Area: Labour Market

THE AVERAGE GROSS EARNINGS*) ON TOTAL ECONOMY IN JULY 2022 WERE 6405 LEI AND THE NET 3975 LEI

- In July 2022, **the average gross earnings** were 6405 lei, with 8 lei (-0.1%) lower than the one registered in June 2022.
- The average net earnings were 3975 lei, slightly decreasing as against the previous month, with 2 lei (-0.1%).
- The highest values of the average net earnings were recorded in computer programming, consultancy and related activities (including information service activities) (9549 lei), while the lowest in accommodation and food service activities (2273 lei).

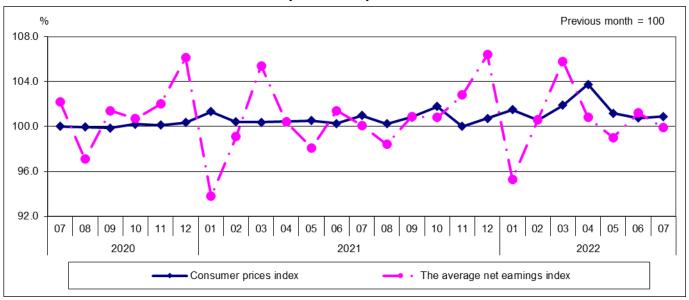
July 2022 as compared to July 2021

As compared to July of the previous year, the average net earnings increased by 12.1%**).

Earnings in relation with the evolution of consumer prices

- The real earnings index¹ was 97.5% in July 2022 in relation with July 2021.
- The real earnings index was 99.0% in July 2022 as against June 2022.
- As compared to October 1990, the real earnings index was 221.6%, by 2.1 percentage points lower than the one recorded in June 2022.

Evolution of the consumer price index and of the average net earnings index during July 2020 – July 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 July 2021 – July 2022 is presented in the Annex

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

July 2022 as compared to June 2022

In July 2022, 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 performance bonuses), 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 6.6% in warehousing and support activities for transportation;
- Between 4.0% and 6.0% in mining support service activities, electricity, gas, steam and air conditioning supply, manufacture of wearing apparel, repair and installation of machinery and equipment, crop and animal production, hunting and related service activities, air transport, other mining and quarrying;
- Between 2.0% and 4.0% in forestry and logging (including fishing and aquaculture), scientific research and development, extraction of crude petroleum and natural gas, manufacture of leather and related products, printing and reproduction of recorded media, manufacture of beverages, manufacture of textiles, financial service activities (except insurance and pension funding), computer programming, consultancy and related activities (including information service activities), manufacture of fabricated metal products (except machinery and equipment).

Decreases of the average net earnings as compared to June 2022 were caused due to 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), as well as hiring staff with lower earnings as against the average, in some 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 14.2% in publishing activities;
- Between 4.0% and 7.0% in manufacture of machinery and equipment n.e.c., manufacture of computer, electronic and optical products, manufacture of coke and refined petroleum products, water collection, treatment and supply, mining of coal and lignite, manufacture of tobacco products;
- Between 1.5% and 4.0% in mining of metal ores, activities auxiliary to financial services and insurance activities, arts, entertainment and recreation, sewerage.

In the **budgetary sector**³ were registered decreases of the average net earnings as against the previous month, in education (-6.6%, mainly due to the amounts reduction representing the hourly payments of teaching staff during summer holiday), in public administration (-1.5%), respectively in human health and social work activities (-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 September 13th 2022): http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table
- from the Monthly Statistical Bulletin no. 7/2022: https://insse.ro/cms/en/publicatii-statistice-in-format-electronic
 The next press release on the average monthly earnings will be issued on October 12th 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"