No. 206 / August 12, 2024

Area: Labour Market

THE AVERAGE GROSS EARNINGS*) ON TOTAL ECONOMY IN JUNE 2024 WERE 8480 LEI AND THE NET 5176 LEI

- In June 2024, the average gross earnings were 8480 lei, with 125 lei (+1.5%) higher than the one registered in May 2024.
- The average net earnings were 5176 lei, increasing with 58 lei (+1.1%) as against May 2024.
- The highest values of the average net earnings were recorded in publishing activities (11614 lei), while the lowest in manufacture of wearing apparel (2798 lei).

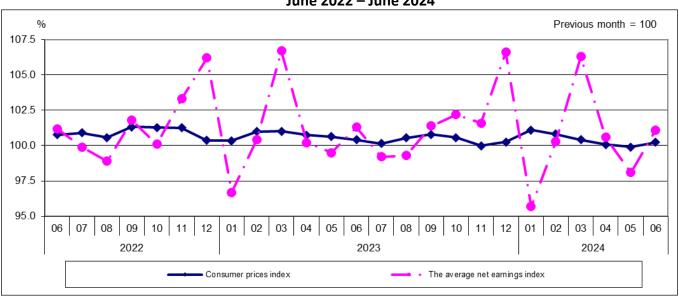
June 2024 as compared to June 2023

As compared to June 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 107.2% in June 2024 as against June 2023.
- The real earnings index was 100.9% in June 2024 as against May 2024.
- As compared to October 1990, the real earnings index was 251.6%, by 2.2 percentage points higher than the one recorded in May 2024.

Evolution of the consumer price index and of the average net earnings index during June 2022 - June 2024



The data of the graph (xls)

During the year, there are fluctuations of the earnings, mainly determined by granting of annual and holiday bonuses, especially in the months taken as comparison base (December, March/April). These influence 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 June 2023 – June 2024 is presented in the Annex

¹ Calculated as the ratio between the average net earnings index and the consumer prices index

June 2024 as compared to May 2024

In June 2024, in the majority of activities belonging to the economic sector², the level of the average net earnings increased due to granting of occasional bonuses (quarterly, bi-annual, annual or for outstanding performance), 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 30.2% in publishing activities, respectively by 10.0% in manufacture of basic pharmaceutical products and pharmaceutical preparations;
- Between 4.0% and 6.5% in manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms, telecommunications, motion picture, video and television programmes production, sound recording and music publishing activities (including programming and broadcasting activities), manufacture of other transport equipment, manufacture of machinery and equipment n.e.c., manufacture of motor vehicles, trailers and semi-trailers, manufacture of textiles, manufacture of rubber and plastic products, manufacture of electrical equipment, manufacture of computer, electronic and optical products;
- Between 2.5% and 4.0% in arts, entertainment and recreation, air transport, crop and animal production, hunting and related service activities, manufacture of other non-metallic mineral products, other service activities, computer programming, consultancy and related activities (including information service activities), insurance, reinsurance and pension funding (except compulsory social security), extraction of crude petroleum and natural gas.

The decreases of the average net earnings as compared to May 2024 were caused by occasional bonuses, payments in kind and other allowances, amounts from the net profit and other funds (including value tickets) granted in the previous months. Also, the decreases of the average net earnings were determined by the production un-achievements or lower receipts (depending on contracts/projects).

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

- Between 3.0% and 6.0% in activities auxiliary to financial services and insurance activities, financial service activities (except insurance and pension funding), electricity, gas, steam and air conditioning supply;
- Between 1.5% and 3.0% in manufacture of coke and refined petroleum products, warehousing and support activities for transportation, postal and courier activities, manufacture of leather and related products, water transport, repair and installation of machinery and equipment.

In the **budgetary sector**³ increases of the average net earnings, as against the previous month, were registered in human health and social work activities (+4.3%), respectively in public administration (+3.9%), mainly due to the application of some legal acts⁴. In education, the average net earnings decreased (-5.8%) mainly due to the amounts' reduction representing the hourly payments of teaching staff during summer holiday, as well as granting in May 2024 of value tickets (holiday vouchers).

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 August 13th 2024):

http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table

• from the Monthly Statistical Bulletin no. 6/2024: https://insse.ro/cms/en/publicatii-statistice-in-format-electronic
The next press release on the average monthly earnings will be issued on September 12th 2024.

Press release archive: https://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"

⁴ EO No. 19/2024 regarding some measures related to personnel remuneration in health, social assistance and other budgetary sectors, EO No. 53/2024 regarding measures regarding the remuneration of staff in some sectors of budgetary activity, as well as the regulation of some organizational aspects