PRESS RELEASE

No. 177 / July 12, 2022



Area: Labour Market

THE AVERAGE GROSS EARNINGS*) ON TOTAL ECONOMY IN MAY 2022 WERE 6358 LEI AND THE NET 3928 LEI

- In May 2022, the average gross earnings were 6358 lei, with 85 lei (-1.3%) lower than the one registered in April 2022.
- The average net earnings were 3928 lei, decreasing as against the previous month with 39 lei (-1.0%).
- The highest values of the average net earnings were recorded in computer programming, consultancy and related activities (including information service activities) (9178 lei), while the lowest in accommodation and food service activities (2120 lei).

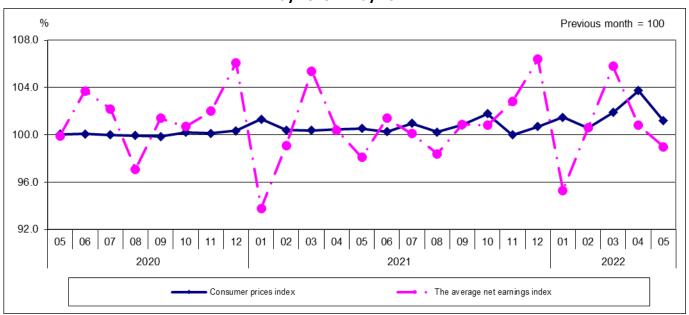
May 2022 as compared to May 2021

As compared to May of the previous year, the average net earnings increased by 12.5%**).

Earnings in relation with the evolution of consumer prices

- The real earnings index¹ was 98.3% in May 2022 in relation with May 2021.
- The real earnings index was 97.8% in May 2022 as against April 2022.
- As compared to October 1990, the real earnings index was 222.6%, by 4.9 percentage points lower than the one recorded in April 2022.

Evolution of the consumer price index and of the average net earnings index during May 2020 – May 2022



The data of the graph (xls)

Fluctuations in earnings were recorded during the year, mainly determined by granting annual premiums and holiday bonuses (December, March/April). These are influencing the increases or decreases depending on the period they are granted, finally leading to smoothing the fluctuations in monthly earnings at the level of the whole year.

The evolution of real earnings depends on both the fluctuations of the average net earnings and the inflation rate.

^{*)} Please see Methodological notes from item 4. Concepts and definitions

^{**)} The evolution of the average net earnings for the period May 2021 – May 2022 is presented in the Annex

 $^{^{\}mathrm{1}}$ Calculated as the ratio between the average net earnings index and the consumer prices index

May 2022 as compared to April 2022

In May 2022, in the majority of activities belonging to the economic sector², the level of the average net earnings decreased due to granting in the previous months of the occasional bonuses, payments in kind and other allowances, amounts from the net profit and other funds. Also, the decreases of the average net earnings were caused by the production un-achievements or lower receipts (depending on contracts/projects), as well as hiring staff with lower earnings as against the average, in certain economic activities.

The most significant decreases in the average net earnings at section/division level of NACE Rev.2 have been recorded as follows:

- By 19.2% in mining of coal and lignite, by 17.8% in insurance, reinsurance and pension funding (except compulsory social security), respectively by 15.3% in manufacture of coke and refined petroleum products;
- Between 6.5% and 11.0% in telecommunications, financial service activities (except insurance and pension funding), electricity, gas, steam and air conditioning supply, manufacture of motor vehicles, trailers and semi-trailers, manufacture of other non-metallic mineral products, activities auxiliary to financial services and insurance activities;
- Between 3.0% and 6.0% in computer programming, consultancy and related activities (including information service activities), mining support service activities, manufacture of rubber and plastic products, water transport, manufacture of basic metals, other mining and quarrying, manufacture of beverages, postal and courier activities, real estate activities, manufacture of fabricated metal products (except machinery and equipment), publishing activities.

Increases of the average net earnings as against April 2022 were determined by the occasional bonuses (annual, for holidays or for performance bonuses, the 13th salary), payments in kind and other allowances, amounts from the net profit and other funds (including value tickets). Also, the increases of the average net earnings were due to higher production achievements or receipts level (depending on contracts/projects).

The most significant increases in the average net earnings at section/division level of NACE Rev.2 have been recorded as follows:

- By 26.6% in manufacture of tobacco products, respectively by 15.4% in extraction of crude petroleum and natural gas;
- Between 2.0% and 5.0% in manufacture of leather and related products, manufacture of computer, electronic and optical products, land transport and transport via pipelines, manufacture of basic pharmaceutical products and pharmaceutical preparations, manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms, other manufacturing, air transport.

In the **budgetary sector**³ were registered increases of the average net earnings as against the previous month, mainly due to granting of value tickets (holiday vouchers), in education (+11.6%), respectively in public administration (+3.1%). In human health and social work activities, the average net earnings slightly decreased as against the previous month (-1.0%).

Additional Information:

*) The average gross monthly earnings are determined by reporting the amounts from the salary fund, net profit and other funds (excluding severance payments, backdated paid arrears as consequence of wining the lawsuits involving the money rights related to previous years) to the average number of employees.

For an accurate interpretation of the indicators, please see the <u>Methodological notes</u> attached to the press release on the homepage.

The average monthly gross and net earnings are presented in the <u>Annex</u>. Additional information can be obtained:

- accessing on-line TEMPO database (starting July 13th 2022): http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table
- from the Monthly Statistical Bulletin no. 5/2022: https://insse.ro/cms/en/publicatii-statistice-in-format-electronic
 The next press release on the average monthly earnings will be issued on August 11th 2022.

Press release archive: http://www.insse.ro/cms/en/comunicate-de-presa-view

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² Excluding activities of public administration, education, human health and social work activities

³ See the Methodological notes from point 3 regarding "budgetary sector"