

Impact of Inflation on Public Sector Wages in Europe

Objective

Analyze whether public sector wages in European countries kept pace with inflation between 2016–2025.

Data Sources

- Eurostat: HICP inflation index
- Eurostat: Public sector wages (annual)

Methodology

- Inflation-adjusted wages calculated using 2016 as base year
- Real wages = Nominal wage / (Inflation Index / Base Inflation)
- Year-over-year real wage change computed via YearID-based comparison

Key Findings

- In several countries, nominal wages increased while real wages stagnated or declined
- Post-2021 inflation shock caused visible divergence between nominal and real wages
- Countries show significant heterogeneity in real wage dynamics

Tools

- Power BI
- DAX
- Power Query

Visuals

![Czech Republic](./images/czechia.png)

![Austria](./images/austria.png)