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Area: Labour Market

# THE AVERAGE GROSS EARNINGS\*) ON TOTAL ECONOMY IN AUGUST 2022 WERE 6348 LEI AND THE NET 3933 LEI

- In August 2022, **the average gross earnings** were 6348 lei, with 57 lei (-0.9%) lower than the one registered in July 2022.
- The average net earnings were 3933 lei, decreasing with 42 lei (-1.1%) as against July 2022.
- The highest values of the average net earnings were recorded in computer programming, consultancy and related activities (including information service activities) (9395 lei), while the lowest in manufacture of wearing apparel (2214 lei).

### August 2022 as compared to August 2021

As compared to August of the previous year, the average net earnings increased by 12.8%\*\*).

### Earnings in relation with the evolution of consumer prices

- The real earnings index¹ was 97.8% in August 2022 in relation with August 2021.
- The real earnings index was 98.3% in August 2022 as against July 2022.
- As compared to October 1990, the real earnings index was 218.1%, by 3.5 percentage points lower than the one recorded in July 2022.

## Evolution of the consumer price index and of the average net earnings index during August 2020 – August 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.

<sup>\*)</sup> Please see Methodological notes from item 4. Concepts and definitions

<sup>\*\*)</sup> The evolution of the average net earnings for the period August 2021 – August 2022 is presented in the Annex

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

#### August 2022 as compared to July 2022

In August 2022, in the majority of activities belonging to the economic sector<sup>2</sup>, the level of the average net earnings decreased as compared with July 2022 and was caused by the 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) granted in the previous months. Also, the decreases of the average net earnings were determined by lower production achievements or receipts level (depending on contracts/projects or due to summer holidays when meal vouchers and other salary rights are not granted).

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

- By 15.6% in mining of coal and lignite;
- Between 4.0% and 8.5% in manufacture of leather and related products, warehousing and support activities for transportation, financial service activities (except insurance and pension funding), motion picture, video and television programmes production, sound recording and music publishing activities (including programming and broadcasting activities), manufacture of textiles, manufacture of fabricated metal products (except machinery and equipment), manufacture of rubber and plastic products, electricity, gas, steam and air conditioning supply, manufacture of wearing apparel;
- Between 2.0% and 4.0% in other manufacturing, manufacture of other non-metallic mineral products, manufacture of beverages, water collection, treatment and supply, professional, scientific and technical activities, other mining and quarrying, printing and reproduction of recorded media.

**Increases of the average net earnings** in August 2022 as compared to July 2022 were determined by the occasional bonuses, payments in kind and other allowances, amounts from the net profit and other funds (including value tickets). Also, the average net earnings in August were higher by comparison with July, due to higher production achievements or receipts level (depending on contracts/projects), as well as laying off the staff with lower earnings as against the average, in some economic activities.

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

- By 11.8% in telecommunications;
- Between 2.0% and 6.0% in manufacture of tobacco products, mining support service activities, manufacture of basic metals, extraction of crude petroleum and natural gas, water transport, manufacture of furniture;
- Between 1.0% and 1.5% in accommodation and food service activities, manufacture of computer, electronic and optical products, air transport, manufacture of paper and paper products, real estate activities, manufacture of food products, postal and courier activities.

In the **budgetary sector**<sup>3</sup>, in August 2022 were registered slight decreases of the average net earnings as against the previous month in public administration (-1.1%), respectively in human health and social work activities (-0.2%). In education, the average net earnings slightly increased as compared to the previous month (+0.6%).

### **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 October 13<sup>th</sup> 2022): http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table
- from the Monthly Statistical Bulletin no. 8/2022: <a href="https://insse.ro/cms/en/publicatii-statistice-in-format-electronic">https://insse.ro/cms/en/publicatii-statistice-in-format-electronic</a>
  The next press release on the average monthly earnings will be issued on November 11<sup>th</sup> 2022.

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

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<sup>&</sup>lt;sup>2</sup> Excluding activities of public administration, education, human health and social work activities

<sup>&</sup>lt;sup>3</sup> See the Methodological notes from point 3 regarding "budgetary sector"