more than 2.1 million enterprises, 90% of which are microenterprises (0–9 employees) (Figure 25). Employment is concentrated in food service activities (7.2 million workers, or 70% of the sector) and varies sharply across Member States: in Greece, Spain, Malta and Cyprus, almost 1 in 10 workers is employed in tourism.

Figure 25: Share of employment by enterprise size (number of employees) in each tourism subsector, EU-27, 2023 (%)



Note: Values may not total 100% due to rounding.
Source: Eurofound calculations based on the Structural Business Statistics Survey (sbs_sc_ovw).

Women represent 53% of tourism employment, and the sector serves as an important entry point for younger workers – 18.5% of the workforce was aged 17–24 in 2023. At the same time, the share of workers aged 55 or older increased from around 10% in 2010 to 16.7% in 2023, reflecting the same demographic shifts examined in Chapter 4.

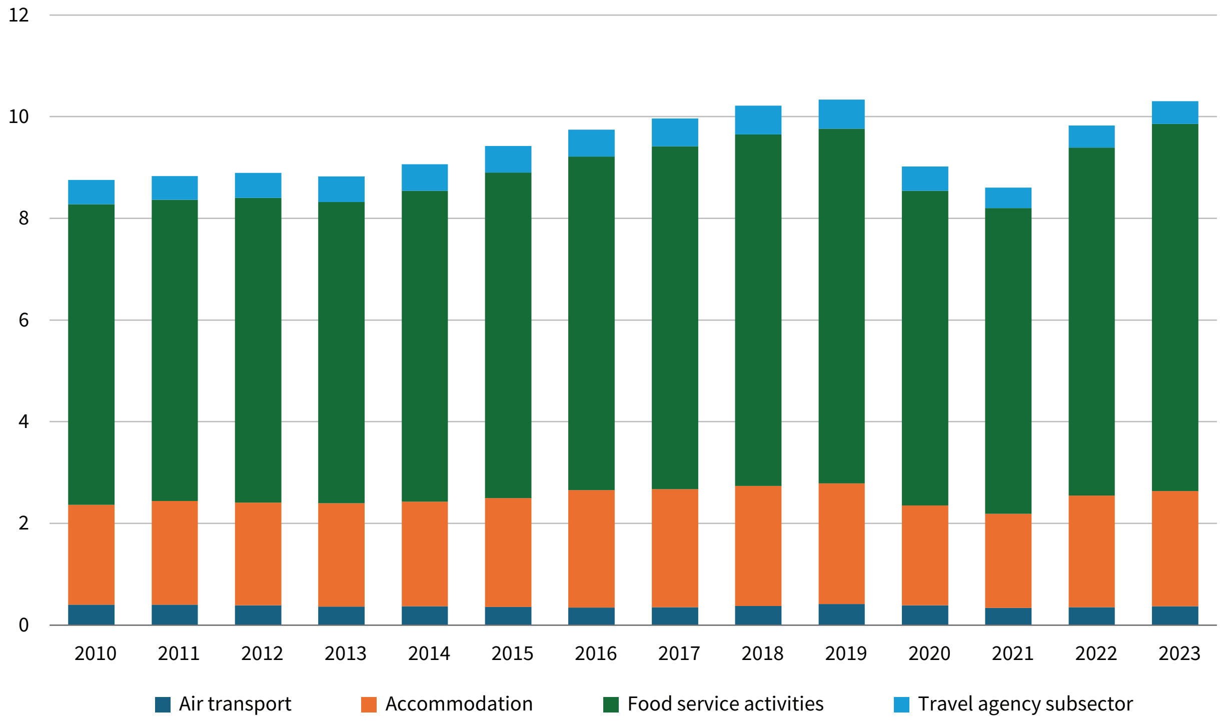
Tourism is also directly exposed to the green transition through its environmental footprint and dependence on natural assets. Climate change poses longer-term risks to the sector: in Spain, where 81 of the top 100 national tourist destinations are coastal, it is estimated that a 3°C rise in temperature could reduce tourist demand in the summer months by 10%. Such reductions in tourist arrivals would clearly affect employment, particularly during peak seasons, on which many hospitality businesses rely.

Digitalisation and platformisation

Digitalisation has had uneven employment effects. The sharpest disruption is in travel agency activities, where online booking platforms and digital intermediation have transformed market structures, contributing to a 22% decline in employment between 2019 and 2023. In accommodation and food services, by contrast, digitalisation is associated more with changes in work processes and job tasks than with an overall decline in employment.

Technology adoption varies dramatically: 42.7% of accommodation workers use digital platforms for coordinating tasks and communicating with colleagues, compared with just 5% in food service activities. Evidence from a large hotel chain in Spain shows that organisational adjustments, new training initiatives and task shifts have accompanied the digital and green transitions, but no significant reduction in jobs has been observed.

Figure 26: Employment in the tourism sector, EU-27, 2010–2023 (millions)



Source: Eurofound estimates based on Eurostat ad hoc data extractions.

Labour shortages and working conditions

The sector continues to face intense labour shortages, particularly in accommodation and food services (Figure 26). Shortages are especially acute in occupations such as waiters, cooks, kitchen assistants and back-of-house staff. Seasonality, high turnover, challenging working conditions and limited possibilities for remote working saw workers leave the sector during the pandemic, making the employment of migrant workers increasingly common. Structural features of the sector – the high concentration of small businesses and microbusinesses, high levels of seasonality, low qualification levels and a high share of part-time and migrant workers – act as barriers to training provision and participation. Employer-funded training in food service activities grew only modestly – from 17.1% to 18.3% – between 2015 and 2024. The sector has also been affected by increases in the minimum wage, given the prevalence of low-paid employment – a dynamic that connects directly to the wage developments examined in Chapter 3.

Meanwhile, food service workers face a growing occupational health risk: the share reporting exposure to high temperatures rose from 27.2% to 39.0% between 2010 and 2024 – a 43% increase that may worsen as climate change intensifies.

Social dialogue and adaptation capacity

Collective bargaining coverage varies widely across tourism subsectors and Member States, from above 80% in countries such as Austria, Belgium, France and Italy to below 35% in others. The sector is characterised by low trade union density, reflecting the prevalence of small businesses and microbusinesses, the high share of migrant workers and the informality of the work. In recent years, labour shortages and measures to make the sector more attractive have gained importance on collective bargaining agendas, with recent agreements including pay rises and improved working conditions. However, there is limited evidence of collective bargaining addressing the challenges posed by the twin transitions thus far.

Three pathways, one challenge

Taken together, the evidence from these three sectors suggests that sector structure affects how transition pressures appear in employment and workplace change. Where activity is concentrated in large firms and integrated value chains – as in the automotive sector – adjustment registers as large-scale restructuring with clearer signals of job gains and losses. Where sectors are fragmented and dominated by small enterprises – as in construction and tourism – pressures more often materialise through capacity bottlenecks and uneven diffusion of new tools and practices. These processes are less visible in restructuring announcements but no less central to competitiveness under the twin transitions.

Across all three sectors, the workforce challenges examined elsewhere in this yearbook – ageing, skills renewal, care responsibilities, the adequacy of wages – are not separate from the competitiveness question. They are part of it. Whether Europe can sustain its production base while decarbonising and digitalising depends not only on investment and regulation but on whether the workers are available, whether their skills match changing demands, whether the conditions of work are good enough to attract and retain them and whether social dialogue structures are in place to drive training efforts and accompany change management.

Discover more

Structural change in EU labour markets: A generation of employment shifts

Company restructuring and the twin transitions: Evidence from the European Restructuring Monitor

Crisis in the EU automotive industry: Can the sector remain competitive in the context of the twin transitions?

Building on growth potential: Preparing the construction sector for the twin transitions

Sustainable tourism in a digital age: Preparing the tourism sector for the twin transitions

What does Europe need? Walls or workers? Recent national developments in managing labour migration in Europe

Beyond the twin transitions: Measuring EU Member States' multidimensional performance with composite indicators

Multidimensional Progress Index

Eurofound Talks: Europe's productivity paradox

Quality of life

2

The pressures documented in earlier chapters – financial strain, stagnating wages, cost-of-living shocks – do not stop at the household budget. They affect where and how people live, whether they can access support when their mental health suffers and how much confidence they place in the institutions around them.

Chapter 6 examines housing, one of the most tangible dimensions of quality of life, and shows how rising costs have translated into affordability stress, delayed independence for young adults and compounded vulnerabilities for minimum wage earners and single parents. Chapter 7 examines mental health: depression and anxiety increased during successive crises and have clearly not returned to earlier baselines. Access to care remains constrained by waiting times, affordability and geography – with the heaviest burden falling on those already under financial strain. Chapter 8 returns to the societal level, showing that trust in institutions and satisfaction with democracy follow the same faultlines as economic insecurity, and that solidarity – tested concretely by the EU's response to the war in Ukraine – comes under greatest pressure among those facing the tightest material constraints.

Across all three chapters, the same pattern recurs: quality-of-life pressures are concentrated among those with the fewest resources, and the groups most exposed to one dimension of strain tend to be most exposed to others.

6 Housing under pressure: affordability and insecurity

In 2000, the highest minimum wage in the EU was more than 47 times higher than the lowest. By 2025, that gap had narrowed to just under five times – a remarkable convergence, documented in Chapter 3. Yet for a young worker in Dublin or Lisbon earning close to the minimum wage, the question is not only how much their wage has grown but what it can actually pay for. And increasingly, the answer is: not a home of their own.

Housing is one of the most tangible dimensions of quality of life. It influences living standards, financial security and the ability to plan for the future. Over the past decade and a half, housing costs have risen substantially across the EU: since 2010, average house prices increased by 55.4% and average rents by 26.7%. These averages mask the severity of the problem in some regions and for certain groups. In several Member States, prices have more than tripled. And within countries, increases in the cost of housing in urban centres – precisely where employment is concentrated and where young workers, in particular, tend to be – have far outpaced average trends.

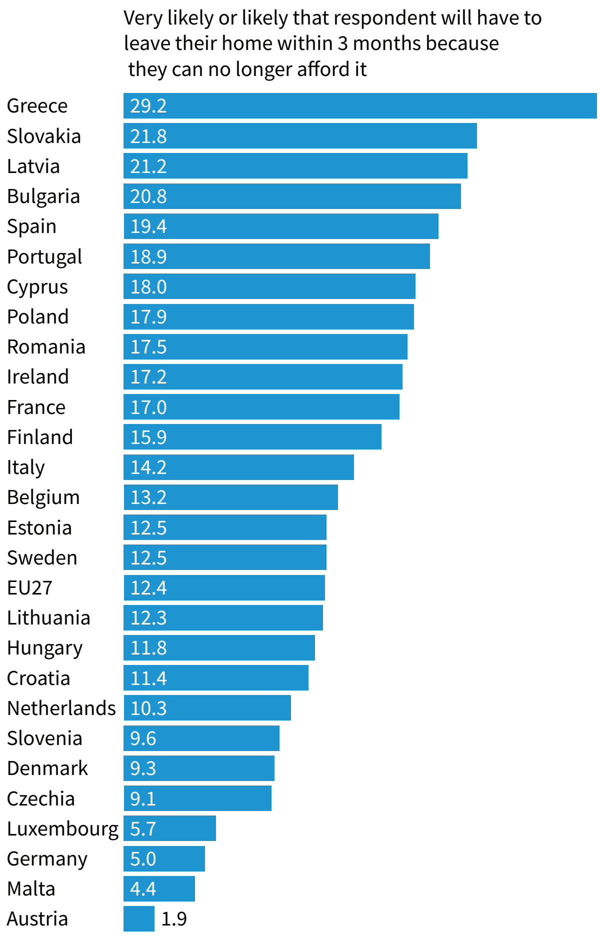
This chapter explains how rising housing costs translate into affordability stress and insecurity, and why exposure is uneven across tenures, income positions and life stages. It focuses in particular on young adults, and the ability of housing systems to accommodate them, while also examining other groups facing heightened vulnerability. These include minimum wage earners, whose housing pressures were introduced in Chapter 3, and single-parent households, who face compounding disadvantages across several of the dimensions examined in this yearbook.

Housing as a pillar of quality of life

Housing affordability is not only about the level of costs. It is about how costs interact with household resources and tenure. When housing costs rise faster than incomes, households with limited savings face a tighter budget constraint. This can translate into arrears on housing- or utility-related payments, a higher risk of having to move because housing becomes unaffordable, and trade-offs that affect living standards and well-being.

Recent findings from Eurofound's Living and Working in the EU e-survey show how this pressure is distributed across groups and Member States. Among those who do not own their home, 12.4% across the EU reported in 2025 that it was likely they would have to leave their dwelling within three months because they could no longer afford it. The variation across countries is wide: housing insecurity among non-homeowners is highest in Greece (29%), Slovakia (22%) and Latvia (21%), and lowest in Austria (less than 2%), Malta (4.4%) and Germany (5%) (Figure 27).

Figure 27: Housing insecurity among non-homeowners, EU Member States and the EU-27, 2025 (%)



Source: Living and Working in the EU e-survey series.

Limited financial resilience among renters compounds their exposure to housing cost shocks. As Chapter 1 documented, private renters are substantially more likely than homeowners to report having no savings at all, and most renters with savings report only a low buffer. Those with the smallest cushion are most exposed to the cost pressures that have characterised the past several years.

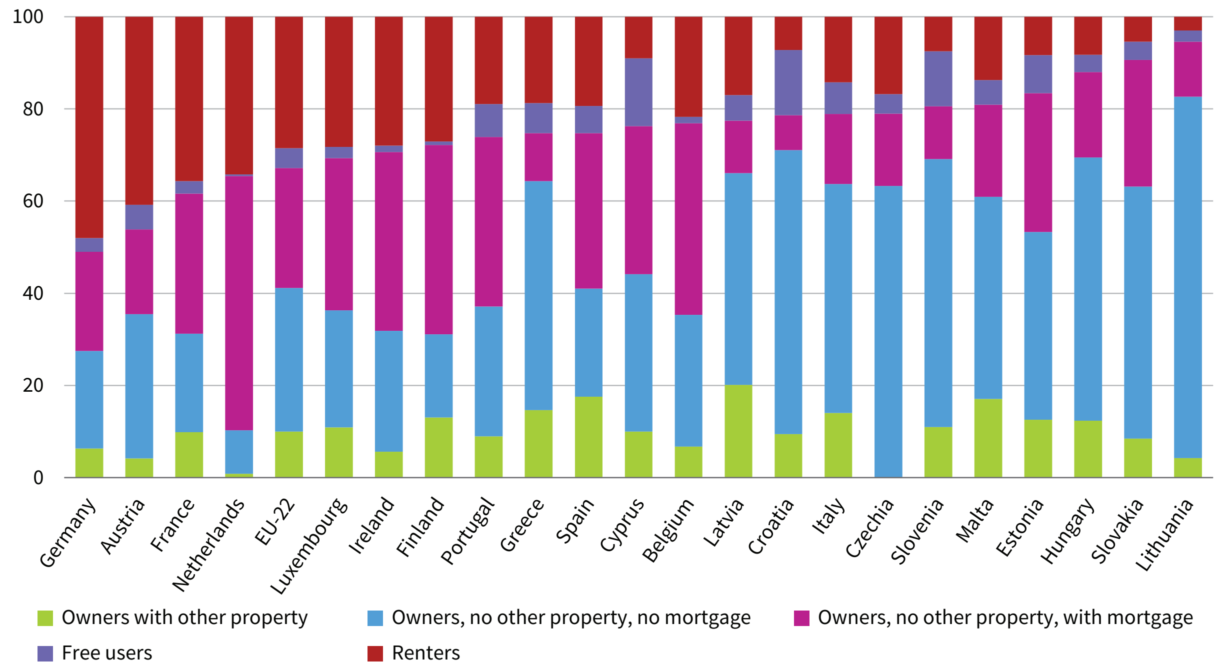
Tenure structures and exposure to housing cost shocks

Tenure matters because it shapes both the level of housing costs that households face and their capacity to absorb cost shocks. Tenure structures vary markedly across countries. Data from the Household Finance and Consumption Survey (HFCS) show that homeownership remains dominant in many central and eastern European Member States, while renters account for close to half the population in Austria and Germany (Figure 28).

Eurofound analysis of the same data points to systematic distributional exposure: apart from in a few high-ownership central and eastern European countries, most people in the bottom wealth quintile are renters, and the share of renters in the lowest wealth quintile increased between 2017 and 2021. In terms of affordability, tenants generally face higher housing cost burdens relative to income than mortgage holders. Rent or utility increases can translate more quickly into affordability problems for tenants than for homeowners, given lower incomes and weaker savings among renters.

The broader role of housing wealth in overall wealth inequality is examined in Chapter 10. Here, the key point is that tenure and savings influence exposure to housing market pressures – and that these pressures fall hardest on those with the least accumulated wealth.

Figure 28: Housing status, EU-22 and Member States, 2021 (%)



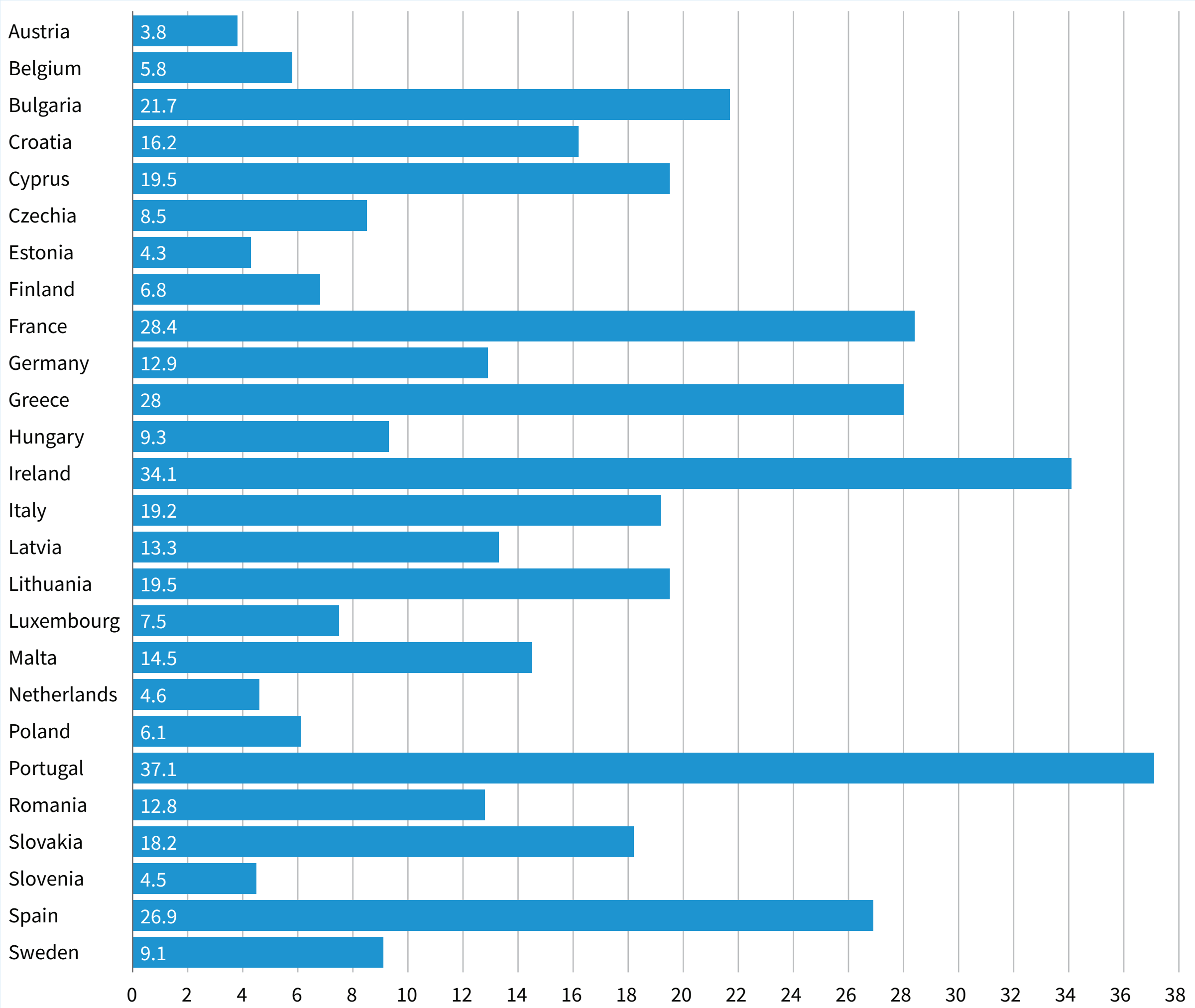
Note: Countries are ranked by the share of owners in ascending order. In Czechia, no data were available on the purpose of the loan of the household main residence, so the proportion of owners is divided between those who are owners with or without a mortgage.
Source: HFCS, 2021.

Eurofound housing dashboard – tracking housing conditions across the EU

Eurofound has developed an online housing dashboard to compare housing conditions across Member States using a harmonised set of indicators. The dashboard groups indicators into four dimensions that align with Eurofound's analytical framework: housing exclusion, housing insecurity, housing unaffordability and housing inadequacy. Figure 29 illustrates one of the subdimensions of the dashboard – the inability to keep a home adequately warm.

Users can explore patterns across countries and disaggregate results by population characteristics – for example, age, household type, tenure and income – to examine how housing pressures are distributed across groups.

Figure 29: Eurofound housing dashboard – inability to keep home adequately warm, EU Member States, 2023 (%)



Source: Eurofound calculations based on EU-SILC microdata for 2023.

Young adults: housing as an entry-point stress test

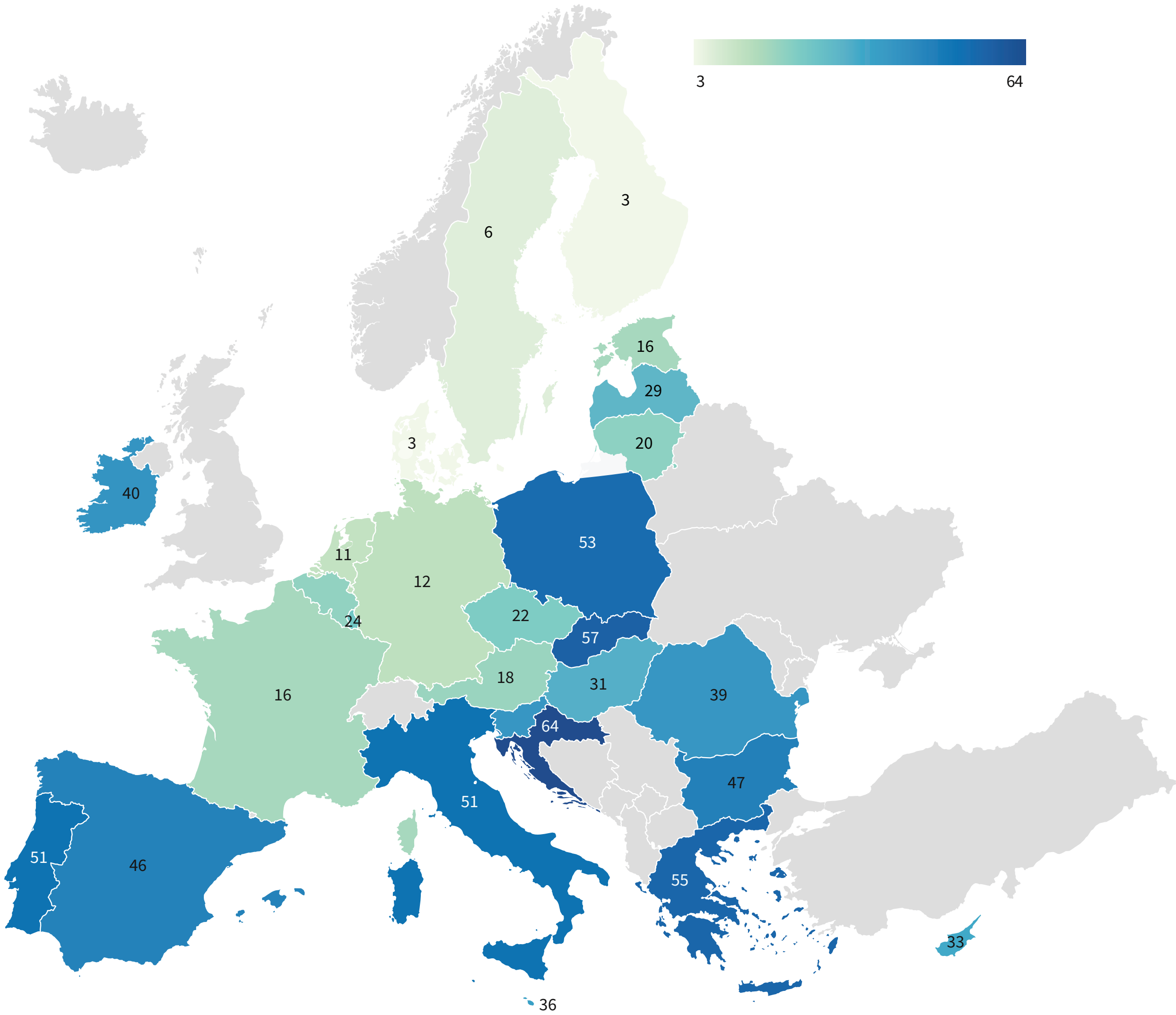
For young adults, the housing market functions as a stress test – one that reveals whether housing systems can accommodate people at the point of entry into independent living. Eurofound research applies a four-part framework to the challenges they face: housing exclusion, housing insecurity, problematic housing costs and housing inadequacy. Taken together, these dimensions show that rising housing costs affect not only budgets but also living arrangements, housing quality and life transitions.

Housing exclusion: remaining in the parental home

One of the most visible signs of housing exclusion is the phenomenon of young adults remaining in – or returning to – the parental home. In 2024, the estimated average age at which young people across the EU left the parental home was 26.2 years, with large cross-country differences: below 22 years in Denmark, Finland and Sweden, and above 30 years in Croatia, Greece, Italy and Spain.

Among 25 to 34-year-olds, around 30% across the EU continued to live with their parents in 2023, again with wide variation across countries (Figure 30). This indicator captures one dimension of how affordability constraints translate into delayed housing independence, particularly where access to affordable renting or home purchase is limited. The connection between housing costs and delayed independence is not confined to the lowest earners. As documented in Chapter 3, young minimum wage earners are significantly more likely to live with their parents than better-paid peers, and this difference is widest in high-wage economies where housing costs absorb a large share of income. For these workers, housing costs do not merely burden household budgets – they can prevent independent living altogether.

Figure 30: Young adults (aged 25–34) living in the parental home, 2023 (%)



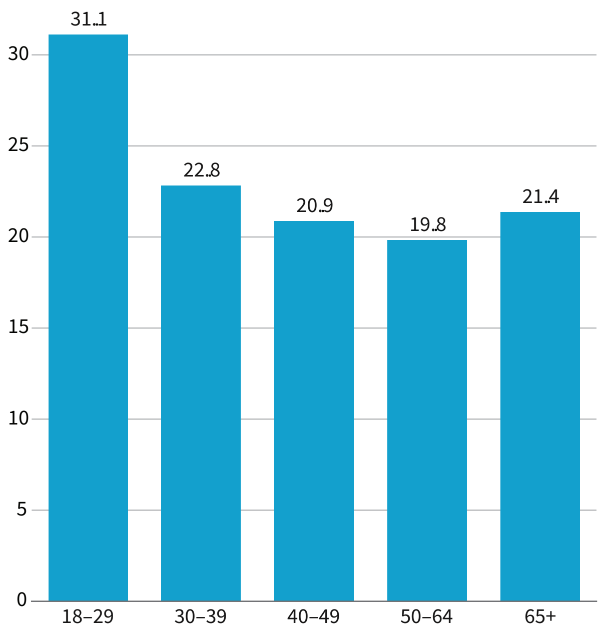
Source: Eurofound calculations based on EU-SILC microdata.

Housing insecurity and cost pressures for young adults

EU-SILC-based indicators show that younger adults spend a higher share of income on housing and are more likely to be overburdened by housing costs (Figure 31). In 2023, the housing cost overburden rate – the share of people spending more than 40% of their income on housing – was 23% among those aged 18–29, compared with 12% among those aged 30–39, indicating a steep age gradient around the transition to independent living.

Arrears patterns also differ by age. In 2023, 4.7% of 18–29-year-olds were in arrears on rent or mortgage payments in the previous 12 months, and 7.9% were in arrears on utilities. These are higher rates than for any older age group and point to a segment of young adults for whom housing costs are not merely burdensome but actively destabilising.

Figure 31: Percentage of income spent on housing costs, by age cohort, 2023



Note: Housing costs are calculated net of housing allowances.
Source: Eurofound calculations based on EU-SILC microdata.

Table 2: Implications of unmet housing preferences among young adults (%)

	All	Czechia	Netherlands	Spain	Sweden
My choices about my job/career are limited	30	35	20	39	27
I am not able to move out of my parents' home	24	17	18	36	23
I have delayed having children	17	22	11	18	18
I am experiencing mental health issues (stress, anxiety, depression, sleep problems, etc.)	17	17	18	10	22
Other	16	18	25	6	14
I am not able to live with my partner/get married	14	14	18	10	13
I am experiencing conflicts within my family	10	15	9	10	8
My choices about school/education are limited	10	12	8	10	11
I/we have fewer children than wanted	9	9	10	11	7

Notes: The figures are the percentages of respondents in each country who selected 'Yes' in response to each listed impact when asked the question: 'In which, if any, of the following ways are you currently affected due to not being able to live in your preferred housing situation?' The colour scheme indicates most common (red) to least common (green) impacts.
Source: Eurofound calculations from survey data collected for this report.

Housing inadequacy and life impacts

Affordability pressures are linked to adequacy constraints. Overcrowding is notably higher among younger cohorts: in 2024, the overcrowding rate among 15–29-year-olds was 26.5%, compared with 16.9% for the population as a whole, with substantial variation across countries.

A further dimension is how housing constraints influence life choices and well-being. Survey evidence on housing preferences in four Member States – Czechia, the Netherlands, Spain and Sweden – reveals substantial mismatches between young adults' current and preferred living arrangements. Among those living with their parents, just 40% would choose to remain in that arrangement if an alternative were available. The affordability of housing relative to income was the most prominent reason that respondents did not live in their desired arrangement.

Among those whose current living arrangements do not match their preference, between 20% and 39% reported that their job or career choices were limited by their housing situation. Around one-quarter reported difficulties moving out of the parental home. Just over one in six reported delaying having children, and around 17% reported mental health impacts (Table 2).

Beyond youth: other groups facing housing strain

While the entry-point stress is especially visible among young adults, housing pressure is unevenly distributed more broadly. Two groups stand out in Eurofound's evidence: minimum wage earners and single-parent households.

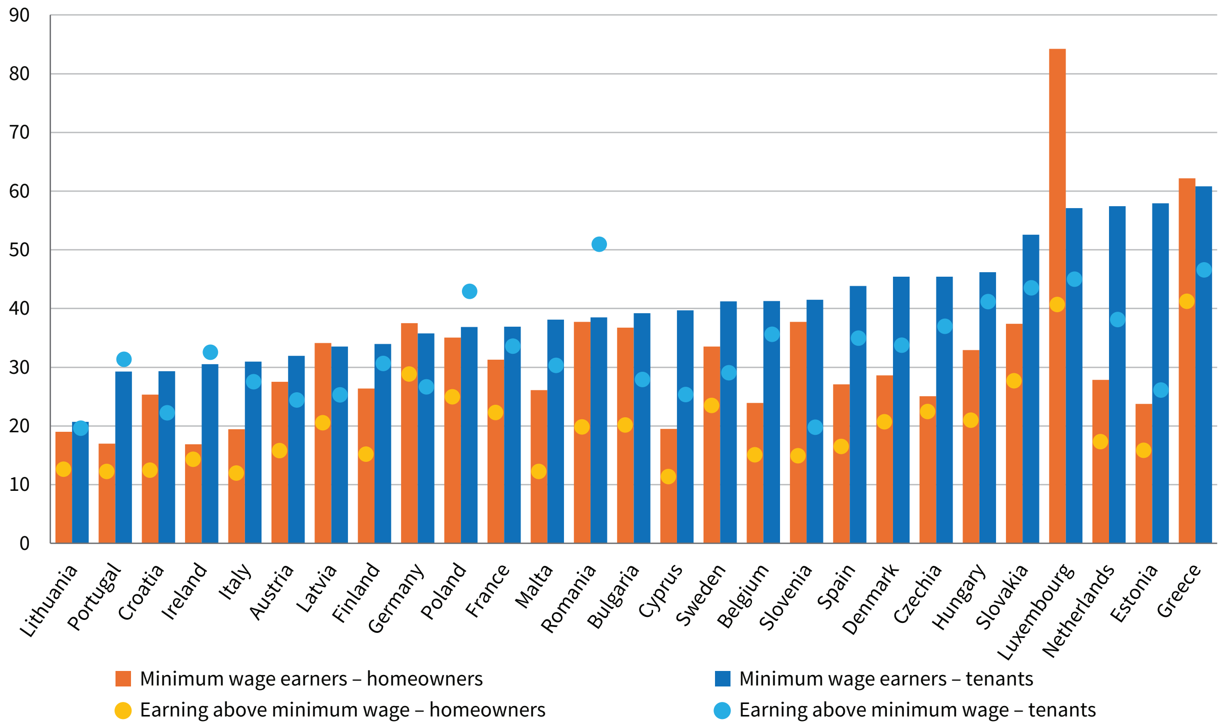
Minimum wage earners: housing as an adequacy stress test

Chapter 3 examined whether the real gains in minimum wage purchasing power documented across the EU are sufficient to ensure a decent standard of living. Housing costs provide a revealing stress test for this question, because they represent a large, unavoidable expenditure that has been rising sharply.

Eurofound analysis of EU-SILC data for single-adult households shows that, on average in the EU, minimum wage earners living alone spend 34.8% of their disposable income on housing, compared with 26.2% for those earning above the minimum wage (Figure 32). Among tenants, proportional housing costs rise to 37% for minimum wage earners, against 30.1% for those earning more. The perception gap is equally clear: 35.6% of minimum wage earners report housing costs as a heavy burden, compared with 21.7% of those earning above the minimum wage.

Where housing takes a larger share of income, the room to absorb other cost increases or build savings is smaller – reinforcing the limited financial resilience documented in Chapter 1.

Figure 32: Housing costs as a proportion of total disposable income for full-time employees in single-adult households, EU, 2023 (%)



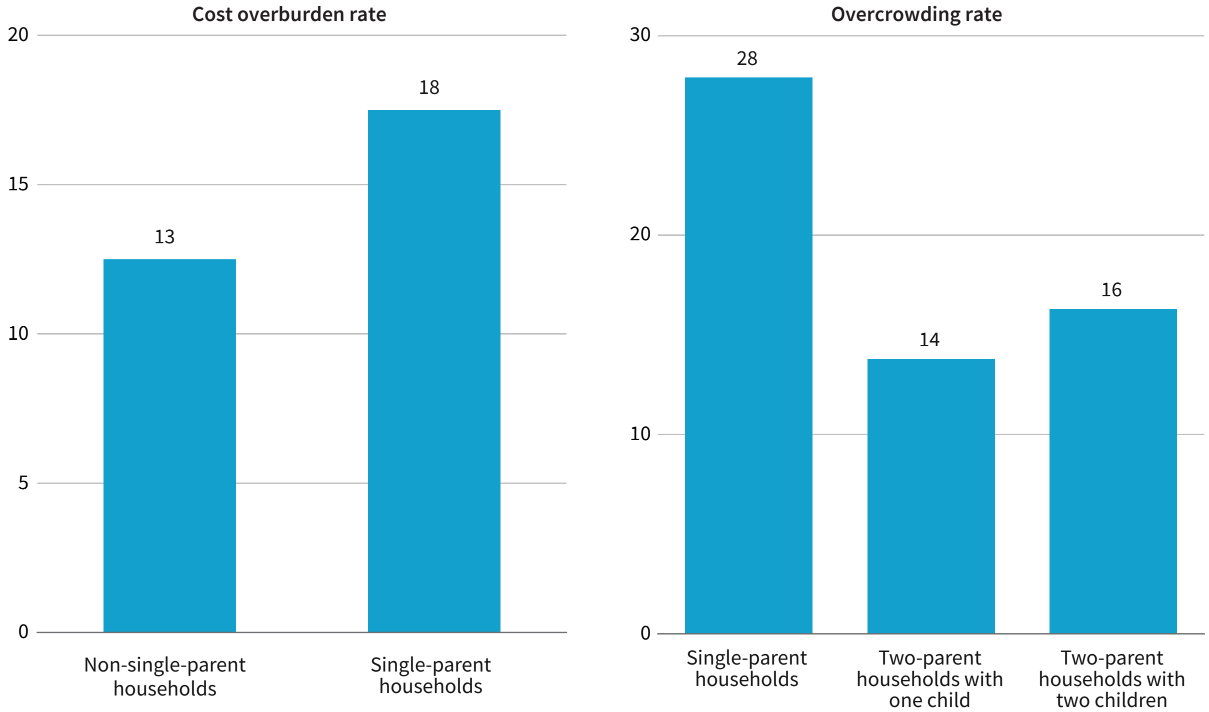
Notes: Figure shows housing costs (net of housing benefits) as a proportion of disposable household income (net of housing benefits). Housing costs include rent (for tenants), mortgage interest payments (for homeowners), structural insurance, mandatory services and charges, regular maintenance and repairs, taxes and the cost of utilities (water, electricity, gas and heating).
Source: Eurofound calculations based on EU-SILC, 2023 (wages refer to 2022).

Single-parent households: compounding dimensions of housing vulnerability

Single-parent households face elevated risks across every dimension of Eurofound's housing framework. They are almost three times more likely than other household types to be in rent or mortgage arrears (8.2%, compared with 2.6%) and twice as likely to expect to have to leave their home within three months because they can no longer afford it (10.6% versus 4.5%). They are also more likely to be overburdened by housing costs (17.5% versus 12.5%) and to live in overcrowded dwellings: 27.9%, compared with 13.8% for two-parent households with one child and 16.3% for those with two children (Figure 33).

These patterns underline how household composition can amplify housing stress. Single parents – disproportionately women, with an average age of 34.2 years – face worse social environments and higher work intensity in the workplace, provide more unpaid care and now bear the steepest housing cost burdens. These are not separate disadvantages; they reinforce each other.

Figure 33: Housing cost overburden rate (2023) and overcrowding rate (2024) for single-parent households versus other groups



Source: Eurofound calculations based on EU-SILC microdata; Eurostat (ilc_lvho)5b).

Housing policy choices and trade-offs

Eurofound analysis frames housing affordability as a multidimensional challenge shaped by the interaction of housing supply, household resources and rental market structures.

There is a key distinction between demand-side interventions, which affect households' purchasing power, and supply-side interventions, which affect the housing stock and provision. Where supply is constrained – as it is across much of urban Europe, where construction output has fallen well below estimated demand – demand-side support risks being absorbed into higher prices or rents. Measures that expand the number of dwellings, whether through new construction or by bringing vacant and underused stock into use, more directly address the underlying constraint. For creating new housing opportunities, particularly for young people, supply-side solutions have more potential than demand-side monetary and tax benefits.

In rental markets, balancing stability and access is a central design challenge. Measures that strengthen tenure security for incumbent tenants can have different implications for outsiders – new or prospective tenants, often young adults – if they reduce mobility or limit availability at the point of entry. Tenure neutrality in fiscal policy – treating owning and renting equally – is identified in Eurofound's analysis as a factor that can reduce distortions in housing choices. Hybrid pathways such as rent-to-own or equity sharing can also broaden access.

In December 2025, the European Commission presented the first-ever European Affordable Housing Plan, recognising that the housing crisis is hampering both the competitiveness of the EU economy and social cohesion. The plan's focus on increasing housing supply, triggering investment and supporting the people most affected responds directly to the pressures documented here and in Chapter 1. These findings also speak to Principle 19 of the European Pillar of Social Rights, which provides that access to social housing or housing assistance of good quality shall be provided for those in need and that vulnerable people have the right to protection against forced eviction.

Housing as a systemic quality-of-life issue

The evidence brought together in this chapter shows housing as a central channel through which economic pressures translate into insecurity and constrained life choices. Housing insecurity is concentrated among non-homeowners and varies widely across Member States, while limited savings among renters increase exposure to further cost shocks.

Housing pressures are not experienced in isolation. They interact with the wage adequacy questions examined in Chapter 3, the care responsibilities and labour market exits documented in Chapter 4, and the financial strain and declining optimism described in

Chapter 1. For many households, housing is the single largest cost – and the one over which they have least control. Whether Europe's commitment to affordable housing translates into meaningful relief will depend on the pace of supply-side responses, the implementation of structural reforms and the extent to which incomes can keep pace with rising housing costs in the years ahead. The mental health consequences of these pressures, and others, are examined in Chapter 7.

Discover more

Foundational challenges: The housing struggles of Europe's youth

Housing indicators: For a cross-EU housing conditions dashboard by Eurofound

Eurofound Talks: The housing struggles of Europe's youth

Eurofound Talks: Grappling with Europe's wealth gap

Eurofound: European housing dashboard

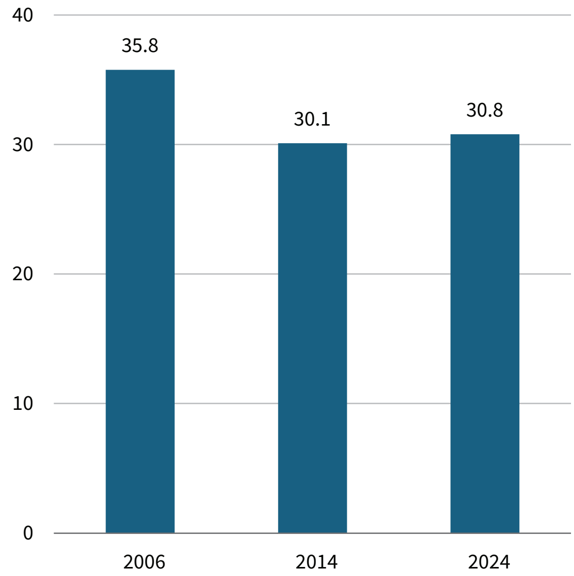
7 Mental health: trends, inequalities and access to support

In 2021, poor mental health accounted for at least 11.1 million years of life lost or lived with disability in the EU. Depression and anxiety alone accounted for 7.4 million. Behind these figures are people whose capacity to work, to sustain relationships and to participate in daily life has been diminished – often in ways that compound the financial strain, housing insecurity and labour market pressures documented in earlier chapters.

This chapter examines longer-run patterns in poor mental health, identifies which groups face the greatest risks and assesses whether support systems are keeping pace with need.

Mental health indicators are not interchangeable. Survey measures capture different concepts – the WHO-5 Well-being Index, used in Eurofound's Living and Working in the EU e-survey, differs from symptom-based depression screens such as the PHQ-8 (Patient Health Questionnaire) and CES-D 8 (Centre for Epidemiologic Studies Depression Scale). Results can also be shaped by reporting norms and stigma, while harmonised EU surveys exclude some groups with particularly high risks, including children, people in institutions and people experiencing homelessness, and may underrepresent others, such as Roma communities, LGBT+ populations and migrants.

Figure 34: Share of the population at risk of clinical depression, 13 Member States, 2006, 2014 and 2024 (%)



Notes: Data are weighted. Including countries for which data were available for 2006, 2014 and 2024 (Austria, Belgium, Finland, France, Germany, Hungary, Ireland, the Netherlands, Poland, Portugal, Slovenia, Spain and Sweden). Depression risk is calculated as CES-D-8 ≥ 7.
Source: Eurofound analysis of ESS microdata.

Depression and anxiety: exacerbated by crises, slow to reverse

The Great Recession (late 2007 to mid-2009) and the COVID-19 pandemic were both associated with increases in poor mental health, driven by factors such as financial strain, job and income insecurity and social isolation, which intensified again in 2024 and 2025. After the pandemic, poor mental health stabilised at or slightly above pre-pandemic levels rather than returning clearly to earlier baselines.

EU-harmonised survey data show a relatively stable prevalence of depression before the pandemic. In 2019, 6.2% of the EU population aged 15 and over were at risk of depression (PHQ-8 ≥10), compared with 6.3% in 2014. Analysis across 13 Member States using a broader screening measure (CES-D 8) shows that levels of depression risk were lower in 2014 than in 2006, while 2014 and 2024 levels were broadly similar (Figure 34).

For anxiety, comparable EU time series are more limited. Earlier harmonised data show a slight increase in reported feelings of anxiety between 2006 and 2012.

EU compilations of national survey data suggest gradual upward trends in anxiety and depression over two decades, with sharper increases during crises: depression peaked around 2011 following the Great Recession, anxiety around 2015, and both rose again during the COVID-19 pandemic.

In Eurofound's Living and Working in the EU e-survey, WHO-5 mental well-being scores fluctuated between 2020 and 2025, remaining at levels associated with a substantial population share at risk of depression. In 2025, around 57% of respondents scored at or below 50 on the WHO-5 index, the threshold indicating risk of depression.

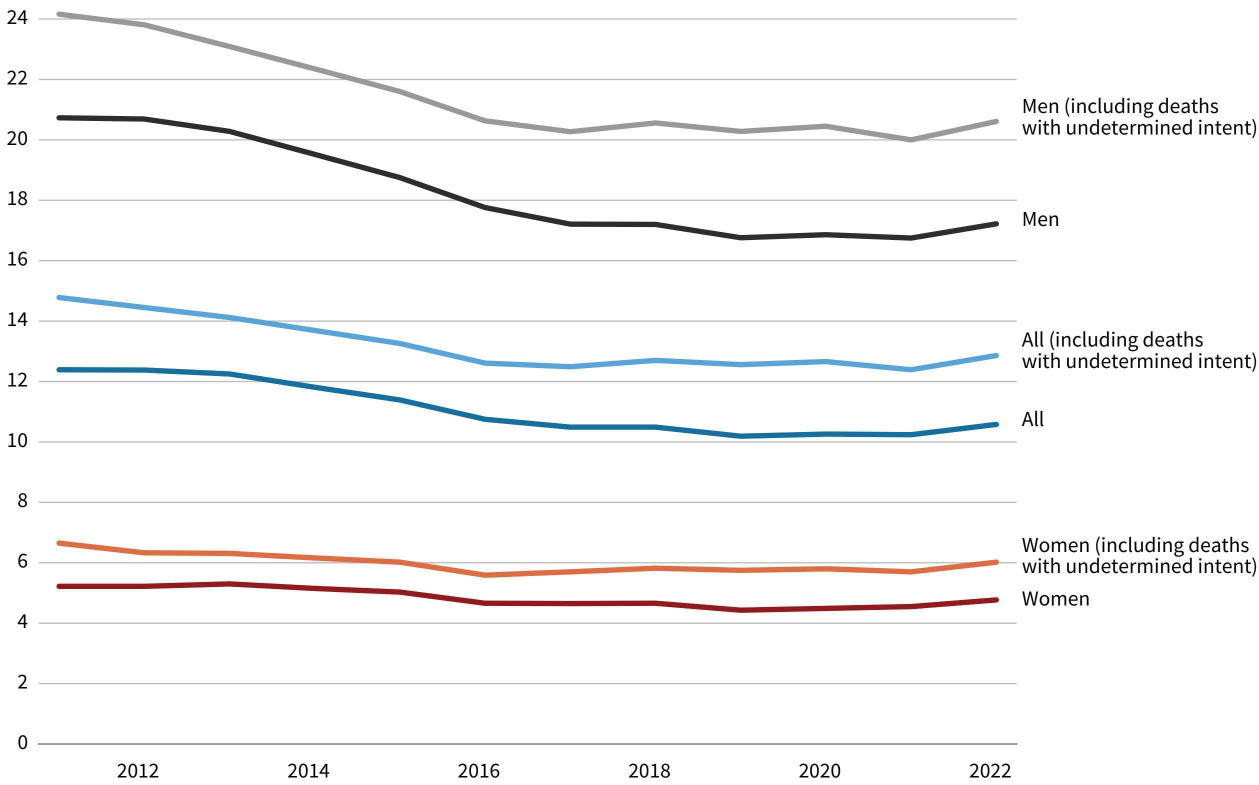
In the pre-pandemic period, use of professional mental healthcare services increased, especially among younger adults: the share reporting a visit to a psychiatrist or psychologist in the preceding 12 months rose from 5.4% in 2014 to 7.6% in 2019 among those aged 15–39. However, service use trends are difficult to interpret, because they can reflect changes in access, awareness and stigma as well as changes in underlying need.

Suicide: stalled progress and emerging risks

Suicide death data, based on official death registrations rather than surveys, reveal patterns among groups that surveys often miss. Among 15–29-year-olds in the EU, suicide was the leading cause of death in 2021, accounting for 18.9% of deaths – ahead of traffic collisions (16.5%).

While suicide death rates had been decreasing for decades, the decline stalled from 2017. The most recent EU-level standardised data show an increase from 2021 to 2022: from 10.24 to 10.58 per 100,000 people, and from 12.39 to 12.86 including deaths of undetermined intent. The pattern is strongly gendered: men are 3.7 times more likely than women to die by suicide. Recent increases have been observed particularly among women under 20 and men aged 85 and over (Figure 35).

Figure 35: Suicide deaths, standardised numbers per 100,000 people, EU



Source: Eurofound analysis of Eurostat data (hlth_cd_asdr2), extracted 14 May 2025.

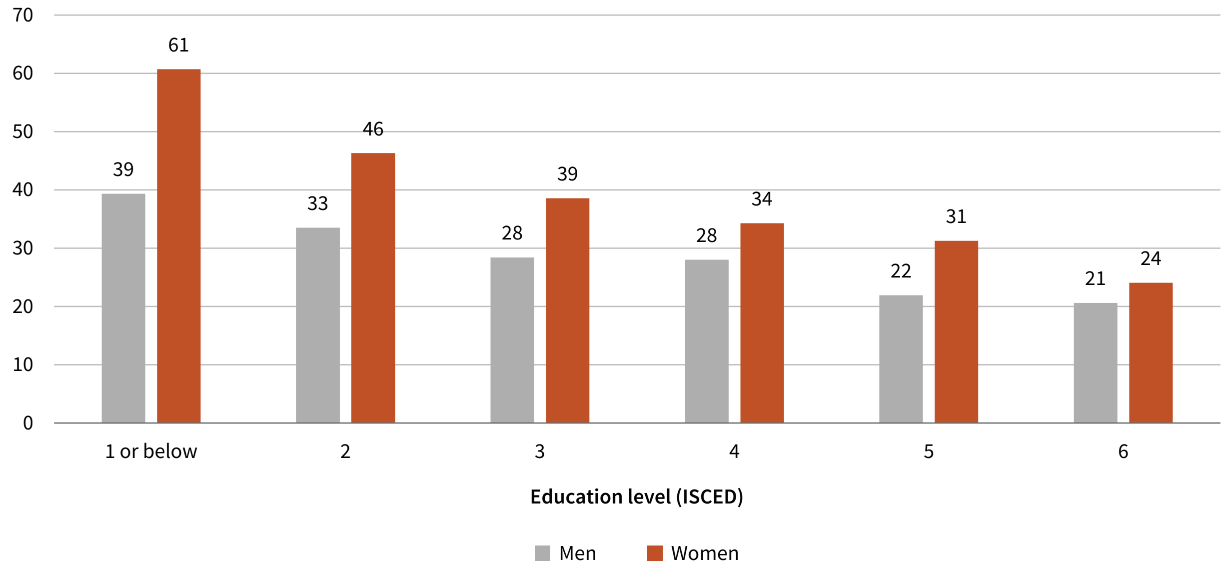
Inequalities in mental health: who is most at risk?

Poor mental health is not evenly distributed. Depression and anxiety are more common among people facing financial strain, social isolation, disability and discrimination. The interaction between financial pressure and mental health is especially pronounced. As Chapter 1 documented, financial strain has intensified among low-income and middle-income households, and this gradient maps directly onto mental health outcomes.

Financial strain and low socioeconomic status

Financial strain is closely associated with poor mental health. People who report difficulty making ends meet also report markedly higher levels of depression and anxiety. Unmet needs for mental healthcare are substantially higher among people under financial strain – a pattern explored further in the section below on access to mental health care. The housing cost pressures examined in Chapter 6 are part of this picture: where housing absorbs a disproportionate share of income, households have less capacity to withstand other shocks, compounding the stress that feeds into poor mental health.

Figure 36: Prevalence of depression by educational attainment and gender, EU, 2024 (%)



Notes: Depression is calculated as CES-D-8 ≥ 7. Data are weighted. Excluded are Bulgaria, Czechia, Denmark, Estonia, Latvia, Luxembourg, Malta and Romania. The International Standard Classification of Education (ISCED) 1997 scale is used: up to primary (1), lower secondary (2), upper secondary (3), post-secondary non-tertiary (4), first-stage tertiary (5) and doctoral (6) levels.
Source: Eurofound analysis of ESS microdata.

Education and gender

Depression risk decreases with higher educational attainment. The gender gap in depression narrows from 22 percentage points among those with the lowest levels of education to 3 percentage points among those with the highest levels (Figure 36). In 2024, 39.5% of women were at risk of depression, compared with 28.4% of men, based on the CES-D 8 index.

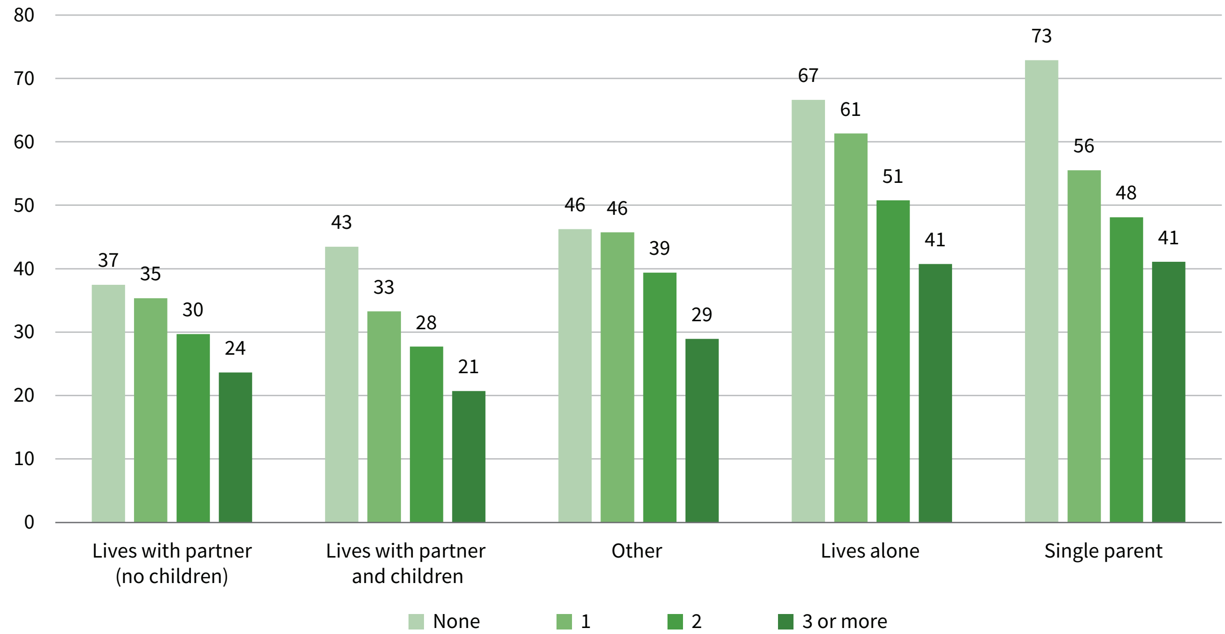
Women consistently report higher levels of depression and anxiety than men. The age dimension is particularly important: among children aged 11, 13 and 15, rates of feeling low increased most sharply for girls between 2014 and 2022, and suicide deaths among women aged under 20 increased by 40% over the past decade. Women are more exposed to several risk factors for poor mental health, such as gender-based discrimination, an unequal share of household tasks and informal care provision, work–life imbalance, expectations about physical appearance, and gender-based violence. They are also overrepresented among workers in occupations with higher mental health risks (i.e. health professionals, care workers and teachers).

The working conditions evidence in Chapter 2 is relevant here: women reported higher work intensity, more exposure to emotional demands and worse social environments. Work–life balance problems and the unequal burden of unpaid care are also identified as factors. As Chapter 4 documented, 45% of the EU population provide some form of unpaid care, women provide 52% more hours than men for parental childcare, and working carers report changing schedules, reducing hours or leaving work altogether to manage their responsibilities. For women who take on caring responsibilities earlier in their careers, the mental health consequences are not incidental to the care question – they are part of it.

Household composition and social isolation

People living alone and single parents report higher levels of depression than those living with a partner (Figure 37). Depression risk is also higher among those reporting weaker social support. Single parents – whose compounding housing, financial and labour market vulnerabilities were examined in Chapter 6 – face elevated risks: 53.9% were at risk of depression in 2024, compared with 31.7% among those living with a partner.

Figure 37: Prevalence of depression by household type and number of close confidants, EU, 2024 (%)



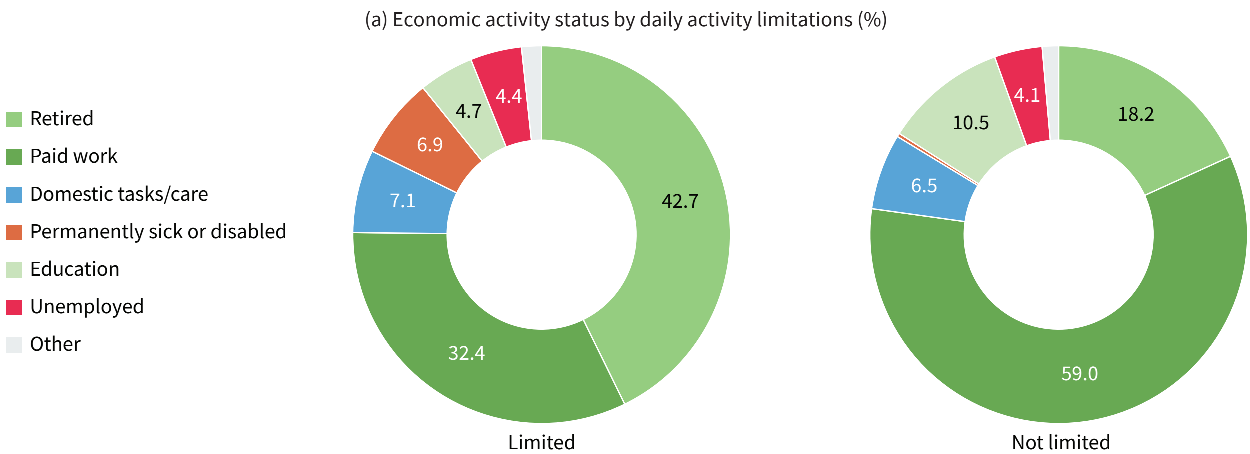
Notes: Depression is calculated as CES-D-8 ≥ 7. Data are weighted. Data covering Bulgaria, Czechia, Denmark, Estonia, Latvia, Luxembourg, Malta and Romania are unavailable. Question: 'How many people, if any, are there with whom you can discuss intimate ["intimate" implies things like sex or family matters] and personal ["personal" could include work or occupational issues as well] matters?' The household type 'other' includes people with households of more than one person but not containing a partner or children.
Source: Eurofound analysis of ESS (wave 11, 2024) microdata.

People with disabilities

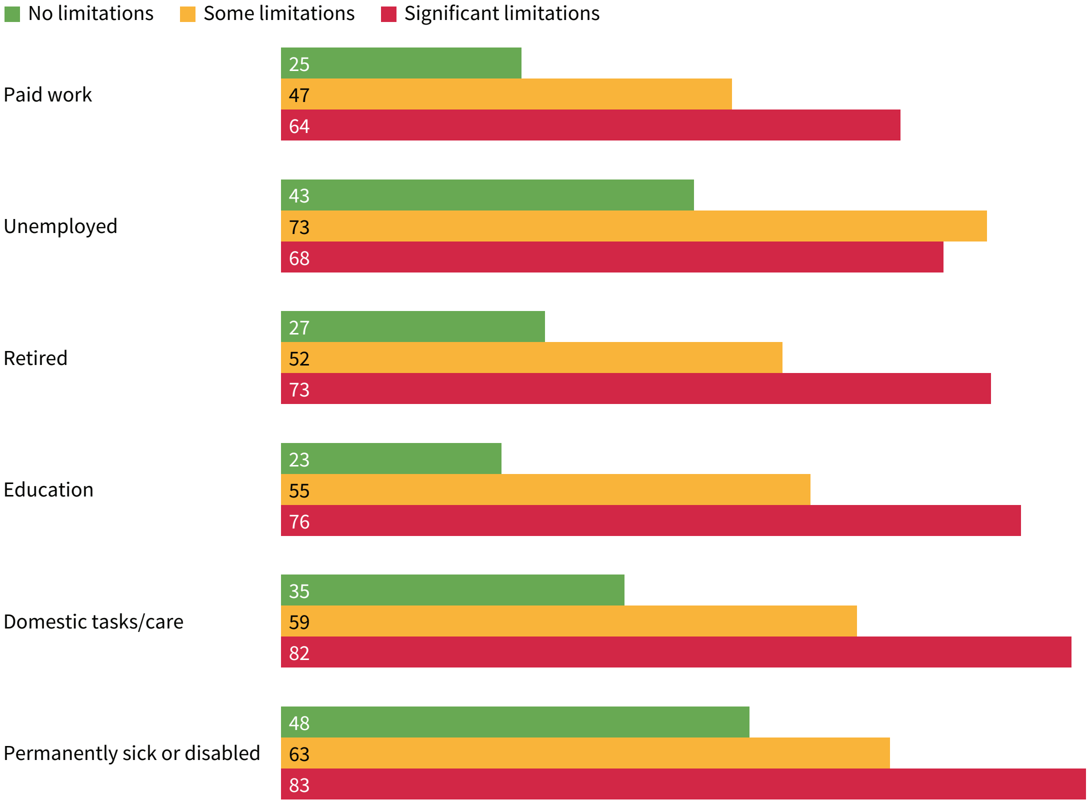
People with disabilities face substantially higher risks of poor mental health. In 2024, 27.7% of people reporting no limitations in daily activities were at risk of depression, compared with 52.0% of those reporting some limitations and 72.2% of those reporting significant limitations. Elevated depression is observed across all labour market statuses among people with limitations.

Even among those in paid work, depression risk is substantially higher for those with significant limitations (64%) than for those with none, and is higher still among those who are unemployed (68%) or retired (73%) (Figure 38).

Figure 38: Limitation in daily activities, economic activity status and depression, EU, 2024



(b) Prevalence of depression by economic activity status and level of daily activity limitations (%)



Notes: Depression risk is calculated as CES-D-8 ≥ 7. Economic activity status is determined by the question 'What have you been doing for the last seven days?' Data are weighted. Data covering Bulgaria, Czechia, Denmark, Estonia, Latvia, Luxembourg, Malta and Romania are unavailable.
Source: Eurofound analysis of ESS microdata.

Population groups less well captured in EU-level surveys

Some groups face particularly high risks but are not fully captured in harmonised EU surveys, or are even excluded from most samples (children, people in residential care, homeless people). National studies reviewed by Eurofound indicate a higher prevalence of depression, anxiety and suicidal thoughts among LGBT+ populations compared with heterosexual populations. Evidence also points to very high levels of depression among people experiencing homelessness. Data on migrants and refugees, particularly those from conflict-affected regions, similarly indicate a higher prevalence of poor mental health, alongside low levels of self-recognition and help-seeking in some contexts.

Access to mental healthcare: rising use, persistent barriers

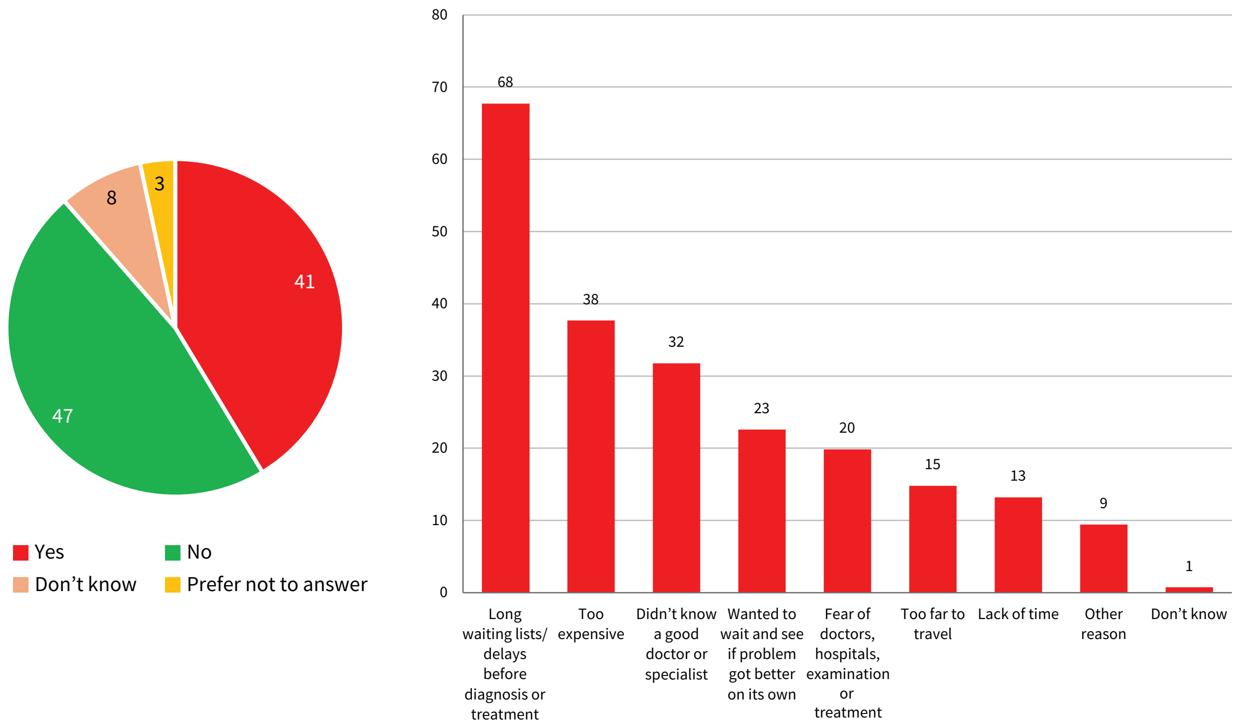
Formal entitlements to mental healthcare do not guarantee timely, appropriate care. Access problems can arise at different points – from recognising a problem and deciding to seek help, to receiving support that meets needs.

Across the EU, 25% of respondents report that they or a family member encountered one issue or more accessing mental healthcare (Figure 39). Among people who had experienced an emotional or psychosocial problem in the previous 12 months, 41% reported such barriers. Long waiting lists or delays before diagnosis or treatment were most frequently mentioned, followed by cost.

Uncertainty about where to turn and fear of providers or treatment are also widespread: 46% of those who experienced an emotional or psychosocial problem reported not knowing a good provider, having a fear of providers or treatment, or both, as barriers to accessing care.

Outside the public system, the cost of 10 of the cheapest private psychotherapy sessions is rarely below 50% of the net monthly minimum wage, and 10 average-priced sessions cost more than a monthly wage in about one-third of Member States. This connects directly to the minimum wage adequacy questions examined in Chapter 3: for workers earning close to the minimum wage, private mental healthcare is effectively inaccessible, reinforcing the cycle between financial strain and poor mental health.

Figure 39: Barriers to accessing mental healthcare among people who experienced an emotional or psychosocial problem, by type of barrier, EU, 2023 (%)

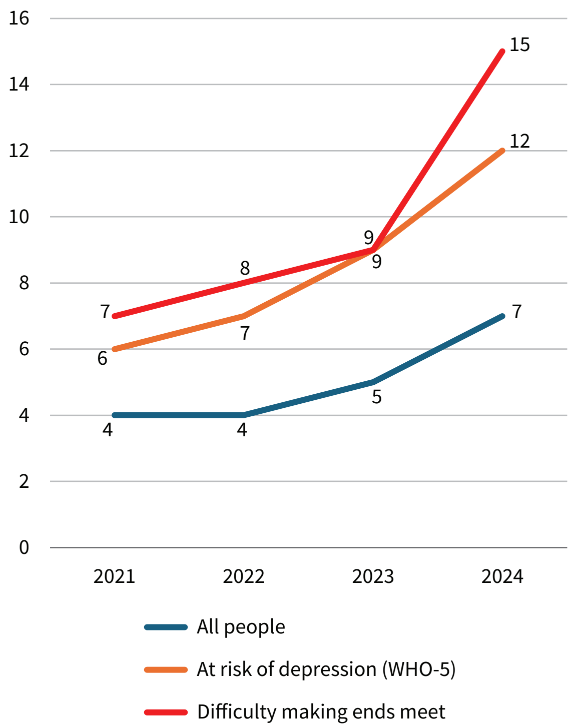


Note: Question: 'Which of the following issues(s) did you or they encounter? (Choose a maximum of three answers).' Weight result from target (post-stratification weight) was used.
Source: Eurofound analysis of Eurobarometer microdata, downloaded from GESIS.

Unmet needs and the role of financial strain

Unmet needs for mental healthcare have increased: the proportion of people reporting unmet needs rose from 4% in 2021 to 7% in 2024, with substantially higher levels among those reporting difficulty making ends meet (Figure 40).

Figure 40: Reported unmet mental healthcare needs, EU (%)



Note: WHO-5, WHO-5 Well-being Index.
Source: Eurofound analysis of Living, Working and COVID-19 e-survey microdata.

Mental health and inequality: persistent risk and constrained support

The evidence reviewed here shows that poor mental health in Europe increases during major economic and social shocks and has clearly not returned to earlier baselines after the pandemic. The dramatic impact of the Great Recession and the COVID-19 pandemic on mental health demonstrates that everyone can be exposed to factors putting them at risk – and that the resulting increases in poor mental health were not without reason but were clearly driven by factors such as financial strain, social isolation and insecurity. Depression and anxiety indicators point to a substantial continuing burden, while suicide trends show stalled progress and emerging age- and gender-specific risks.

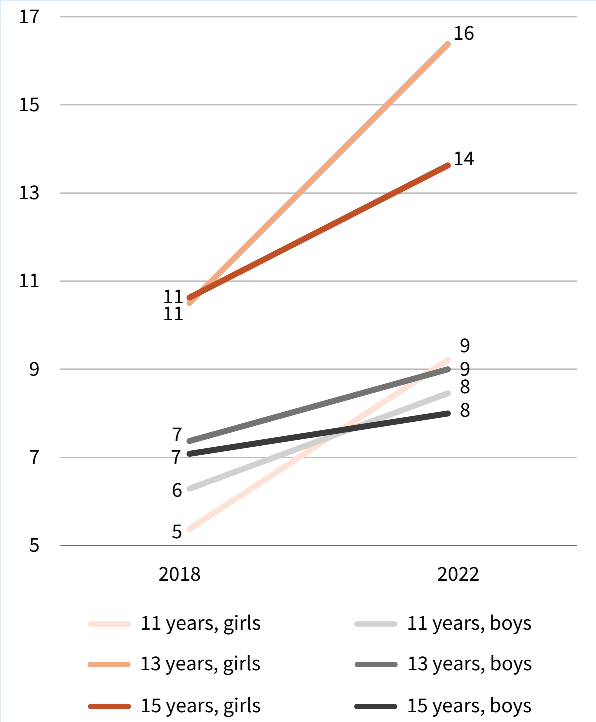
Mental health risks differ by socioeconomic position, gender, age, disability status and household circumstances. Social isolation and experiences of discrimination are also associated with higher risk.

Emerging concerns: social media and adolescent mental health

Reported low mental well-being among children aged 11, 13 and 15 increased between 2014 and 2022, with the sharpest rises among girls. One factor that has gained prominence in research and public debate is social media.

Problematic social media use among children aged 11, 13 and 15 increased between 2018 and 2022 across the EU and Norway, and is consistently higher among girls than boys (Figure 41). Problematic gaming is more common among boys. National evidence links problematic social media use with poorer mental health outcomes among adolescents, including higher anxiety symptoms, depressive feelings and sleep disturbances. In 2025, Australia adopted legislation prohibiting access to major social media platforms for users under 16, while several Member States have initiated reviews of age verification and online safety standards for minors.

Figure 41: Problematic social media use, EU and Norway, 2018 and 2022 (%)



Notes: Problematic use is defined as a score ≥ 6 on the 9-item Social Media Disorder Scale. Percentages are country averages. Excluded are Bulgaria, Cyprus, Denmark, the Netherlands and Slovakia. The score for Belgium is the average of the Flemish and Walloon Regions.
Source: Eurofound analysis of HBSC (undated).

Unmet needs have increased and are substantially higher among people under financial strain – the financial strain concentrated among low-income households, minimum wage earners and renters.

Mental healthcare systems have expanded and diversified, but persistent barriers – particularly waiting times, affordability constraints and geographical gaps – mean that formal entitlements do not always translate into timely, appropriate support. While access to timely care remains essential, the evidence shows that addressing mental health sustainably requires action across the living and working conditions that shape who is at risk – including the financial strain, housing insecurity and working conditions documented throughout this yearbook.

Discover more

[Mental health: Risk groups, trends, services and policies]

[High risk of depression persists following COVID-19 pandemic: Data behind the mental health crisis]

[The roots of Europe's mental health crisis run deep]

[Uneven picture of a changing Europe: Findings from Living and Working in the EU e-survey 2025]

[Digitalisation of social protection]

Eurofound Talks: [Is Europe's mental health still in crisis?]

8 Social cohesion, trust and participation

The previous chapters documented pressures that are real but unevenly felt: financial strain concentrated among low- and middle-income households, housing costs that fall hardest on renters and young adults, mental well-being that has not recovered from successive crises. This chapter asks what those uneven pressures mean for the fabric that holds societies together – trust in institutions, satisfaction with democracy and willingness to support collective responses such as solidarity with Ukraine.

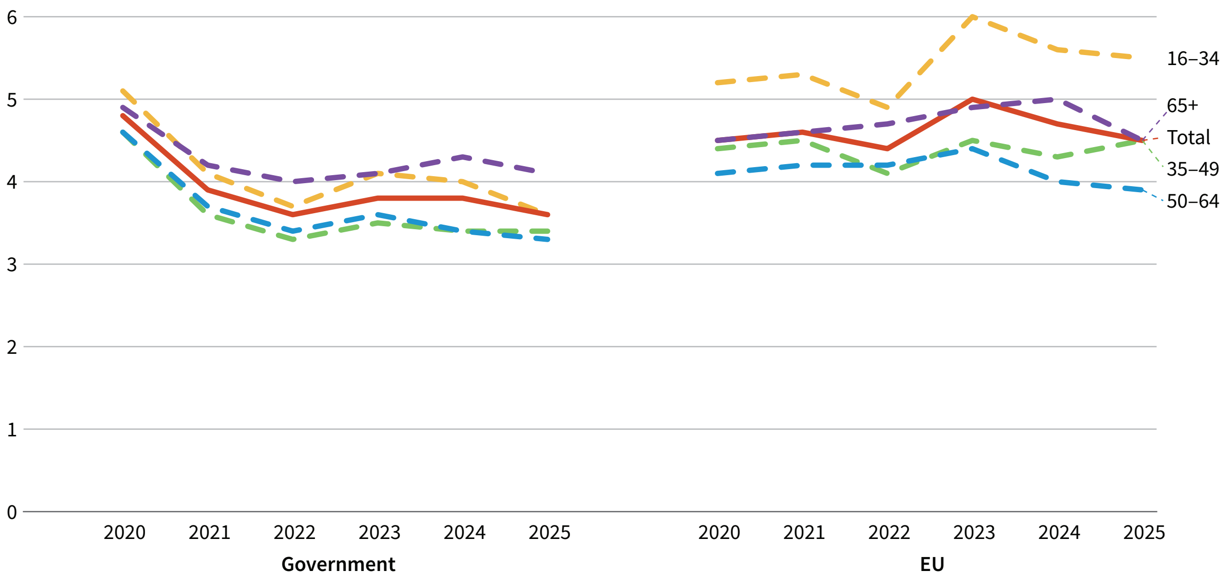
The question matters because cohesion does not depend on average conditions. It depends on whether the people under the greatest strain still feel that institutions work for them. The Living and Working in the EU e-survey provides evidence of exactly these patterns in 2025 – and the picture is one of fragile, unevenly distributed confidence.

Trust in national government and in the EU

Across the e-survey rounds, respondents report higher trust in the EU than in national government, with clear differences by age. Younger adults (16–34) record the highest trust in both institutions, while respondents aged 50–64 report the lowest levels over the period (Figure 42).

A striking feature of the distribution is that the age groups reporting the lowest trust – those aged 35–49 and 50–64 – also report the highest levels of economic strain and the greatest increases in financial difficulty since 2020. Despite declining optimism about their own future, young respondents report the highest levels of trust in both national governments and the EU, indicating that confidence in public institutions remains comparatively strong among this group of respondents. The alignment between economic pressures and institutional confidence is a consistent pattern in the e-survey evidence.

Figure 42: Average trust in national government and in the EU, by age group, 2020–2025 (scale 1–10)



Note: Respondents were asked to rate their trust on a scale of 1 to 10, where 1 means 'do not trust them at all'' and 10 means 'trust them completely'.
Source: Living and Working in the EU e-survey series.

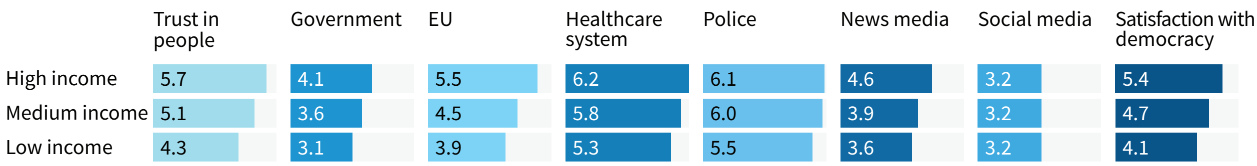
Trust, confidence in the media and democratic satisfaction

Income differences in trust and democratic satisfaction

Differences by income are considerable and consistent in the 2025 e-survey findings. High-income respondents report the highest trust across almost all domains, while trust among low-income respondents is lower across institutions and media (Figure 43).

The largest income gap is observed for trust in the EU. Low-income respondents also report substantially lower confidence in the news media and lower satisfaction with democracy. These gaps sit alongside wider differences in vulnerability reported in the e-survey – including greater difficulty making ends meet, increased insecurity and weaker buffers in terms of savings among low-income households – making institutional confidence part of a broader inequality in resilience rather than a stand-alone attitudinal trend.

Figure 43: Social and institutional trust, by income level, EU, 2025 (scale 1–10)

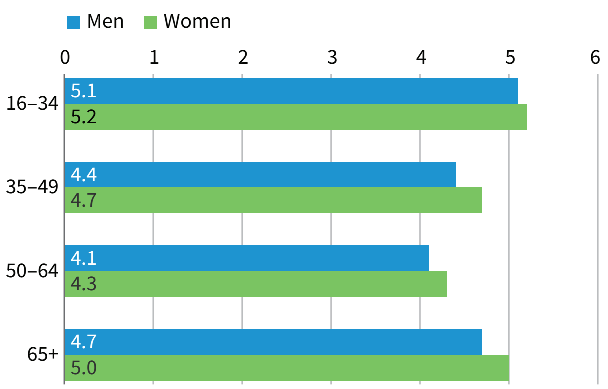


Source: Eurofound calculations based on EU-SILC microdata; Eurostat (ilc_lvho)5b).

Satisfaction with democracy

Satisfaction with democracy shows smaller differences by gender than by economic circumstances. At EU level, women report slightly higher satisfaction than men across most age groups, but the average EU gender gap is very small (0.1 on a 10-point scale), albeit statistically significant (Figure 44). Recently, much public discourse has focused on the divergence between young women's and young men's views on public and political matters. While the 2025 e-survey does reveal a gender divide in democratic satisfaction among young respondents, the direction varies across the EU: young women report significantly higher satisfaction in nine Member States, mainly in northern and parts of central and western Europe, while young men report higher satisfaction in 14 Member States, mostly in south-eastern Europe.

Figure 44: Average satisfaction with democracy, by age and gender, EU (scale of 1–10)



Source: Living and Working in the EU e-survey series.

Where the differences become sharper is across economic strain: the e-survey findings show substantially lower satisfaction with democracy among respondents facing financial difficulty.

Trust across institutions and media

Beyond age and income splits, the 2025 e-survey provides a broader cross-domain profile of trust. Trust is measured across local and national government, the EU, healthcare and pension systems, the police and media (Figure 45). Two features stand out.

First, the distribution across domains is uneven but structured: the police ranks as the most trusted institution on average, while social media is consistently rated lowest; news media sits below most institutions. Despite the increased reliance on social media, people in the EU generally remain critical of it. Second, the e-survey points to a country-level clustering: where trust is low, it tends to be low across the board rather than confined to one domain, and where trust is higher it tends to be relatively consistent across domains (except social media, in which trust is low everywhere).

Figure 45: Trust in institutions, systems and media, EU Member States and the EU-27, 2025 (scale 1–10)

	Local government	National government	European Union	Healthcare system	Pension system	Police	News media	Social media
Austria	6.1	4.4	5.0	6.2	5.1	6.7	4.7	3.2
Belgium	4.9	3.7	4.1	6.5	4.6	5.9	4.3	3.2
Bulgaria	3.2	2.3	4.6	4.1	3.5	3.7	2.9	3.3
Croatia	3.7	2.5	4.4	5.0	3.7	4.9	3.6	3.4
Cyprus	4.2	3.1	4.1	5.5	4.2	4.4	3.4	3.4
Czechia	5.5	3.5	4.1	6.4	4.5	6.1	4.2	3.4
Denmark	6.2	6.3	5.9	7.1	6.2	7.1	5.3	3.6
Estonia	5.0	3.7	4.8	6.3	5.1	6.5	4.5	3.6
Finland	5.8	3.7	5.4	6.1	5.7	7.3	6.1	3.9
France	4.5	2.9	3.7	6.1	4.7	5.9	3.5	2.9
Germany	5.4	3.7	4.5	5.5	4.1	6.4	4.5	3.2
Greece	3.2	2.5	3.7	4.3	3.2	4.0	2.2	3.2
Hungary	4.6	2.2	5.9	3.6	3.0	4.6	3.3	3.3
Ireland	5.1	4.8	5.8	5.8	5.8	6.3	4.7	2.7
Italy	4.7	3.3	4.3	5.6	4.3	6.1	3.7	3.2
Latvia	5.0	4.1	5.4	5.7	4.6	5.7	4.7	3.9
Lithuania	4.9	4.1	5.5	6.0	4.5	6.2	4.3	3.8
Luxembourg	6.5	5.9	5.4	7.1	6.1	7.1	4.9	3.2
Malta	4.7	3.7	5.9	6.8	6.0	5.5	4.3	3.3
Netherlands	5.2	3.7	4.3	6.0	4.5	5.8	4.2	3.3
Poland	4.4	3.8	4.9	4.8	3.7	5.0	3.8	3.4
Portugal	4.6	3.7	4.9	5.9	4.9	6.4	4.1	3.0
Romania	4.3	3.1	5.8	4.9	4.3	5.0	4.0	3.9
Slovakia	4.8	2.5	5.2	5.2	3.4	4.8	4.1	3.4
Slovenia	5.1	4.1	4.5	5.7	4.6	6.0	4.4	3.4
Spain	4.7	4.5	4.8	6.6	5.4	5.9	3.6	2.9
Sweden	5.0	5.4	4.8	6.2	4.8	6.5	4.9	3.1
EU27	4.8	3.6	4.5	5.7	4.4	5.9	4.0	3.2

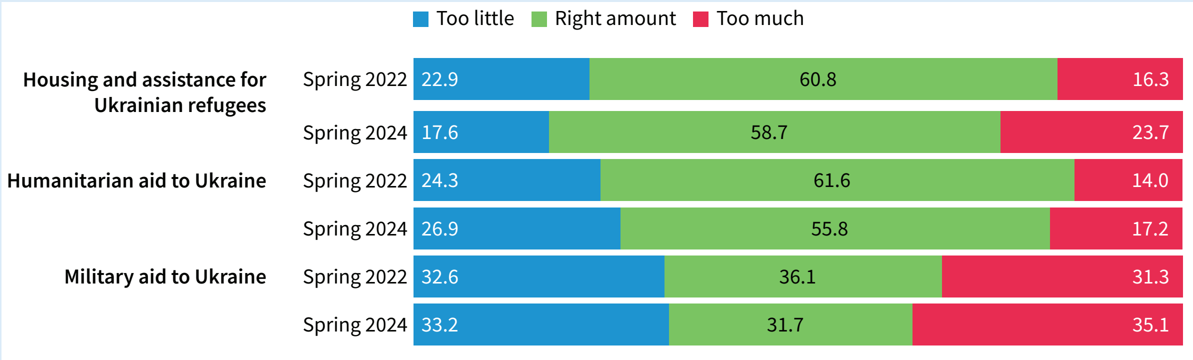
Source: Living and Working in the EU e-survey series.

Support for Ukraine and social cohesion in the EU

Russia's invasion of Ukraine has tested social cohesion in the EU by requiring sustained public acceptance of solidarity measures at a time of heightened cost pressures. The Living and Working in the EU e-survey evidence shows that support remains widespread overall – in 2024, 75.1% of respondents were in favour of housing displaced Ukrainians, 82.4% supported humanitarian aid and 65.2% supported military aid. However, assessments of how much governments and the EU are doing have become more contested along predictable faultlines: economic strain and deprivation, and differences in trust and information environments.

Between 2022 and 2024, respondents' assessments shifted most markedly in relation to housing and assistance for displaced Ukrainians. At EU level, the share stating that their government had done 'too much' in this area increased by 7.9 percentage points. Among respondents reporting difficulty making ends meet, the share saying government did 'too much' rose by 14 percentage points over the period, suggesting that contestation is concentrated among households facing tighter budgets and weaker financial room for manoeuvre.

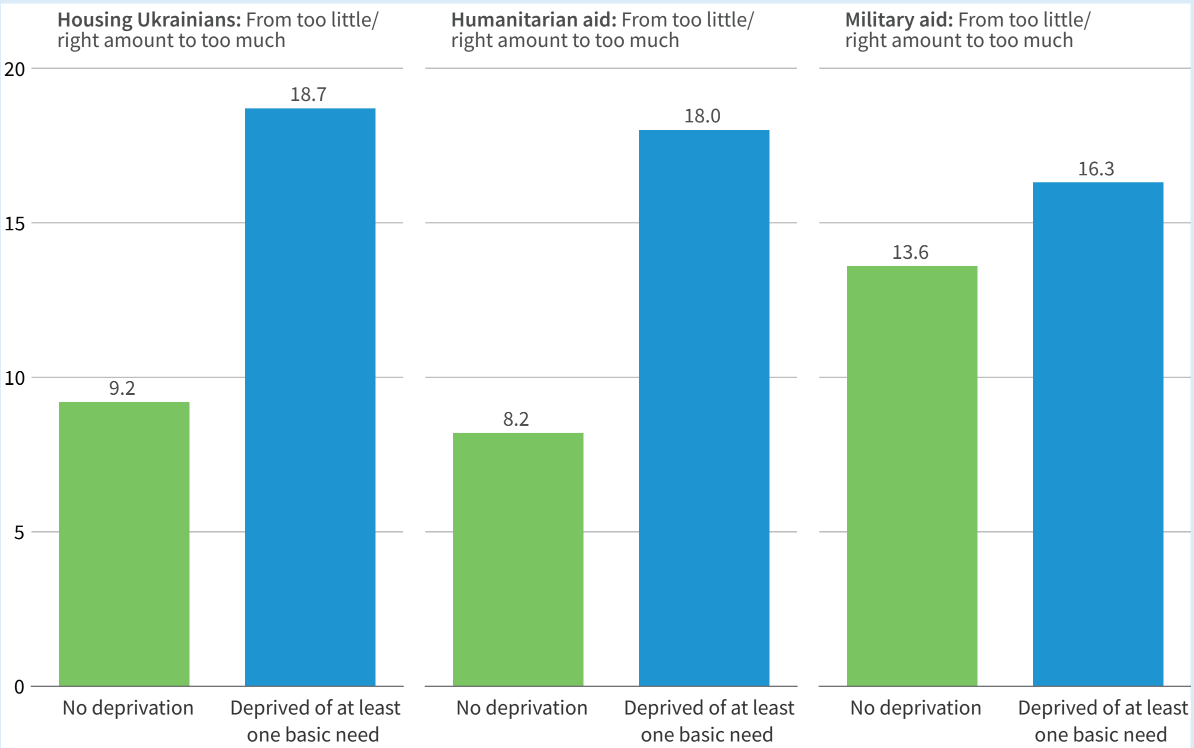
Figure 46: Satisfaction with government's response to war in Ukraine, panel, 2022–2024 (%)



Source: Living and Working in the EU e-survey series.

Deprivation is also associated with changes in support. Respondents who report being unable to afford basic necessities in 2024 are more likely to appear among those whose support weakened (Figure 47).

Figure 47: Change in support for government aid to Ukraine and Ukrainians, by level of deprivation, panel, 2024 (%)



Source: Living and Working in the EU e-survey series.

Media use, trust and more polarised views

Eurofound analysis also points to differences by information environment. Respondents relying primarily on social media as a news source show lower support for government measures to aid Ukraine and Ukrainians than those relying on traditional media, and opinion distributions are more polarised in this group in 2024, particularly regarding military aid.

Polarisation and political engagement

The Living and Working in the EU e-survey evidence highlights who reports lower trust and democratic satisfaction and how these attitudes align with unequal economic strain. Complementary analysis based on the European Social Survey (ESS) adds a second dimension: how attitudes are distributed within societies.

Eurofound research on social cohesion and inclusive participation finds that the clearest evidence of polarisation is concentrated in distrust of political institutions: across the EU, a consistent share of respondents report having no trust at all in political institutions, and this share has not diminished since the financial crisis. This matters for cohesion, because polarised distrust can coexist with continued participation among some groups while widening gaps in political engagement across others.

Political engagement and institutional trust

Eurofound analysis indicates that economic stability, higher levels of education and stronger political engagement are associated with a lower probability of polarisation on trust in political institutions. In contrast, economic strain and lower educational attainment are associated with a higher probability of polarised institutional distrust.

Patterns of engagement also align with trust: higher political interest and greater consumption of political news are associated with a lower likelihood of expressing very low trust; interpersonal trust and satisfaction with public services are also associated with lower probabilities of polarisation. Voting behaviour follows a similar pattern, with non-voting associated with markedly lower levels of institutional trust.

Together, these findings help connect the Living and Working in the EU e-survey's distributional trust gaps to a broader picture: when economic strain is persistent and engagement is uneven, distrust can become more concentrated at the extremes among particular groups, even if average trust does not collapse across society.

Uneven strain, uneven trust, fragile solidarity

Eurofound evidence from the 2025 Living and Working in the EU e-survey shows that trust in institutions and satisfaction with democracy are fragile and uneven, with clear gradients by age and especially by income. Trust is also structured across domains, with social media consistently rated lowest and country-level patterns suggesting that low trust tends to generalise across institutions.

The findings on the support for Ukraine illustrate how these distributions matter for cohesion: overall support for solidarity measures remains high, but contestation increases among those facing economic insecurity or deprivation, among those with low institutional trust, and among those relying on social media for news.

Complementary analysis suggests that the clearest evidence of polarisation in public attitudes is concentrated in distrust of political institutions, and that economic stability and political engagement are associated with lower probabilities of extreme institutional distrust. Taken together, the evidence points to a cohesion landscape where the key risk is not simply 'lower trust' on average but the persistence of unequal strain and uneven confidence, which can make solidarity harder to sustain and participation more uneven across society.

Discover more

Social cohesion and inclusive participation in a polarised Europe

Support for Ukraine still high among EU citizens but some fall off apparent among certain groups

Uneven picture of a changing Europe: Findings from Living and Working in the EU e-survey 2025

Narrowing the digital divide: Economic and social convergence in Europe's digital transformation

Digitalisation of social protection

3

Inequalities across the EU

The preceding chapters have traced how quality-of-life pressures – housing insecurity, mental health strain, eroding trust – are concentrated among those with the fewest resources. But inequality in Europe is not a single story. It runs along multiple axes – and the evidence assembled across this yearbook sheds light on several of them.

Between men and women: the gender pay gap persists at 12%, women provide 52% more hours of unpaid parental childcare, and older women are overrepresented in the lowest-quality jobs (Chapters 4 and 9). Between old and young: young adults face the steepest housing cost burdens and delayed independence, while older workers face displacement risks and long-term unemployment (Chapters 4 and 6). Between income groups: financial strain, housing insecurity, poor mental health, low institutional trust and weakening solidarity all follow income gradients (Chapters 1, 6, 7 and 8). And between regions and tenures: housing wealth, employment opportunities and care infrastructure vary sharply across and within Member States, shaping resilience in ways that national averages obscure (Chapters 6 and 10).

Chapters 9 and 10 turn to two of these structural dimensions in depth: the persistent gender pay gap and the distribution of wealth. The gender pay gap interacts with the care responsibilities examined in Chapter 4, the working conditions documented in Chapter 2 and the housing cost burdens traced in Chapter 6. Wealth inequality influences the savings buffers, tenure patterns and financial resilience that Chapter 1 identified as sharply unequal across the EU. At a time when the European Commission has launched the first-ever EU Anti-Poverty Strategy and the European Pillar of Social Rights Action Plan is targeting a reduction of at least 15 million people at risk of poverty or social exclusion by 2030, the evidence on structural inequality speaks directly to the roots of the problem.

9 Persistent gender pay gaps in the EU: equal value and transparency

The pressures documented throughout this yearbook – financial strain, housing insecurity, constrained care choices, uneven working conditions – are not gender-neutral. Women in the EU are more likely to work in lower-paid sectors, to provide a larger share of unpaid care, to face higher work intensity alongside weaker social environments in the workplace, and to bear a disproportionate housing cost burden as single parents. These dimensions of disadvantage intersect with and are reinforced by a persistent gap in pay.

In 2023, women in the EU earned 12% less per hour than men, a gap that has narrowed only modestly over the past decade – from 16% in 2013. The headline figure varies widely across Member States, and the drivers behind it are multiple: differences in working hours and sectors, care-related career interruptions, unequal representation in higher-paid roles and positions, and the structural undervaluation of work predominantly performed by women. This chapter focuses on the last of these – a root cause that pay transparency legislation, including the Pay Transparency Directive adopted in 2023, is designed to address – while situating the gap within the broader pattern of gendered inequality that runs through earlier chapters.

The cost of the gender employment gap

The gender employment gap has a measurable economic cost. Using a methodology developed by Eurofound in 2016, updated analysis based on the 2024 EU-SILC estimates that the gap cost Europe over €390 billion in 2023 – equivalent to 2.3% of EU GDP.

For each woman not integrated into the labour market, the estimated annual loss to the economy is €29,375, reflecting foregone earnings and missed welfare contributions. Between 2013 and 2023, the cumulative cost exceeded €4 trillion. This finding was cited in the Commission's Gender Equality Strategy 2026–2030.

What drives the gap – and who is most affected?

Beneath the headline gap lies a deeper structural issue. Work predominantly performed by women has historically been undervalued in pay-setting systems. The skills required in female-dominated occupations – interpersonal communication, emotional labour, care responsibilities, crisis management – have often been treated as innate rather than as professional capabilities warranting fair compensation. Traditional job evaluation systems were developed for male-dominated industrial settings where physical strength and manual labour were the primary criteria; when applied to modern labour markets, where women's participation has risen from roughly 55% in the early 1990s to over 70% in 2024, these century-old frameworks can systematically undervalue the content of female-dominated work. The gap varies widely across Member States, reflecting differences in labour market structures, sectoral composition and the extent to which pay-setting systems have been updated to reflect these shifts.

What does 'work of equal value' mean?

The principle of equal pay for work of equal value extends the comparison beyond identical jobs to encompass work that is different but comparable in terms of skills, effort, responsibility and working conditions. A nurse and a refuse collector, for example, may perform very different tasks, but a gender-neutral evaluation of their respective skill requirements, effort demands, responsibilities and working conditions can establish whether their work is of comparable value – and therefore whether their pay should be comparable.

In practice, determining equal value requires analytical job evaluation: breaking roles down into measurable components and assessing them against consistent, gender-neutral criteria. The challenge is that many existing evaluation systems still underweight competencies common in female-dominated roles. Interpersonal skills, emotional effort, responsibility for people's well-being and psychological stressors are frequently given less recognition than technical expertise, physical strength or responsibility for equipment. Research documented by Eurofound found that when evaluation criteria are rebalanced to include these dimensions, the relative value assigned to female-dominated roles can change substantially.

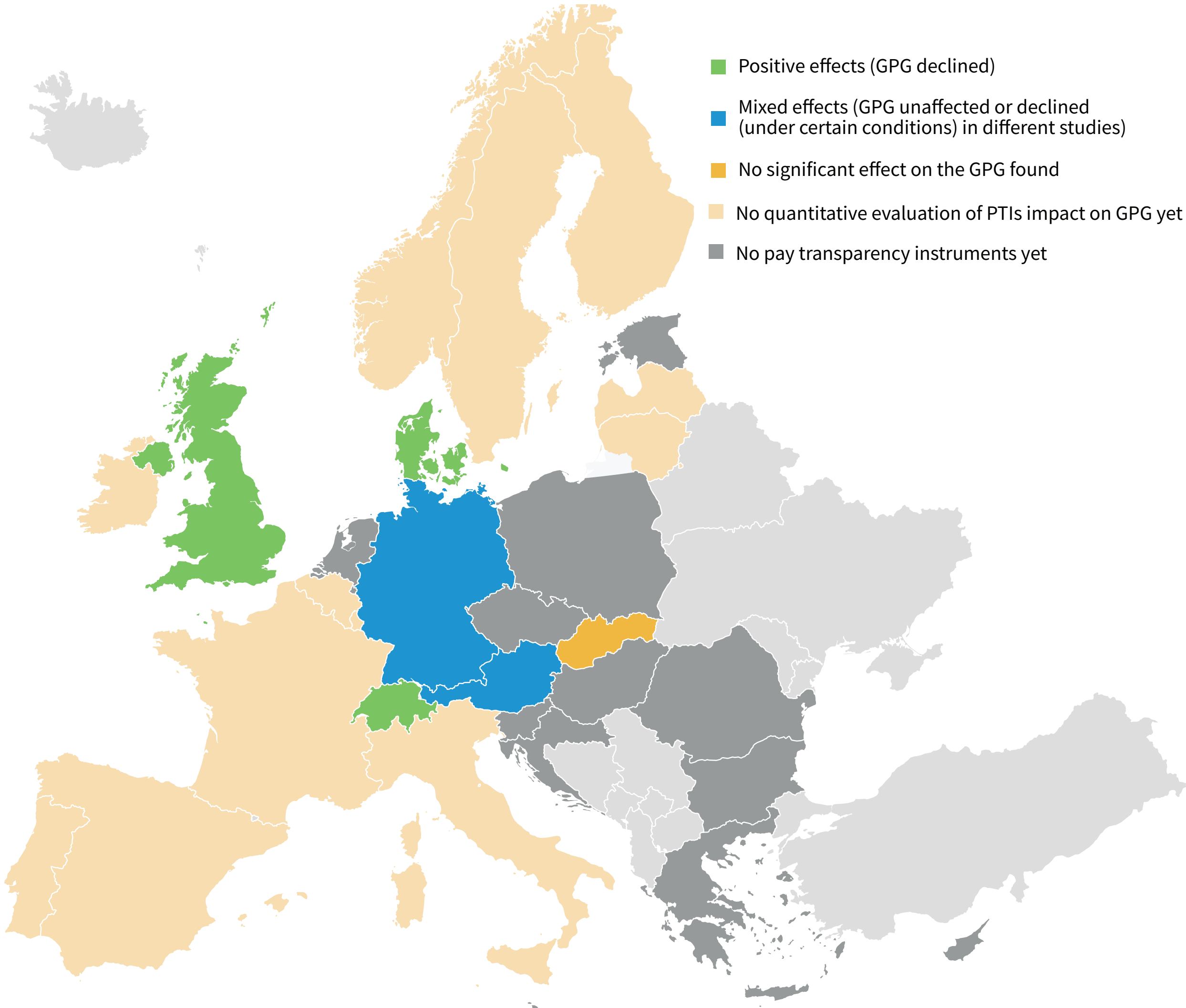
Pay transparency: what works and what does not

Pay transparency measures – policies designed to make pay-setting systems open and understandable so that unjustified differences can be identified and corrected – have become increasingly common across the EU. As of January 2024, just over half of Member States had implemented some form of pay transparency legislation, with the frontrunners – Denmark, Finland, Italy and Sweden – dating back to the late 1990s and early 2000s.

The evidence on the effectiveness of these measures is mixed (Figure 48). Evaluations of gender pay reporting and auditing requirements in Denmark, Switzerland and the United Kingdom found that these measures reduced gender pay gaps at company level. In Germany, a recent study found short-term effects on the raw gender pay gap, but only in medium-sized establishments where works councils or collective bargaining agreements were present. In Austria, mandatory salary disclosure in job advertisements had positive effects. However, studies of the Austrian gender pay reporting system, the broader German set of transparency measures and the Slovak requirement to post pay ranges in vacancy notices found no significant effects on the gap.

Three features consistently distinguish effective transparency measures from ineffective ones. The first is active disclosure: measures are more effective when they require employers to report pay information rather than relying on employees to request it. In Germany, only 4% of eligible employees ever used their right to request pay information, partly owing to a lack of awareness and fear of consequences. The second is public accountability: where pay gap data are disclosed publicly rather than kept internal to the company, the disciplinary effect is stronger – a contrast visible between the United Kingdom, where public reporting was associated with reduced gaps, and Austria, where internal-only reports showed no measurable impact.

Figure 48: Overview of the findings of quantitative evaluations investigating the impact of pay transparency on the gender pay gap, by country



Notes: Each of the studies performed state-of-the-art evaluations of the impact of different pay transparency measures on gender pay gaps. GPG, gender pay gap; PTI, pay transparency instrument.
Source: Eurofound calculations based on the quantitative evaluations.

The third is mandatory implementation backed by sanctions: when the United Kingdom paused mandatory reporting during the pandemic, compliance dropped immediately, and Germany's voluntary pay auditing provision saw negligible uptake.

More detailed reporting also matters. Breakdowns by occupation, level and pay component produce more accurate diagnoses than aggregate figures alone, and both employers and employee representatives have assessed more detailed auditing measures as more beneficial than simpler pay reports.

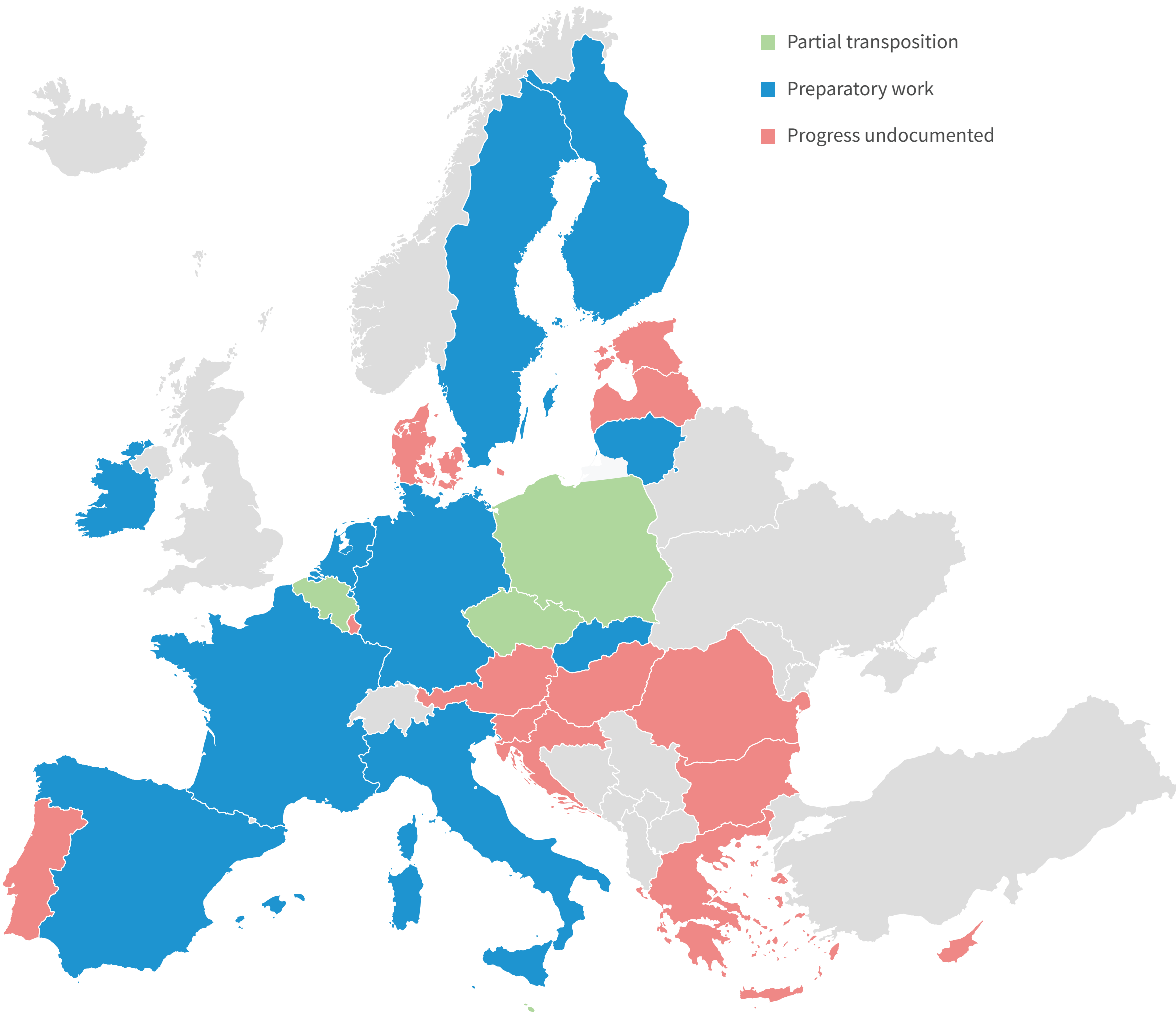
Where company-level gender pay gaps were reduced through transparency measures, the compression typically came about by slowing the growth of men's wages rather than through raising women's pay. This pattern, documented in Denmark and the United Kingdom, left overall wage bills and profits unaffected but raises questions about whether transparency alone is sufficient to lift women's earnings.

The Pay Transparency Directive: a new framework

The Pay Transparency Directive, adopted in 2023 and due to be transposed by June 2026, addresses many of the design weaknesses that limited earlier national instruments. It requires pay range disclosure in vacancy notices, gender-disaggregated pay reporting for companies with 100 or more employees, joint pay assessments where gaps exceed 5% and gender-neutral job classification systems. It also shifts the burden of proof from worker to employer and mandates sanctions for non-compliance.

As of September 2025, transposition progress remained limited. Only the Fédération Wallonie-Bruxelles in Belgium (the French Community of Belgium, an entity within the Belgian federal system with its own parliament and its own government) had comprehensively transposed the directive within its competence (Figure 49).

Figure 49: Overview of Pay Transparency Directive implementation status, by Member State (as of September 2025)



Notes: The map illustrates the situation as of September 2025. The classification 'Progress undocumented' indicates that no publicly available information on transposition activities was discovered; this does not preclude the possibility of preparatory work being under way. 'Preparatory work' encompasses activities such as draft legislation, establishment of working groups or committees, and initial consultations with social partners. 'Partial transposition' refers to the adoption of legislation covering only specific elements of the directive.
Source: Eurofound compilation based on primary research and analysis of multiple directive implementation trackers (Addleshaw Goddard, 2025; Syndio, 2025; Ogletree Deakins, undated).

The directive's impact will ultimately depend on how Member States implement its provisions and on whether the tools used to evaluate jobs and classify pay structures genuinely achieve gender neutrality. Eurofound's research on the implementation of the work of equal value principle found that, while many organisations and collective agreements use objective job classification systems, few incorporate the full set of safeguards needed to ensure gender-neutral outcomes. Gender neutrality is often assumed to be implicit in systems based on objective criteria, when in practice it requires active, deliberate measures: balanced representation on evaluation committees, training in unconscious bias, criteria that capture the full value of work in female-dominated roles, and regular review to prevent biases from re-entering the system over time.

Where the principle has been applied with sustained commitment, results are tangible. In Portugal's footwear sector, the sectoral union identified through a systematic job evaluation that several female-dominated categories – assembly and sewing roles – were underpaid relative to male-dominated categories performing work of comparable value. Following three annual negotiation rounds between 2015 and 2017, pay corrections were implemented: female-dominated categories received an average increase of 5.3%, compared with an overall sectoral increase of 3.45%. The case illustrates both what is possible when the equal value principle is applied in practice and the time and institutional commitment it requires.

The gap in context

The pay gap does not exist in isolation. It interacts with housing costs that fall hardest on single mothers and with the financial strain that is one of the strongest predictors of depression risk. It also interacts with the trust and engagement patterns where low-income respondents – a group in which women are overrepresented – report lower institutional confidence and lower satisfaction with democracy.

For workers in smaller firms, in female-dominated sectors and with limited collective bargaining coverage, the gap is likely to be hardest to address. The directive creates a framework; whether it translates into meaningful change will depend on the quality of implementation, the resources available to equality bodies and labour inspectorates, and the extent to which employers, social partners and policymakers treat pay equity not as a compliance exercise but as a structural priority.

Chapter 10 examines a further dimension of inequality – the distribution of wealth across the EU – where gendered patterns of accumulation, shaped in part by the pay gaps and career interruptions documented here, contribute to uneven financial resilience over the life course.

Discover more

Equal value, equal pay: Concepts, mechanisms and implementation towards gender pay equity

Taking stock: Further experiences in gender pay transparency implementation and effectiveness

The practical implementation of the work of equal value principle: Case studies of companies, collective agreements, tools and methodologies

Measures to promote gender pay transparency in companies: How much do they cost and what are their benefits and opportunities?

Gender pay transparency in the EU: Steps taken and lessons learned

Eurofound Talks: What is the future for gender equality in Europe?

10 Wealth inequality and uneven resilience in Europe

Throughout this yearbook, a recurring pattern has emerged: the pressures that households face – from cost-of-living strain to housing insecurity, from constrained care choices to persistent gender pay gaps – do not fall evenly. Over half of EU respondents have either no savings or do not have sufficient savings to cover less than three months of expenses. Rising housing costs concentrate affordability stress among those with the least room to absorb it. The gender pay gap feeds into unequal career paths and financial security over time. Behind all of these patterns lies a deeper structural dimension: the distribution of wealth.

Net wealth – the value of a household's assets minus its liabilities – differs fundamentally from income. Income is a flow: what households receive over a year. Net wealth is a stock: what they have accumulated over a lifetime, including housing, financial assets and business holdings, net of debt. Because assets and liabilities are unevenly held, wealth is distributed far more unequally than income across the EU, with strong concentration at the top and limited wealth – sometimes negative net wealth – at the bottom.

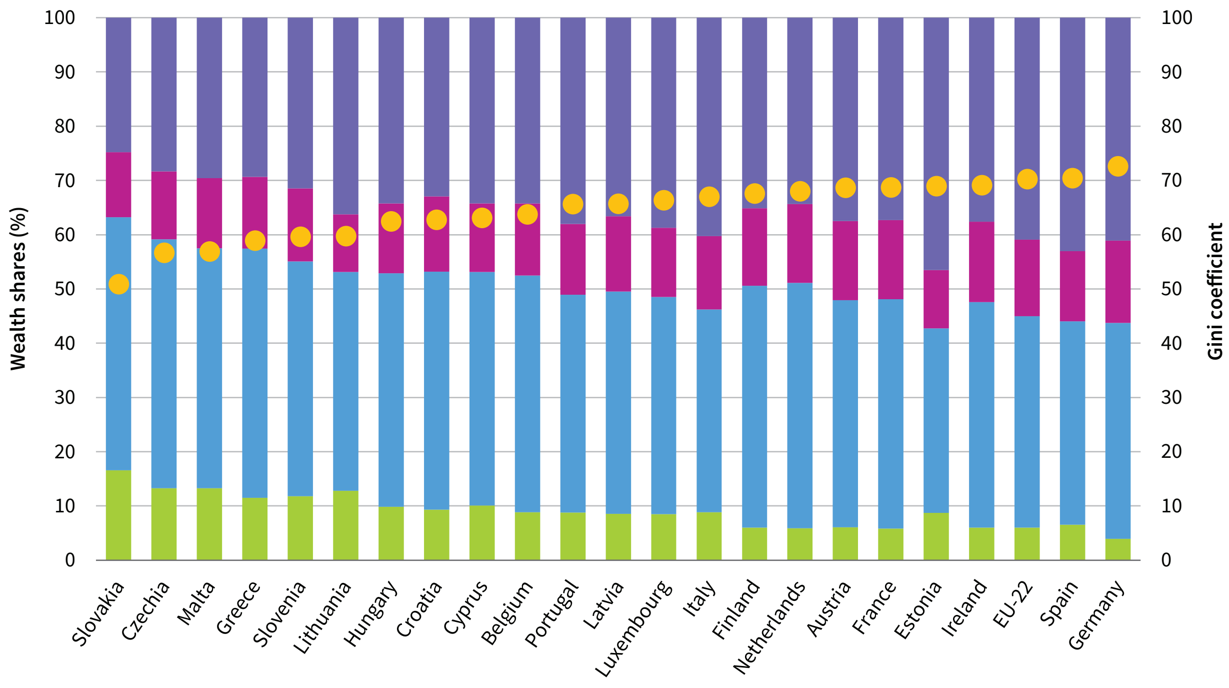
This matters because wealth shapes financial resilience. Households with assets can draw on buffers to manage income interruptions, meet unexpected costs and support key life transitions. Those with little or no net wealth have limited capacity to absorb shocks. Drawing on data from the Household Finance and Consumption Survey covering 2010 to 2021, Eurofound research maps these disparities and their implications in detail.

Wealth inequality across Member States

Figure 50 captures two core features of the distribution. First, wealth inequality varies substantially across Member States. Second, even where inequality is lower, the distribution remains highly skewed: the bottom half of the population holds a small share of total wealth, while the top 5% holds a disproportionately large share.

The highest levels of wealth inequality are found in Germany, Spain and Ireland, followed by several other western European Member States, including France,

Figure 50: Net wealth inequality, wealth share by wealth percentile, EU-22 and Member States, 2021



Note: Countries are ranked from lowest to highest Gini coefficient. The bars show the wealth shares of certain quantiles of the wealth distribution. For example, the green sections show the wealth shares of the bottom 50 % of the population in the total net wealth of the country. 'EU-22' refers to all countries surveyed in the latest survey wave.
Source: HFCS, 2021.

Austria, the Netherlands and Finland. Conversely, many central and eastern European countries – Slovakia, Czechia, Slovenia, Lithuania and Hungary – exhibit lower inequality, alongside Mediterranean Member States such as Malta and Greece. This geographical pattern partly reflects historical legacies: in several post-socialist countries, widespread privatisation of state housing in the 1990s created high homeownership rates that persist today and moderate wealth inequality.

Table 3 translates the distribution into levels. In some Member States, average net wealth among the bottom 20% is negative, indicating that liabilities exceed assets. In others, average net wealth at the bottom is close to zero, indicating very low buffers. Across countries, variation is not confined to the extremes: typical net wealth levels differ substantially, even around the middle of the distribution.

How wealth inequality changed between 2010 and 2021

Over the period 2010–2021, wealth inequality did not move in a single direction. Patterns were mixed: inequality rose in some countries and fell in others. Across the 15 Member States surveyed in all four waves of the Household Finance and Consumption Survey, aggregate wealth inequality remained relatively stable – but this stability masked divergent national trends.

A useful way to read change is through shifting wealth shares. Where inequality declined – as in Germany, Austria, Latvia and Ireland – the wealth share of the bottom 50% tended to increase while the share of the top 5% tended to fall. Where inequality increased – notably in Spain, Finland and Estonia – it was mainly the share of the top 5% that rose, in some cases alongside

Table 3: Average net wealth, by net wealth percentile, EU-22, 2021 (nominal EUR)

Country	0–20%	20–40%	40–60%	60–80%	80–95%	95–99%	Top 1%	Total
Luxembourg	5 115	106 653	264 932	475 887	1 022 506	2 674 564	10 366 939	529 030
Belgium	4 011	37 622	90 755	178 259	366 114	875 422	2 630 445	177 943
Malta	8 949	58 524	103 641	176 006	330 371	835 771	2 145 446	169 176
Germany	– 1 613	12 505	55 726	141 770	343 229	950 150	2 715 987	158 031
Italy	3 453	33 193	67 525	124 206	290 362	781 803	2 982 130	149 603
Ireland	– 2 812	19 882	63 422	129 967	304 433	727 239	2 454 375	140 667
Austria	1 501	18 319	58 978	131 250	305 717	812 015	2 122 665	140 458
France	827	15 729	54 225	123 464	276 373	662 404	2 141 028	128 134
Cyprus	– 3 574	36 817	69 225	123 596	248 227	630 830	1 827 501	125 197
Spain	– 1 101	18 395	46 930	94 854	212 953	548 986	2 629 237	111 875
Finland	– 3 737	15 905	53 608	113 040	237 659	558 900	1 655 330	110 091
Netherlands	– 5 773	16 492	50 614	108 162	232 856	514 010	1 557 063	104 713
Portugal	1 394	17 166	38 580	71 516	154 945	399 488	1 422 035	78 951
Slovenia	3 199	23 878	44 705	78 483	156 168	366 246	1 045 448	78 157
Estonia	2 701	16 025	31 224	57 560	119 122	322 441	2 181 082	73 690
Czechia	753	21 400	39 375	64 072	117 430	245 773	709 880	59 590
Greece	1 541	15 368	32 470	57 596	110 862	245 773	657 719	53 755
Lithuania	3 325	14 242	25 781	42 892	77 417	206 069	880 448	45 190
Croatia	590	9 871	24 489	44 951	90 025	216 549	612 364	44 018
Hungary	1 814	10 297	22 777	43 738	86 485	202 247	688 850	43 632
Slovakia	4 796	17 757	30 439	46 852	84 178	166 933	416 246	43 293
Latvia	216	6 877	16 101	31 180	66 149	157 197	641 350	32 662

Notes: The net wealth shown is the household wealth divided by the number of people living in the household. The header line refers to net wealth percentiles, where for example 0–20 % is the bottom 20 % of the population. Countries are ranked according to average net wealth in the total population.
Source: HFCS, 2021.

declining shares for those between the 50th and 90th percentiles, indicating that gains at the top came at the expense of the middle class's relative position.

The evidence also points to a degree of convergence: countries with initially high inequality in 2010 tended to see declines, while some of those with lower inequality experienced increases. In several Member States – Cyprus, the Netherlands, Hungary and Malta – the COVID-19 pandemic appears to have reversed previous upward trends in inequality, though in Italy the Gini coefficient – a standard measure of inequality ranging from 0 (complete equality) to 1 (all wealth held by one household) – surged between 2017 and 2021.

Wealth and income: related but not the same

Wealth and income are linked, but they do not map one-to-one. Some groups have relatively low current income but substantial accumulated assets – for example, some retirees. Others have relatively high income but little accumulated wealth – for example, younger workers at the start of their careers. This pattern connects directly to the life course dynamics documented in Chapter 4, where an ageing workforce raises questions about how financial security is sustained across working life and into retirement.

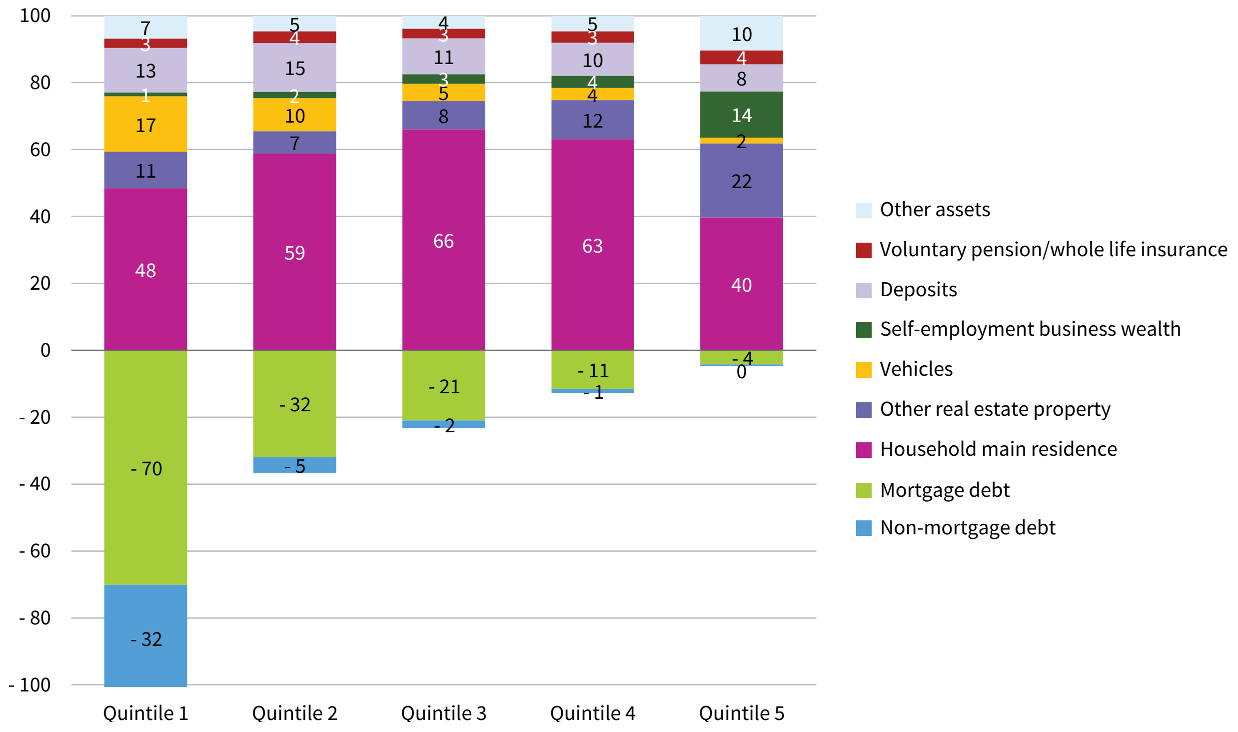
Alignment between wealth and income positions is strongest at the top: around half of individuals in the highest wealth quintile are also in the highest income quintile. At the bottom, overlap is more limited: 37% of individuals in the lowest wealth quintile are also in the lowest income quintile. In other words, income disadvantage and wealth disadvantage overlap but do not coincide.

Housing at the centre of the wealth distribution

Housing is the main component of wealth for most households across the EU. For the bottom four wealth quintiles, the household main residence accounts for between 48% and 66% of total gross assets, compared with 40% for the wealthiest quintile (Figure 51). Deposits make up a larger share of assets at the bottom of the distribution, while the top quintile is distinguished by greater diversification – including other real estate, business wealth linked to self-employment and financial assets such as shares and bonds.

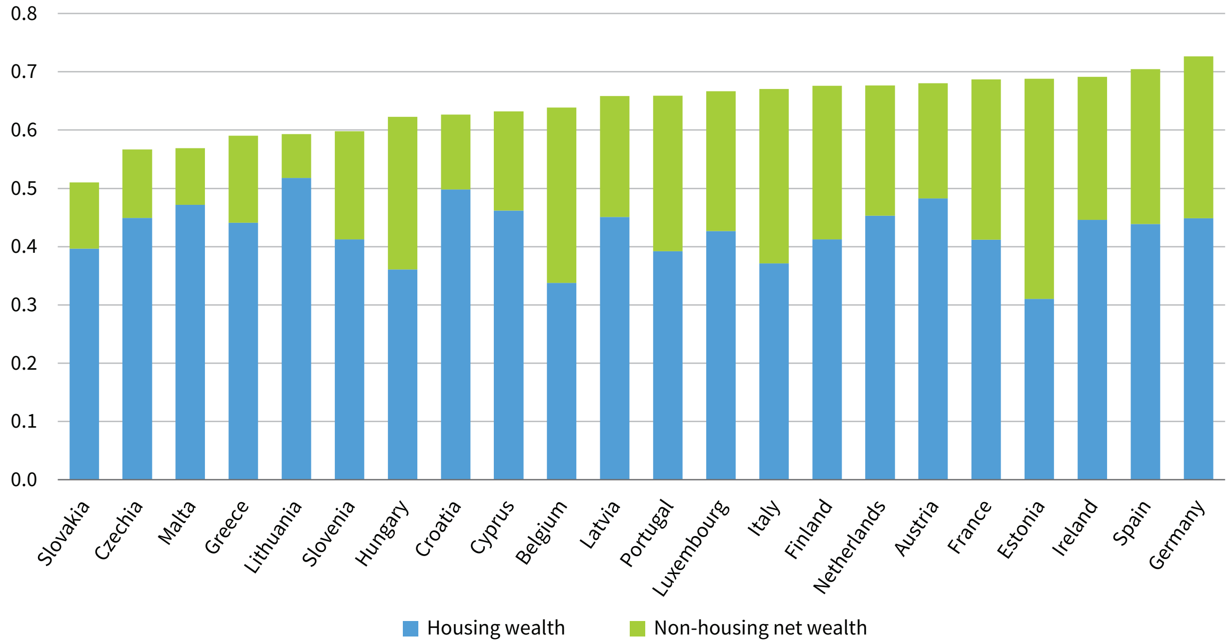
These differences in asset composition reflect different pathways of accumulation. The self-employed are overrepresented in the top wealth brackets, and individuals in the highest wealth percentiles derive a larger share of their income from self-employment,

Figure 51: Average asset portfolio, by net wealth quintile, EU-22, 2021 (% of gross assets)



Notes: The value of liabilities is reported by means of a negative sign. The average instead of the median is used because the average is additive, allowing for a consistent decomposition of gross assets. 'EU-22' refers to all countries surveyed in the latest survey wave.
Source: HFCS, 2021.

Figure 52: Contribution of housing and non-housing wealth to the Gini of total net wealth, Member States, 2021



Notes: The chart displays the decomposition of the Gini indicator of total net wealth. From the decomposition given by equation 1, the contribution of a wealth component can be calculated as Si Ri Gi. The sum of the two components equals the Gini coefficient.
Source: HFCS, 2021.

rental income and financial investments, rather than from wages. This connects to the gender wealth gap discussed below: self-employed men accumulate significantly more wealth than self-employed women.

Because housing represents such a large share of total wealth and is strongly aligned with the total wealth distribution, differences in housing wealth translate directly into differences in overall wealth. Figure 52 shows that housing net wealth accounts for the largest share of total wealth inequality across Member States. At the same time, non-housing wealth is typically even more unequally distributed, reinforcing concentration at the top.

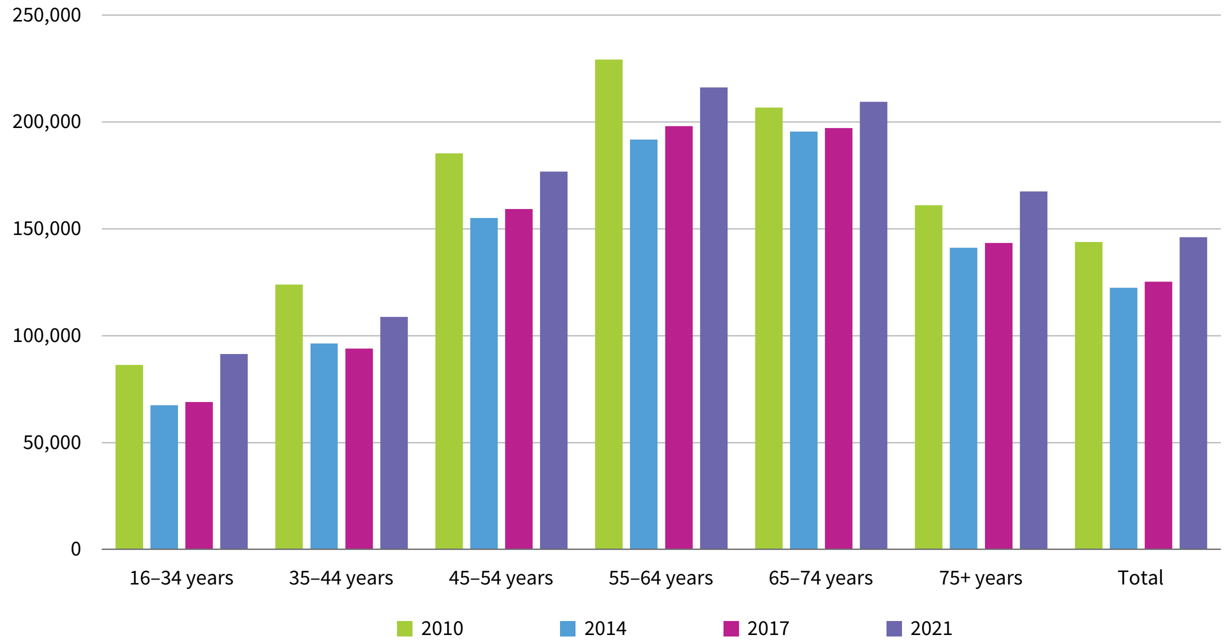
This gives housing a dual role. On the one hand, homeownership moderates inequality: countries with higher homeownership rates tend to exhibit lower wealth inequality, and housing wealth is more evenly distributed than non-housing wealth. On the other hand, housing status distribution is itself unequal and accounts for most of the wealth owned by families. In most countries, people in the bottom wealth quintile are renters, and the share of renters in the lowest quintile increased between 2017 and 2021 – from around 70% to 75% in the countries observed. Low-wealth renters face the steepest housing cost burdens relative to income, concentrating cost pressure among those with the least accumulated wealth. A detailed analysis of housing affordability and tenure patterns is presented in Chapter 6.

Wealth over the life course and unequal starting points

Wealth accumulation generally follows a pattern over the life course: net wealth typically rises with age as households acquire assets – especially housing – and repay debts. It then stabilises or declines in older age. Figure 53 shows this pattern across age groups, but also shows that changes over time are not uniform. Median net wealth fell across all age groups between 2010 and 2014, and by 2021 only the youngest and oldest groups had returned to their 2010 levels – shifts consistent with period-specific dynamics affecting multiple cohorts, rather than a simple life cycle story alone.

Within age groups, wealth inequality is often highest among younger people. This pattern is consistent with unequal starting points: some younger individuals enter ownership earlier or receive transfers (see the next section), while others do not. High within-group inequality among older groups implies that accumulated wealth – and therefore financial security in retirement – remains uneven, even later in life.

Figure 53: Median net wealth, by age group, EU-22, 2010–2021 (EUR at 2021 prices)

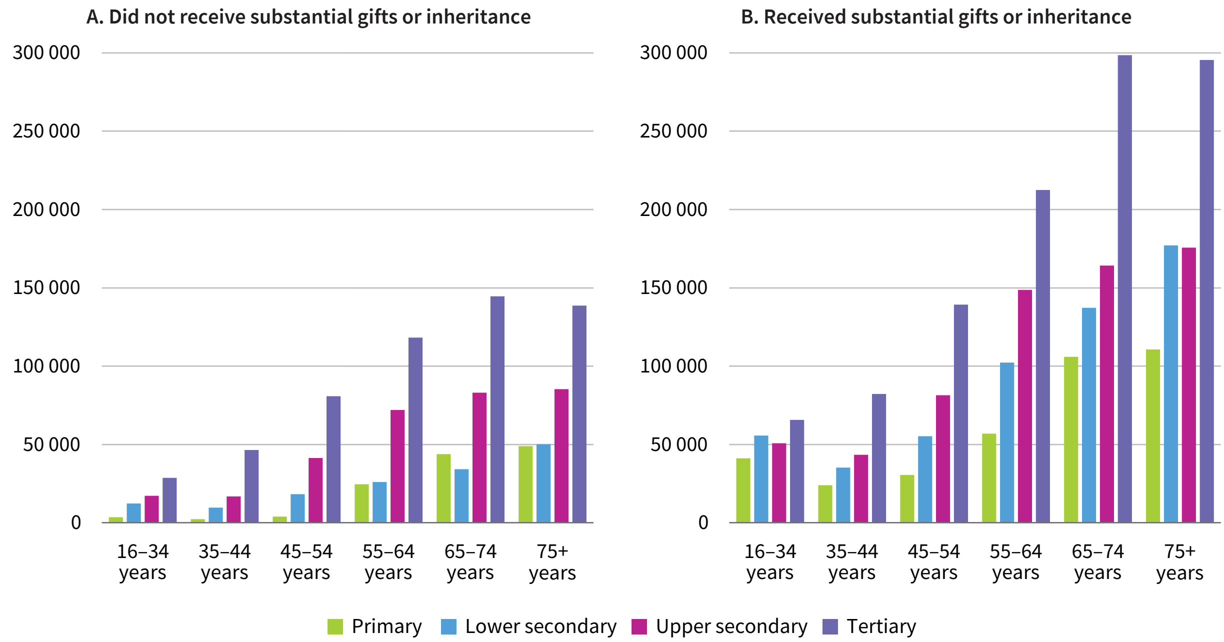


Note: Values in the 2010, 2014 and 2017 waves were adjusted for inflation.
Source: HFCS, 2010–2021.

Intergenerational transfers reinforce unequal starting points

Intergenerational transfers play a significant role. Substantial gifts or inheritances are associated with systematically higher net wealth, even when comparing households within the same age and education groups. Figure 54 shows that the wealth gap between recipients and non-recipients is statistically significant across all age–education combinations, with differences especially pronounced among those aged 16–34. Among young recipients, wealth differences by education are much smaller than the gap between recipients and non-recipients – highlighting how transfers can dominate other determinants early in

Figure 54: Median net wealth, depending on receipt of substantial gifts or inheritance, by age group and educational attainment, EU-22, 2021 (EUR)



Source: HFCS, 2021.

adulthood. Education remains relevant across the life course: among older groups, wealth differences persist between those with and without tertiary education, consistent with pathways that include more stable or better-paid employment and sustained saving capacity.

These dynamics interact with the gender wealth gap. In single-person households, men are on average wealthier than women, with the gap widening with age and most pronounced at the top of the distribution. Self-employment is a key driver. The gender wealth gap widens over the life course, shaped in part by the pay gaps and career interruptions documented in Chapter 9.

What wealth inequality means for resilience

Wealth is the dimension of inequality where disparities are widest. Redistribution mechanisms are more limited than for income, and the consequences for household resilience are immediate. The evidence presented in this chapter shows that wealth is markedly more unequally distributed than income, with strong concentration at the top and limited or negative net wealth at the bottom.

Housing sits at the centre of the distribution: it is the main asset for most households, the largest contributor to overall wealth inequality and also the channel through which homeownership rates shape cross-country differences by moderating wealth inequality levels. Wealth outcomes differ sharply over the life course, and unequal access to intergenerational transfers – gifts and inheritances – is associated with persistent gaps that education alone does not close. The gender wealth gap widens with age, reinforcing disparities that begin with unequal pay and career interruptions documented earlier in this yearbook.

These wealth disparities are not separate from the pressures traced throughout the preceding chapters. They are the structural foundation beneath them. The savings buffers that determine whether a household can weather a cost-of-living shock, the housing tenure that shapes exposure to affordability stress, the capacity to invest in education or plan for retirement – all are conditioned by accumulated wealth. The uneven resilience documented across this yearbook reflects differences not only in incomes, working conditions and public services but also in the distribution of wealth itself.

Discover more

Unequal wealth: Exploring socioeconomic disparities across the EU

Unequal wealth: Exploring socioeconomic disparities across the EU – Annexes

A picture of wealth inequality across EU Member States

Eurofound Talks: Grappling with Europe’s wealth gap

4

Eurofound at 50: building on the past – shaping the future

11 Eurofound at 50: building on the past – shaping the future

In 2025, Eurofound's work extended beyond research and policy to building connections – with the local community, with partners across Europe and within the organisation itself. From hosting conferences and welcoming visitors to planting trees and opening its doors to neighbours, these initiatives reflect Eurofound's ongoing commitment to meaningful collaboration and to making a positive, lasting impact – within and beyond the world of work. In a year that also marked the Foundation's 50th anniversary, there was particular cause to look back on five decades of contributing to better social, employment and work-related policies across Europe – and to look ahead.

Foundation Forum 2025: Europe's social model and competitive growth

The centrepiece of the anniversary year was the 8th Foundation Forum, held at the Royal Hospital Kilmainham in Dublin. Under the theme 'Europe's social model – the key to competitive growth', high-level speakers – including Taoiseach Micheál Martin, European Commission Executive Vice-President Roxana Mînzatu, economist Dr Daniel Susskind and Chair of the Employment and Social Affairs Committee at the European Parliament, Li Andersson – explored how quality jobs and social investment underpin Europe's economic resilience. More than 170 people attended on the day, with 1,157 online video views, and a gala dinner the evening before bringing together guests and staff.

Celebrating 50 years

The 50th anniversary campaign was officially launched in March at Europe House in Dublin, where more than 60 stakeholders – including government ministers, MEPs, ambassadors, and trade union and employer representatives – reflected on the evolution of social and employment policy over five decades.

A '50 years, 50 facts' social media campaign ran throughout the year, drawing on key findings from Eurofound research. Eurofound also produced a full-colour photo book illustrating a half-century of sharing information and inspiring ideas. The book was presented to former staff at a special alumni event, which included an art exhibition featuring works by graduates of the local Institute of Art, Design and Technology.

On 30 September, a dedicated Eurofound 50 stakeholder event took place in Brussels. The theme was 'Competitiveness and inclusion in a new geopolitical era: Prosperity for all?'. The event brought together representatives from BusinessEurope, the ETUC and the European Parliament to examine how Europe can balance competitiveness, social rights and inclusive growth. The following day, Director Ivailo Kalfin presented Eurofound's work to the Oireachtas EU Affairs Committee in Dublin.

Rethinking progress: Eurofound's annual lecture 2025

Eurofound held its third annual lecture, co-hosted with the Irish Department of Foreign Affairs as part of the 50th anniversary celebrations. Guest speaker Enrico Giovannini – Professor of Economic Statistics and Sustainable Development at the University of Rome 'Tor Vergata', former Italian minister in the Draghi and Letta governments, and former Chief Statistician at the OECD – examined how well-being is measured, how the EU is performing across well-being dimensions and how the drive for competitiveness can be reconciled with social prosperity.

Contributing to EU policy debates

Throughout 2025, Eurofound contributed its expertise to key EU policy debates. Under the Danish Presidency of the Council of the European Union, the Agency participated in an informal meeting of the Social Protection Committee in September on social housing. Also under the Danish Presidency, Eurofound presented findings on independent living and social inclusion of people with disabilities at a high-level conference in Copenhagen, and prepared background papers for the informal meetings of both the Social Protection Committee and the Employment Committee. At the Social Forum Summit in Porto in September, Eurofound provided a policy brief on upward convergence through the European Pillar of Social Rights.

Eurofound's visibility at the European Parliament was enhanced over the year, with presentations to the Working Group on the European Child Guarantee, the Committee on Women's Rights and Gender Equality and the Committee on Employment and Social Affairs. Eurofound colleagues also made a presentation to a European Parliamenthearing on artificial intelligence.

The Agency also deepened its partnerships with other EU bodies and agencies. Joint events took place with the European Training Foundation and the European Economic and Social Committee in Tirana on social dialogue in the Western Balkans, with the Institute of International and European Affairs in Dublin on challenges and opportunities for Europe's social agenda, and with the European Economic and Social Committee for a study visit to Loughlinstown.

The depth of inter-agency cooperation was reflected in a Joint Working Committee meeting of EU employment and skills agencies in Bratislava, chaired by Mario Nava, European Commission Director-General at DG Employment, Social Affairs and Inclusion (DG EMPL), which brought together Eurofound, Cedefop, the European Agency for Safety and Health at Work, the European Training Foundation and the European Labour Authority to discuss shared priorities including simplification, skills intelligence and inter-agency data sharing.

Eurofound also strengthened its operational ties with the European Commission, signing several service-level agreements with DG EMPL on research priorities including social dialogue, working time, collective bargaining and the impact of AI on employment, as well as a contribution agreement to lead a pilot project on an EU inter-agency data sharing platform – a new initiative to strengthen the evidence base for EU policymaking.

Reaching out to wider audiences

Eurofound's research reached a wider audience than ever in 2025. Media outreach more than doubled compared with 2024, with notable coverage in outlets including *The Irish Times*, *The Guardian*, *Le Monde*, *Euronews*, *El País* and *Il Sole 24 Ore*. The Eurofound Talks podcast had its most successful year, with a 69% increase in followers and a 78% increase in listening time.

Visitors to Dublin

The visitor programme at Eurofound recorded its highest number of visits in four years – 29 in total, up from 21 in 2024. A notable visit in 2025 was that of Michael McGrath, on his first Irish visit as Commissioner for Democracy, Justice, the Rule of Law and Consumer Protection. Other dignitaries welcomed to Loughlinstown included Andriana Sukova, Deputy Director-General for Employment, Social Affairs and Inclusion at DG EMPL, and ambassadors from Estonia, Greece, Italy, Malta and Switzerland, among others. Student groups from University College Dublin, the Hans Boeckler Foundation and Dublin City University also visited.

Engaging beyond Dublin

Eurofound's virtual visits programme brings together national-level stakeholders with Eurofound experts for online events focused on research findings relevant to their countries. In 2025, Virtual visits took place to Bulgaria, Finland, Slovakia and Slovenia, covering themes including the role of technologies at work, job quality as a driver in tackling labour shortages, and first findings from the European Working Conditions Survey 2024. The Brussels Briefing series continued with sessions on job quality, working conditions inequalities and mental health, the last of which brought together almost 50 stakeholders to explore how economic and social conditions drive poor mental health.

Promoting the EU in local communities

Eurofound is very much rooted in its local community of Loughlinstown and is proud to be involved in cultural and social events there and in the wider south Dublin area.

Eurofound Open Day 2025

Now an annual event, Eurofound's Open Day took place in June, when more than 300 members of the local community, as well as representatives of the European Parliament Liaison Office, were welcomed by Eurofound and learned about its work as the only EU agency in Ireland. The keynote address on the day was delivered by Regina Doherty MEP.

Open House Dublin

In October, Eurofound opened its doors to the public once again, this time as part of the Open House Dublin Festival of Architecture. This was the third consecutive year of participation in the event for the Agency, which received more than 120 visitors on the day, all keen to find out more about the architecture of Loughlinstown House and the conference centre.

Tree planting

Eurofound invited children from a local school to attend a tree planting ceremony in its grounds led by Minister of State for Forestry, Horticulture and Farm Safety Michael Healy-Rae TD. Held as part of Ireland's National Tree Week and in advance of International Day of Forests, the event saw 50 Irish Bird Cherry, Scots Pine and Silver Birch trees planted to commemorate Eurofound's five decades of supporting better policies for a strong social Europe.

Looking ahead to 2026

Eurofound is now in year two of a four-year programme of providing timely, evidence-based information to guide the work of policymakers, with research firmly aligned with key EU initiatives. The second half of 2026 will be particularly busy, with Ireland set to take over the presidency of the Council of the European Union.

The EU's policy agenda is shaped by profound change across climate, technology, demographics and geopolitics – and by a strong commitment to competitiveness, prosperity and social fairness. A series of major initiatives is expected to advance in 2026: the Quality Jobs Act, the first-ever EU Anti-Poverty Strategy, a fair labour mobility package, the European Care Deal and the Gender Equality Strategy 2026–2030. The Commission has also adopted its first Strategy on Intergenerational Fairness, promoting long-term thinking in governance and ensuring that no generation is left behind. Eurofound's research programme is designed to support these priorities with timely evidence.

Quality jobs and the future of work

With a Quality Jobs Act due to be proposed later this year, the conditions in which Europeans work are firmly on the EU agenda. The EWCS 2024 overview report, published in April 2026 and drawing on more than 36,000 interviews across 35 countries, provides the evidence base – assessing whether job quality is improving and identifying where pressures persist. Eurofound will also publish new research on how AI and algorithmic management are reshaping working conditions, on the implications of online platform work, and on working time in the context of increasingly flexible arrangements in the aftermath of COVID-19. New evidence will be presented on the employment and working conditions of the most vulnerable workers, together with an overview of policy and legislative developments supporting transitions towards more secure and sustainable forms of employment.

Competitiveness, skills and the twin transitions

The EU's competitiveness and decarbonisation agendas depend on having the right workers with the right skills. Eurofound will examine the ICT sector – critical to digitalisation but accounting for just one in 20 EU jobs – and the challenges impeding its growth. New research on labour market trends and working conditions relating to new and non-standard forms of work will assess implications for job quality and review how social partners are responding. Eurofound will also provide evidence-based analysis across all 27 Member States on aligning competitiveness with an effective and equitable green transition.

Fair wages and social dialogue

Eurofound will continue its annual review of minimum wages, examining progress on transposition of the Minimum Wage Directive – the deadline for which has now passed – alongside developments in statutory and collectively agreed minima across the EU. The Agency will also examine national tripartite social dialogue and policy formation in the context of the EU Semester and the new social convergence framework, and conduct representativeness studies in sectors including inland waterways, rail and central government administration.

Gender equality, care and pay transparency

The Gender Equality Strategy 2026–2030, adopted by the Commission in March 2026, reinforces the EU's commitment to closing gender gaps across economic and social life. The Commission has confirmed its commitment to the effective implementation of the Pay Transparency Directive and will publish a toolkit on gender-neutral job evaluation in cooperation with the European Institute for Gender Equality in 2026.

Eurofound will contribute to these efforts through its research on the persistent disconnect between women's rising educational attainment and the stubborn gender pay gap. Looking ahead, the European Care Deal – announced by European Commission Executive Vice-President Mînzatu and referenced in the Gender Equality Strategy – will focus on improving the working conditions and career development of carers and the affordability, accessibility and quality of care. Eurofound's recent research on unpaid care, childcare services and the care workforce positions it to support this work directly.

Poverty, social inclusion and intergenerational fairness

The first-ever EU Anti-Poverty Strategy is expected before the summer of 2026, responding to the reality that more than 93 million Europeans remain at risk of poverty or social exclusion. The Commission's new Strategy on Intergenerational Fairness, adopted in March 2026, complements this agenda by embedding long-term thinking in EU policymaking and ensuring that younger and future generations are not left behind.

Eurofound will contribute new evidence on both fronts: five years on from the adoption of the European Child Guarantee, new research will assess progress on combating child poverty and access to childcare and early education. And by mapping the factors that influence whether people remain in or leave their communities, Eurofound aims to identify the conditions that make staying a viable choice – contributing to the broader goals of territorial cohesion and social inclusion.

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EF/26/001

TJ-01-26-004-EN-N

Eurofound's brief

What does Eurofound do for you?

- We benchmark good practice in industrial relations, living and working conditions, employment and competitiveness
- We make key actors aware of challenges and solutions
- We support policymaking by monitoring the latest developments in living and working conditions

Eurofound, a tripartite European Union Agency, provides knowledge to assist in the development of social, employment and work-related policies.

European Foundation for the Improvement of Living and Working Conditions – Eurofound
Wyattville Road
Loughlinstown
Dublin D18 KP65
Ireland
Tel.: (353-1) 204 31 00
Fax: (353-1) 282 64 56
information@eurofound.europa.eu
www.eurofound.europa.eu

Publications Office
of the European Union

doi:10.2806/7156145
ISSN 2363-0302
ISBN 978-92-897-2552-1