Area: Labour Market

THE AVERAGE GROSS EARNINGS*) ON TOTAL ECONOMY IN NOVEMBER 2020 WERE 5565 LEI AND THE NET 3411 LEI

- In November 2020, the average gross nominal earnings were 5565 lei, with 113 lei (+2.1%) higher than the one registered in October 2020.
- The average net nominal earnings were 3411 lei, increasing as against the previous month with 68 lei (+2.0%).
- The highest values of the average net nominal earnings were recorded in computer programming, consultancy and related activities (including information service activities) (8273 lei), while the lowest in accommodation and food service activities (1668 lei).

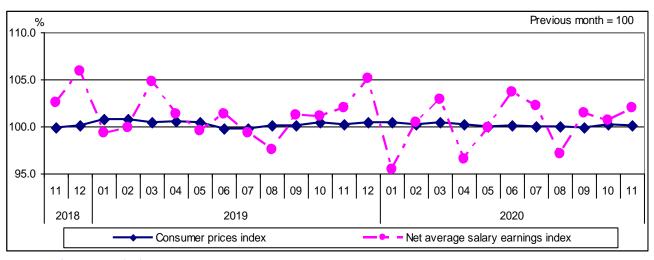
November 2020 as compared to November 2019

As compared to November of the previous year, the average net nominal earnings increased by 7.3%**).

Earnings in relation with the evolution of consumer prices

- The real earnings index¹ was 105.1% for November 2020 in relation with the same period of previous year.
- The real earnings index was 101.9% for November 2020 as against previous month.
- As compared to October 1990, the real earnings index was 229.1%, by 4.3 percentage points higher than the one recorded in October 2020.

Evolution of consumer price index and of net average earnings index during November 2018 – November 2020



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.

November 2020 as compared to October 2020

In November 2020, in the majority of activities belonging to the economic sector², the level of the average net earnings increased as against the previous month due to granting of occasional bonuses (quarterly, annual, the 13th salary or performance bonuses), payments in kind and other allowances, amounts from the net profit and other

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

^{**)} The evolution of the average net nominal earnings for the period November 2019 – November 2020 is presented in the Annex

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

² Excluding activities of public administration, education, health and social assistance

funds (including value tickets). Also, the increases of the average net earnings were due to resuming the activity of certain economic agents, 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 11.9% in manufacture of tobacco products, by 10.6% in manufacture of motor vehicles, trailers and semi-trailers, respectively by 10.3% in water transport;
- Between 7.0% and 9.0% in manufacture of coke and refined petroleum products, manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms, manufacture of machinery and equipment n.e.c., manufacture of electrical equipment, manufacture of rubber and plastic products, computer programming, consultancy and related activities (including information service activities), financial service activities (except insurance and pension funding), manufacture of paper and paper products;
- Between 4.5% and 7.0% in motion picture, video and television programmes production, sound recording and music
 publishing activities (including programming and broadcasting activities), printing and reproduction of recorded
 media, warehousing and support activities for transportation, postal and courier activities, manufacture of textiles;
- Between 2.5% and 4.0% in activities auxiliary to financial services and insurance activities, manufacture of furniture, telecommunications, other manufacturing, scientific research and development, waste collection, treatment and disposal activities (including materials recovery; remediation activities and other waste management services).

The decreases of the average net earnings as against the previous month were caused by suspending/ceasing the activity, continuation of technical unemployment by certain economic operators or partial remuneration of the employees, production unachievements or lower receipts (depending on contracts/projects). Also, the decreases of the average net earnings were determined 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.

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

- By 5.2% in arts, entertainment and recreation, respectively by 4.6% in manufacture of basic pharmaceutical products and pharmaceutical preparations;
- Between 1.5% and 3.5% in extraction of crude petroleum and natural gas, manufacture of basic metals, accommodation and food service activities, air transport, insurance, reinsurance and pension funding (except compulsory social security), manufacture of beverages.

In the **budgetary sector**³ were registered increases of the average net earnings as against the previous month in health and social assistance (+1.9%), respectively in education (+1.3% due to amounts representing the hourly payments of teaching staff). The average net earnings in public administration slightly decreased as compared to the previous month (-0.9%).

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.

NOTE: In relation to the situation caused by the COVID-19 pandemic, **the infra-annual, operative statistical data** may present a lower degree of reliability, accuracy, completeness and comparability, as a result of the difficulties arising from the application of economic and social measures, determined by the declaration of state emergency/alert throughout Romania. These difficulties were mainly determined by heavy access to the financial and accounting documents, caused frequently by the sudden closure of certain economic and social units, by not completing in due time of the respective documents, by relaxation of legal deadlines for submitting tax documents to the related institutions, by temporarily suspending the activity for a significant number of economic and social units or even by ceasing their activity, in some cases. In the average monthly earnings are also included the amounts paid to the employees for technical unemployment, in accordance with the legal provisions in force.

For an accurate interpretation of the indicators, please see the Methodological notes attached to the press release on the homepage. The average monthly gross and net earnings are presented in the Annex. Additional information can be obtained: • on-line accessing TEMPO database (starting January 14th 2021): http://statistici.insse.ro/shop/index.jsp?page=tempo2&lang=en&context=15

• from the Monthly Statistical Bulletin no. 11/2020.

The next press release on the average monthly earnings will be issued on February 11th 2021.

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

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 $^{^{\}rm 3}$ See the Methodological notes from point 3 regarding "budgetary sector"