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The Tax Burden on Global Workers A Comparative Index

Third Edition | September 2023



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The Tax Burden on Global Workers

A Comparative Index

Third Edition

2023

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Author's Note

In response to global interest generated by *The Tax Burden of Typical Workers in the EU (2010-2020)*, the scope of its 12th edition (in 2021) was expanded to include Australia, Brazil, Canada, Japan, South Africa, the United Kingdom (which left the European Union) and the United States of America – and was retitled as *The Tax Burden on Global Workers*. As a group, the 34 countries studied represent 58.2% of the global economy¹.

The methodology is unchanged from previous editions.

Abstract

The purpose of this study is to compare the taxes imposed on individual employees earning typical salaries in different countries around the world; and, in doing so, to determine a “Tax Liberation Day” for workers in each of these countries – measuring, in effect, how many days of each year’s work are devoted to paying taxes.

Background

Numerous studies rank political systems by various measures of “economic freedom”. While valuable for researchers, the aggregate data in these studies fail to shed light on the role of working individuals in financing their state and social security.

Further, many organizations calculate an annual “tax freedom day” for their countries. Unfortunately, inconsistent approaches to this calculation make cross-border comparisons difficult.

This study aims to create an “apples to apples” comparison of tax rates, with data that reflect the reality experienced by real, working people around the world. Finally, it serves as a reference to the true cost of hiring employees in each country and to the real purchasing power of their employees.

¹ Measured by GDP, according to World Bank figures (2017).

Main Results

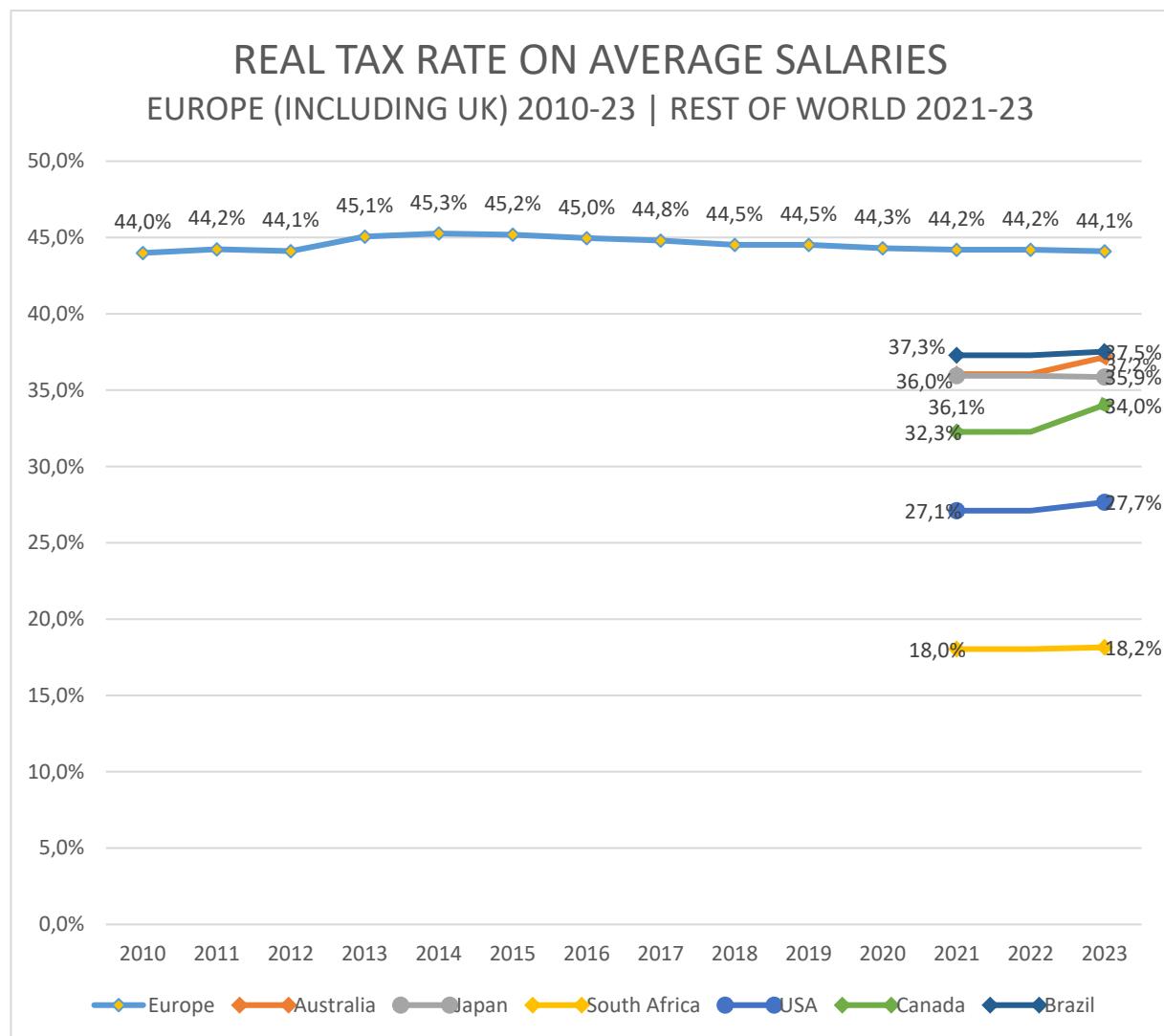
Taxes on European workers' salaries dip again to 11-year low; global coverage continues with six added countries

The continuation of pandemic relief measures and other rate changes brought, on the balance, slightly lower taxes to workers this year in Europe (now defined as the EU countries plus the United Kingdom²), where the average "real tax rate" ticked down 0.3% this year to 43.8%.

Around the world, the average "real tax rate" among the 34 countries studied is 41.6%, down 0.1% this year.

2023's tax liberation days arrive earlier in 13 countries, later in 15, and on the same day in 6.

The chart below shows the progression in Europe since 2010, plus 2021-2023 data points for the six new countries added to our research in 2021:



² Removing the United Kingdom from the equation, the average rate in the EU-27 is 44.1%, down 0.4% since 2021.

Noteworthy in 2023

The podium: France regains its title as the “world champion” of taxation after Austria moves to protect salaries

Austrian workers' tax brackets were indexed to inflation in 2023, protecting salaries from “bracket creep” as they rise. This minor change put Austria into a second-place tie with **Belgium**, where nothing changed; workers in these two countries celebrated their Tax Liberation Day (TLD) on July 15th.

No such relief came for workers in **France**, where workers are once again the last to celebrate, on July 17th.

Croatian workers celebrate ten days earlier

In 2023, Zagreb's centre-right government gave significant tax relief workers by increasing the tax-free allowance by 50% (from 5000 to 7500 HRK) and reduced pension contributions. Croatians now celebrate their TLD on May 30th.

Temporary relief in Finland

The only other country whose workers gained significantly this year is Finland, where a number of measures were enacted to provide temporary relief. Chief among these are deductions workers can claim against high electricity costs, and also to offset increased expenses for commuting between their homes and workplaces (similar to initiatives in **Ireland** last year). Finns' TLD advanced from June 14th in 2022 to June 5th in 2023.

Other good news

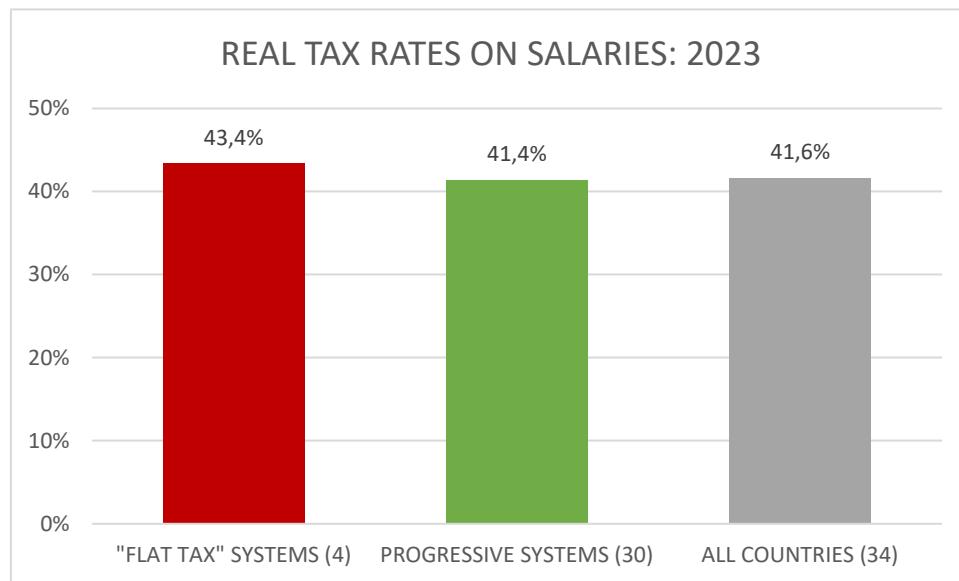
A new tax-free allowance for home office workers, combined with small tax cuts, moved up workers' TLD in **The Netherlands** by 5 days; and the 17% tax bracket in **Poland** was reduced to 12%, saving workers 4 days

Mixed news from Canada

Employer and employee contributions to the Canada Pension Plan were increased in 2023, while typical workers did not earn enough to benefit from bracket adjustments to protect higher earners from inflationary “bracket creep”. These changes, combined with higher salaries versus 2022, result in a delay of Canadian workers' TFD by 9 days in 2023.

Four “flat tax” countries remain

Though the scope of this study has expanded from 28 to 34 countries, the number whose governments have “flat tax” policies remains at 4. Although the purported “flat” rates are attractively low (10% in Bulgaria, 15% in Hungary, 16% in Romania, and 20% in Estonia), these countries’ social security contributions make real tax rates for workers higher than in progressive tax systems; in 2023, real tax rates in flat-tax countries rose 0.12%, while falling 0.07% in progressive systems.



Flat tax regimes impose a fixed rate on income tax, but not other taxes: Social security rates in flat tax countries are, on average, higher than in progressive states; social contributions comprise 77% of payroll taxes collected in flat tax countries, versus 66.3% in progressive systems.

Outlook

In 2020 alone, borrowing by governments in the OECD – which includes 27 of the 34 countries surveyed here – increased by 70%, primarily in response to the COVID-19 pandemic. Fortunately, most of this money was borrowed at historically low interest rates. Still, it must eventually be repaid by taxpayers.

Post-pandemic, **inflation** rates have skyrocketed around the globe, putting additional pressure on national, regional, and municipal budgets. **Higher interest rates**, meant to combat inflation, further increase the cost of government by making it more expensive to borrow. Notably, in the U.S., the level of federal spending and borrowing has reached the point where, earlier this month, American treasury obligations were downgraded from their triple-A rating by the independent Fitch agency.

For taxpaying workers, **demographics** remain a cause for concern: In 10 of the 34 countries studied, more than 20% of the population is now over age 65³ – a demographic reality that every country studied here, with the exception of South Africa, is expected to face by 2050. Aging populations prefigure higher pension and health care expenditures, as there will be fewer young workers to pay for future retirees' benefits. Currently, only 217 million (48.1%) of the EU's 450 million citizens are in the labour force⁴; the figures are similar in the United States (48.5%) and Japan (55.5%)⁵.

One silver lining of the pandemic, for some, has been the tremendous growth in the teleworking economy. "Digital nomads" are increasingly leaving their home countries for better climates, more affordable housing, and lower taxes. (Not all Americans wish to live abroad, but are instead moving in record numbers to low-tax states like Texas and New Hampshire, the latter having neither a state income tax nor sales tax.) Workers who must be physically present for their jobs – those who cannot "vote with their feet" against excessive taxation, should perhaps worry most in the near future.

Regardless of these trends, we maintain that, fundamentally, making it less expensive to hire employees – by lowering the taxes levied both on employees and employers – will ensure that the greatest number are hired; the more of their income workers can save, spend and invest, the less will be needed from governments to care for them in the future.

³ Japan, Italy, Finland, Portugal, Greece, Germany, Bulgaria, Croatia, France, and Latvia (2023). From Population Research Bureau (prb.org)

⁴ Population and employment statistics for 2021 from ec.europa.eu/eurostat

⁵ Population and labor force statistics for 2023 from cia.gov/the-world-factbook

Definitions and Methodology

The following terms are used in this study:

Real Gross Salary represents the total cost of employing an individual, including social security contributions made on top of an employee's salary. Because in either case, the state is taking from the budget used to hire the employee, we believe this is the fairest method of comparing payroll taxes. Consider two countries:

Country A		Country B	
Real gross (employer cost)	60,000	Real gross (employer cost)	60,000
Employer Social Security (50%)	(20,000)	Employer Social Security (10%)	(6,000)
Gross Salary	40,000	Gross Salary	54,000
Income tax (20%)	(8,000)	Income tax (35%)	(18,900)
Employee Social Security (10%)	(4,000)	Employee Social Security (12%)	(6,480)
Net pay	28,000	Net pay	28,620

The employee in the 20% income tax bracket (country A) actually receives less than the employee in the 35% bracket. In both cases, the employer spends 60,000 euros – and more half of it goes to the government.

Real Net Salary is the “bottom line” figure: How much cash a worker has left over to spend that will not be paid to the state. (Other additional taxes – such as those on petrol, airline tickets, tobacco, and alcohol – are not considered in this study.)

An individual's **Real Tax Rate (%)** is:

$$\frac{\text{Social Security Contributions} + \text{Income Tax} + \text{VAT}}{\text{Real Gross Salary}}$$

365 (days) × the Real Tax Rate = the number of days an employee works each year to pay taxes. Starting from New Year's Day and counting, the next calendar day is the **Tax Liberation Day** for workers in that country.

2023 Tax Liberation Day Calendar

MARCH	8		South Africa
APRIL	11		United States
	16		Cyprus
	27		Malta
MAY	5		Canada
	9		United Kingdom
	11		Japan
	15		Ireland
	16		Australia
	17		Brazil
	24		Bulgaria
	29		Lithuania
	30		Denmark
	30		Croatia
JUNE	1		Estonia
	5		Finland
	6		Poland
	8		Spain
	8		Czech Republic
	8		Slovenia
	10		Luxembourg
	11		Greece
	12		Portugal
	15		Latvia
	16		Netherlands
	19		Hungary
	19		Romania
	21		Sweden
	22		Slovakia
JULY	3		Italy
	5		Germany
	15		Austria
	15		Belgium
	17		France

Data Summary in €⁶

Country	Real Gross Salary ⁷	Employer Social Security	Gross Salary ⁸	Income Tax	Employee Social Security	Take-home Pay (Net Income)	VAT Rate (Sales Tax)	Estimated VAT (Sales Tax)	Real Net Salary	Real Tax Rate	Tax Liberation Day 2023
AUSTRALIA	69,573	9,893	59,679	13,299	1,194	45,187	10.0%	1,469	43,718	37.16%	16-May
AUSTRIA	65,542	15,082	50,460	8,685	9,143	32,632	20.0%	2,121	30,511	53.45%	15-Jul
BELGIUM	64,447	12,199	52,248	13,260	6,794	32,194	21.0%	2,197	29,997	53.46%	15-Jul
BRAZIL ⁹	7,944	2,137	5,807	26	529	5,253	17.0%	290	4,963	37.53%	17-May
BULGARIA ⁺¹⁰	11,225	1,841	9,384	809	1,293	7,282	20.0%	473	6,808	39.35%	24-May
CANADA ¹¹	55,753	4,564	51,189	9,500	3,289	38,400	13.0%	1,622	36,778	34.04%	05-May
CROATIA ¹²	17,811	2,523	15,288	1,563	2,293	11,432	25.0%	929	10,503	41.03%	30-May
CYPRUS ¹³	28,348	3,676	24,672	494	2,702	21,477	19.0%	1,326	20,150	28.92%	16-Apr
CZECH REPUBLIC	24,103	6,089	18,014	1,426	1,982	14,607	21.0%	997	13,610	43.53%	08-Jun
DENMARK	61,835	306	61,530	21,619	153	39,758	25.0%	3,230	36,528	40.93%	30-May
ESTONIA [†]	24,524	6,195	18,329	2,334	660	15,335	20.0%	997	14,338	41.53%	01-Jun
FINLAND	58,331	10,417	47,915	6,521	5,038	36,356	24.0%	2,836	33,520	42.54%	05-Jun
FRANCE	57,145	17,174	39,971	2,413	9,491	28,067	20.0%	1,824	26,243	54.08%	17-Jul
GERMANY	63,553	10,997	52,556	8,138	11,181	33,236	19.0%	2,052	31,184	50.93%	05-Jul
GREECE	23,029	4,197	18,831	2,268	2,612	13,951	24.0%	1,088	12,863	44.14%	11-Jun
HUNGARY [†]	15,169	1,745	13,424	2,014	2,483	8,927	27.0%	783	8,144	46.31%	19-Jun
IRELAND	56,231	5,595	50,636	10,230	2,025	38,381	23.0%	2,869	35,512	36.85%	15-May
ITALY	44,242	10,210	34,032	7,374	3,008	23,650	22.0%	1,691	21,959	50.37%	03-Jul
JAPAN	42,934	5,995	36,938	2,837	5,641	28,461	10.0%	925	27,536	35.86%	11-May
LATVIA	18,872	3,602	15,270	2,589	1,603	11,077	21.0%	756	10,321	45.31%	15-Jun
LITHUANIA	19,042	331	18,711	2,967	3,649	12,095	21.0%	825	11,270	40.82%	29-May
LUXEMBOURG	77,555	10,291	67,263	13,218	8,280	45,766	16.0%	2,380	43,386	44.06%	10-Jun
MALTA ¹⁴	21,295	1,936	19,359	2,025	1,936	15,398	18.0%	901	14,498	31.92%	27-Apr
NETHERLANDS	68,321	12,983	55,339	8,913	6,542	39,883	21.0%	2,722	37,161	45.61%	16-Jun
POLAND	16,554	2,829	13,725	573	2,948	10,204	23.0%	763	9,442	42.96%	06-Jun
PORTUGAL	25,495	4,893	20,602	3,025	2,266	15,310	23.0%	1,144	14,166	44.44%	12-Jun
ROMANIA ⁺¹⁵	14,397	317	14,081	915	4,928	8,237	19.0%	509	7,729	46.32%	19-Jun
SLOVAKIA	19,029	4,954	14,075	1,461	1,886	10,728	20.0%	697	10,031	47.29%	22-Jun
SLOVENIA	26,106	3,620	22,485	1,677	4,969	15,839	22.0%	1,132	14,706	43.67%	09-Jun
SOUTH AFRICA ¹⁶	15,935	274	15,661	1,833	117	13,710	15.0%	668	13,042	18.15%	08-Mar
SPAIN	34,989	8,157	26,832	3,860	1,731	21,241	21.0%	1,450	19,792	43.43%	08-Jun
SWEDEN	56,924	13,610	43,315	10,468	0	32,847	25.0%	2,669	30,178	46.99%	21-Jun
UNITED KINGDOM	55,348	5,630	49,718	7,102	4,252	38,364	20.0%	2,494	35,871	35.19%	09-May
USA (AVERAGE)	63,597	4,519	59,078	7,332	4,519	47,226	7.9%	1,219	46,007	27.66%	11-Apr

⁶ All figures in euros. "Flat tax" countries are marked with a dagger (†).

⁷ Total cost of employment, social security, income tax and net income calculated by EY. Other calculations by Institut Économique Molinari.

⁸ Unless otherwise noted, Average Gross Salary figures are from OECD's *Taxing Wages*.

⁹ Average Gross salary for Brazil from the national statistics office: ibge.gov.br

¹⁰ Average Gross Salary figure for Bulgaria from the national statistics office: nsi.bg

¹¹ For Canada's VAT (HST) rate, Ontario's rate is used (8% Provincial + 5% Federal)

¹² Average Gross Salary figure for Croatia from the national statistics office: dzs.hr

¹³ Average Gross Salary figure for Cyprus from the national statistics office: mof.gov.cy

¹⁴ Average Gross salary for Malta from the national statistics office: nso.gov.mt

¹⁵ Average Gross salary for Romania from the national statistics office: insse.ro

¹⁶ Average Gross salary for South Africa from the national statistics office: statssa.gov.za

Data Summary in \$¹⁷

Country	Real Gross Salary ¹⁸	Employer Social Security	Gross Salary ¹⁹	Income Tax	Employee Social Security	Take-home Pay (Net Income)	VAT Rate (Sales Tax)	Estimated VAT	Real Net Salary	Real Tax Rate	Tax Liberation Day 2023
AUSTRALIA	78,172	11,116	67,056	14,943	1,341	50,772	10.0%	1,650	49,122	37.16%	16-May
AUSTRIA	73,643	16,947	56,696	9,758	10,273	36,665	20.0%	2,383	34,282	53.45%	15-Jul
BELGIUM	72,412	13,707	58,705	14,899	7,634	36,173	21.0%	2,469	33,704	53.46%	15-Jul
BRAZIL ²⁰	8,926	2,401	6,525	29	594	5,902	17.0%	326	5,576	37.53%	17-May
BULGARIA ²¹	12,612	2,069	10,544	909	1,453	8,182	20.0%	532	7,650	39.35%	24-May
CANADA ²²	62,644	5,128	57,516	10,674	3,695	43,146	13.0%	1,823	41,323	34.04%	05-May
CROATIA ²³	20,012	2,834	17,178	1,757	2,577	12,845	25.0%	1,044	11,801	41.03%	30-May
CYPRUS ²⁴	31,852	4,130	27,721	555	3,035	24,131	19.0%	1,490	22,641	28.92%	16-Apr
CZECH REPUBLIC	27,082	6,841	20,240	1,602	2,226	16,412	21.0%	1,120	15,292	43.53%	08-Jun
DENMARK	69,478	343	69,134	24,291	172	44,672	25.0%	3,630	41,043	40.93%	30-May
ESTONIA [†]	27,555	6,961	20,594	2,622	741	17,230	20.0%	1,120	16,110	41.53%	01-Jun
FINLAND	65,541	11,704	53,837	7,327	5,661	40,849	24.0%	3,186	37,663	42.54%	05-Jun
FRANCE	64,208	19,297	44,912	2,711	10,664	31,536	20.0%	2,050	29,487	54.08%	17-Jul
GERMANY	71,408	12,357	59,051	9,144	12,563	37,344	19.0%	2,306	35,038	50.93%	05-Jul
GREECE	25,875	4,716	21,159	2,549	2,935	15,675	24.0%	1,223	14,453	44.14%	11-Jun
HUNGARY [†]	17,044	1,961	15,083	2,263	2,790	10,031	27.0%	880	9,150	46.31%	19-Jun
IRELAND	63,181	6,287	56,894	11,494	2,276	43,124	23.0%	3,224	39,901	36.85%	15-May
ITALY	49,710	11,471	38,238	8,285	3,380	26,573	22.0%	1,900	24,673	50.37%	03-Jul
JAPAN	48,240	6,736	41,504	3,188	6,338	31,978	10.0%	1,039	30,939	35.86%	11-May
LATVIA	21,205	4,047	17,157	2,909	1,802	12,446	21.0%	849	11,597	45.31%	15-Jun
LITHUANIA	21,396	372	21,024	3,334	4,100	13,590	21.0%	928	12,662	40.82%	29-May
LUXEMBOURG	87,140	11,563	75,577	14,851	9,303	51,423	17.0%	2,674	48,749	44.06%	10-Jun
MALTA ²⁵	23,927	2,175	21,752	2,275	2,175	17,302	18.0%	1,012	16,289	31.92%	27-Apr
NETHERLANDS	76,765	14,587	62,178	10,015	7,351	44,813	21.0%	3,058	41,754	45.61%	16-Jun
POLAND	18,600	3,178	15,422	644	3,312	11,466	23.0%	857	10,608	42.96%	06-Jun
PORTUGAL	28,646	5,498	23,148	3,399	2,546	17,202	23.0%	1,286	15,916	44.44%	12-Jun
ROMANIA ²⁶	16,177	356	15,821	1,028	5,537	9,255	19.0%	572	8,684	46.32%	19-Jun
SLOVAKIA	21,381	5,567	15,814	1,641	2,119	12,054	20.0%	784	11,270	47.29%	22-Jun
SLOVENIA	29,332	4,068	25,265	1,885	5,584	17,796	22.0%	1,272	16,524	43.67%	09-Jun
SOUTH AFRICA ²⁷	17,905	308	17,597	2,060	132	15,405	15.0%	751	14,654	18.15%	08-Mar
SPAIN	39,314	9,165	30,149	4,337	1,945	23,867	21.0%	1,629	22,238	43.43%	08-Jun
SWEDEN	63,960	15,292	48,668	11,762	0	36,906	25.0%	2,999	33,908	46.99%	21-Jun
UNITED KINGDOM	62,189	6,326	55,863	7,979	4,777	43,106	20.0%	2,802	40,304	35.19%	09-May
USA (AVERAGE)	71,457	5,078	66,379	8,238	5,078	53,063	7.9%	1,369	51,694	27.66%	11-Apr

¹⁷ All figures in U.S. Dollars, using 17 July 2023 exchange rate of €0.890 = \$1. "Flat tax" countries are marked with a dagger (†).

¹⁸ Total cost of employment, social security, income tax and net income calculated by EY. Other calculations by Institut Économique Molinari.

¹⁹ Unless otherwise noted, Average Gross Salary figures are from OECD's *Taxing Wages*.

²⁰ Average Gross salary for Brazil from the national statistics office: ibge.gov.br

²¹ Average Gross Salary figure for Bulgaria from the national statistics office: nsi.bg

²² For Canada's VAT (HST) rate, Ontario's rate is used (8% Provincial + 5% Federal)

²³ Average Gross Salary figure for Croatia from the national statistics office: dzs.hr

²⁴ Average Gross Salary figure for Cyprus from the national statistics office: mof.gov.cy

²⁵ Average Gross salary for Malta from the national statistics office: nso.gov.mt

²⁶ Average Gross salary for Romania from the national statistics office: insse.ro

²⁷ Average Gross salary for South Africa from the national statistics office: statssa.gov.za

Research Notes

Gross Salary

When available, salary figures come from the OECD's *Taxing Wages*. Others are sourced from government statistics offices (see footnotes on pages 9 and 10).

Gross salaries ranged from a low of €5,087 (\$6,525) in Brazil, to a high of €67,263 (\$75,577) in Luxembourg. The average gross salary among the 34 countries was €32,836 (\$36,894).

Employer Contributions to Social Security

Averaging 19.6% across the countries studied here, these taxes vary to a great degree and are invisible to employees in many countries, where only deductions from gross salaries appear on pay slips. For typical workers, these costs range from less than 1% of gross salary in Denmark to 43% in France (where the employer's contributions are, at least, shown on payslips).

Individual Contributions to Social Security

Visible on most employees' payslips, the lower and upper reaches of these deductions are set, respectively, by Sweden (zero) and Romania (35%), with a worldwide average of 12%.

Total Contributions to Social Security

France (67%) is the only country taxing more than half of a typical worker's gross salary as "social security contributions". Six other countries in this study also collect more than 40% this way – in descending order Slovakia (49%), Austria, Brazil, Czech Republic, Germany, and Poland (42%) – while in Denmark, these taxes amount to less than 1% of the gross salary figure. The average figure is 31.7% – making the value of "social security" payments more than double that of income taxes (see below).

Personal Income Taxes

On average, the income tax rate over the 34-country global spectrum is 13.9%. While Denmark can claim it imposes the lowest combined social security taxes, its treasury is compensated by the highest personal income tax rates in this global study, collecting 35.1% from a typical worker's salary this way. Workers in Brazil (0.4%) and Cyprus (2%) enjoy the lowest income tax rates.

Income tax rates in the United States (USA)

In addition to the income tax imposed by their federal government, Americans in 41 of its 50 states are subject to state-level income taxes. In this study, the figures appearing are an average of five highly-populated states – New York, California, Ohio, Texas, and Florida – the latter two having no state income taxes.

Estimated Value-Added Tax (VAT), also known as Sales Tax, HST, or GST

To determine estimated VAT we assume, conservatively, that only 32.5% of a worker's net income will be subject to VAT. *Estimated Rent* is assumed to be 35% of the employee's net (take-home) income. After subtracting rent, remaining net income is divided in half to estimate the sum left over that will be subject to VAT when spent.

Since 2009, only 8 of the 28 European countries studied herein have not increased VAT rates: Austria, Belgium, Bulgaria, Denmark, Germany, Latvia, Malta, and Sweden. The largest increases in these "sales tax" rates occurred in Hungary (from 20% to 27%), the United Kingdom (from 15% to 20%), Spain (from 16% to 21%), Greece (from 19% to 24%), and Romania (from 19% to 24%, then back to 19%).

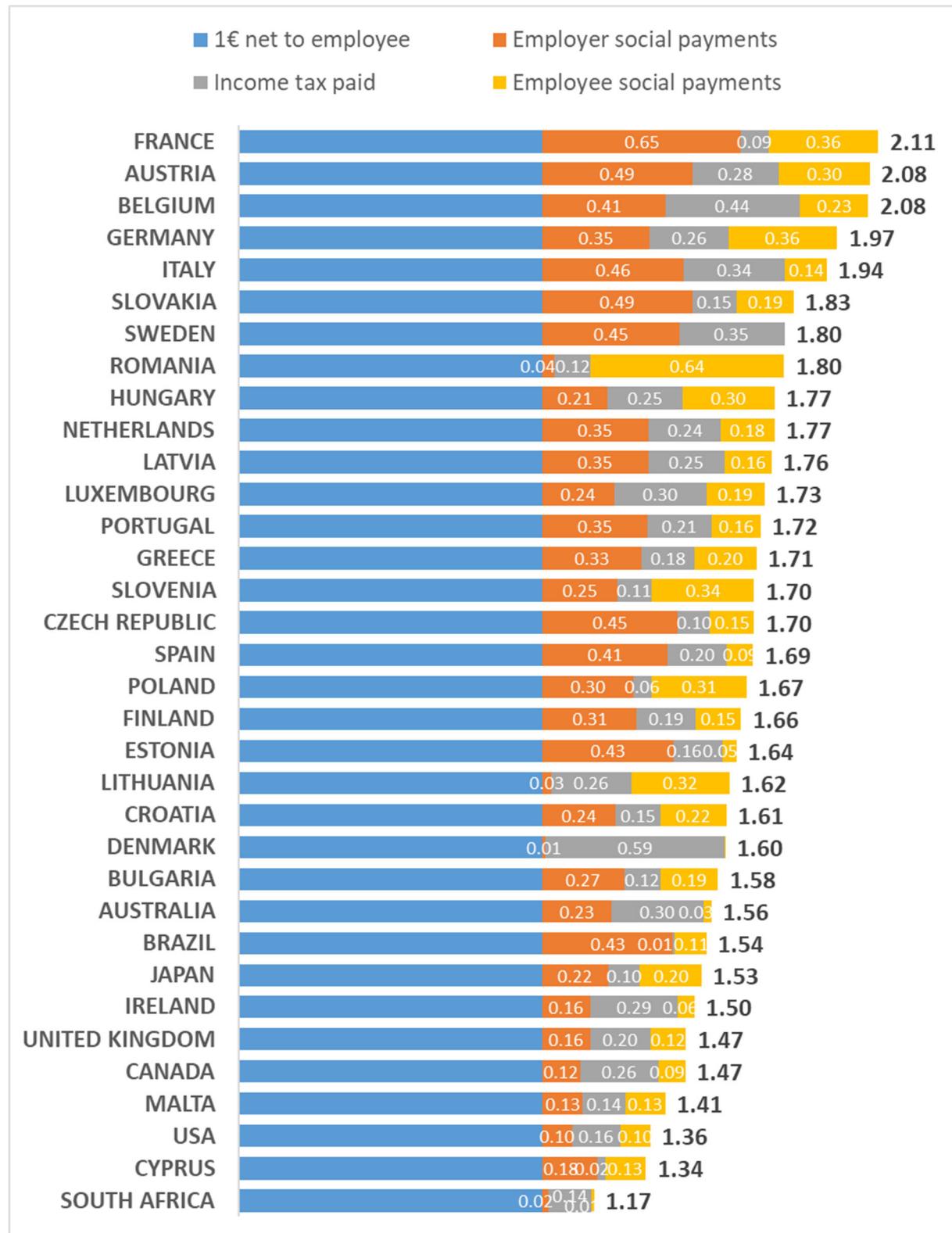
The USA stands out among our 34 countries as the only one whose workers do not pay federal sales tax on their retail purchases. Americans do, however, pay such taxes to local and/or state governments, depending where they live. In our sample of five populous states, the combined rates ranged from 7% in Florida to 8.8% in California.

The prevalence of "hidden" tax contributions increases

This year, €40.68 out of every €100 of payroll taxes collected by governments are paid "on top" of gross salaries as employer contributions to social security – an increase of 0.34% since 2021. In many countries, these taxes do not appear on workers' payslips.

Appendix 1: Cost to employer of €1 or \$1 net to employee

The chart below shows what employers must spend to give 1 euro (or dollar) of real purchasing power (before VAT/sales tax) to an employee earning an average salary in each country.



Appendix 2: Rankings by total cost of employment, total tax burden and real net salary (in euros)²⁸

RANK	TOTAL EMPLOYMENT COST	TOTAL TAXES PAID	REAL SPENDING POWER			
1	Luxembourg	77,555	Austria	35,031	USA	46,007
2	Australia	69,573	Belgium	34,450	Australia	43,718
3	Netherlands	68,321	Luxembourg	34,168	Luxembourg	43,386
4	Austria	65,542	Germany	32,369	Netherlands	37,161
5	Belgium	64,447	Netherlands	31,160	Canada	36,778
6	USA	63,597	France	30,902	Denmark	36,528
7	Germany	63,553	Sweden	26,746	United Kingdom	35,871
8	Denmark	61,835	Australia	25,854	Ireland	35,512
9	Finland	58,331	Denmark	25,307	Finland	33,520
10	France	57,145	Finland	24,811	Germany	31,184
11	Sweden	56,924	Italy	22,283	Austria	30,511
12	Ireland	56,231	Ireland	20,720	Sweden	30,178
13	Canada	55,753	United Kingdom	19,477	Belgium	29,997
14	United Kingdom	55,348	Canada	18,976	Japan	27,536
15	Italy	44,242	USA	17,590	France	26,243
16	Japan	42,934	Japan	15,398	Italy	21,959
17	Spain	34,989	Spain	15,197	Cyprus	20,150
18	Cyprus	28,348	Slovenia	11,399	Spain	19,792
19	Slovenia	26,106	Portugal	11,329	Slovenia	14,706
20	Portugal	25,495	Czech Republic	10,493	Malta	14,498
21	Estonia	24,524	Estonia	10,186	Estonia	14,338
22	Czech Republic	24,103	Greece	10,166	Portugal	14,166
23	Greece	23,029	Slovakia	8,998	Czech Republic	13,610
24	Malta	21,295	Latvia	8,551	South Africa	13,042
25	Lithuania	19,042	Cyprus	8,198	Greece	12,863
26	Slovakia	19,029	Lithuania	7,773	Lithuania	11,270
27	Latvia	18,872	Croatia	7,308	Croatia	10,503
28	Croatia	17,811	Poland	7,112	Latvia	10,321
29	Poland	16,554	Hungary	7,026	Slovakia	10,031
30	South Africa	15,935	Malta	6,797	Poland	9,442
31	Hungary	15,169	Romania	6,669	Hungary	8,144
32	Romania	14,397	Bulgaria	4,417	Romania	7,729
33	Bulgaria	11,225	Brazil	2,982	Bulgaria	6,808
34	Brazil	7,944	South Africa	2,893	Brazil	4,963

²⁸ All figures in Euros (€). Total tax burden and real net salary figures include social charges, income taxes and estimated VAT (sales tax).

Appendix 3: Rankings by total cost of employment, total tax burden and real net salary (in U.S. Dollars)²⁹

RANK	TOTAL EMPLOYMENT COST	TOTAL TAXES PAID	REAL SPENDING POWER
1	Luxembourg 87,140	Austria 39,361	USA 51,694
2	Australia 78,172	Belgium 38,708	Australia 49,122
3	Netherlands 76,765	Luxembourg 38,391	Luxembourg 48,749
4	Austria 73,643	Germany 36,370	Netherlands 41,754
5	Belgium 72,412	Netherlands 35,011	Canada 41,323
6	USA 71,457	France 34,722	Denmark 41,043
7	Germany 71,408	Sweden 30,052	United Kingdom 40,304
8	Denmark 69,478	Australia 29,050	Ireland 39,901
9	Finland 65,541	Denmark 28,435	Finland 37,663
10	France 64,208	Finland 27,878	Germany 35,038
11	Sweden 63,960	Italy 25,037	Austria 34,282
12	Ireland 63,181	Ireland 23,280	Sweden 33,908
13	Canada 62,644	United Kingdom 21,885	Belgium 33,704
14	United Kingdom 62,189	Canada 21,321	Japan 30,939
15	Italy 49,710	USA 19,764	France 29,487
16	Japan 48,240	Japan 17,301	Italy 24,673
17	Spain 39,314	Spain 17,076	Cyprus 22,641
18	Cyprus 31,852	Slovenia 12,808	Spain 22,238
19	Slovenia 29,332	Portugal 12,729	Slovenia 16,524
20	Portugal 28,646	Czech Republic 11,790	Malta 16,289
21	Estonia 27,555	Estonia 11,444	Estonia 16,110
22	Czech Republic 27,082	Greece 11,422	Portugal 15,916
23	Greece 25,875	Slovakia 10,111	Czech Republic 15,292
24	Malta 23,927	Latvia 9,608	South Africa 14,654
25	Lithuania 21,396	Cyprus 9,211	Greece 14,453
26	Slovakia 21,381	Lithuania 8,733	Lithuania 12,662
27	Latvia 21,205	Croatia 8,211	Croatia 11,801
28	Croatia 20,012	Poland 7,991	Latvia 11,597
29	Poland 18,600	Hungary 7,894	Slovakia 11,270
30	South Africa 17,905	Malta 7,637	Poland 10,608
31	Hungary 17,044	Romania 7,493	Hungary 9,150
32	Romania 16,177	Bulgaria 4,962	Romania 8,684
33	Bulgaria 12,612	Brazil 3,350	Bulgaria 7,650
34	Brazil 8,926	South Africa 3,251	Brazil 5,576

²⁹ All figures in United States Dollars (\$), based on July 17, 2023 exchange rate of €0.89=\$1. Total tax burden and real net salary figures include social charges, income taxes and estimated VAT (sales tax).

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