

No. 31 / 9 February 2017

Area: Labour Market

# AVERAGE GROSS EARNINGS ON TOTAL ECONOMY\*) WERE 3257 LEI IN DECEMBER 2016

- In December 2016, the average gross nominal earnings were 3257 lei, by 8.4% higher than the one registered in November 2016.
- The average net nominal earnings were 2354 lei, increasing as against the previous month with 182 lei (+8.4%).
- The highest values of the average net nominal earnings were recorded in manufacture of coke and refined petroleum products (6120 lei), while the lowest in accommodation and food service activities (1332 lei).

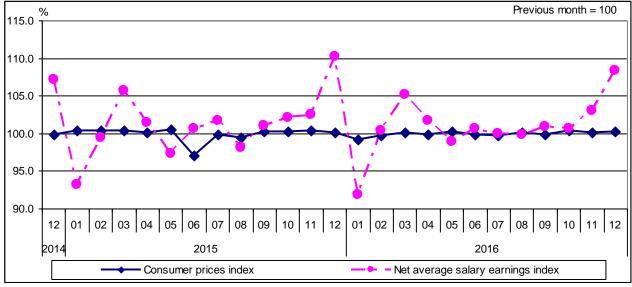
## December 2016 as compared to December 2015

As compared to December of the previous year, the average net nominal earnings increased by 11.4%. **The real earnings index**<sup>1</sup> in relation with the same period of previous year was 112.0%.

## Earnings in relation with the evolution of consumer prices

**The real earnings index** was 108.1% for December 2016 as against previous month. As compared to October 1990, the real earnings index was 178.5% by 13.4 percentage points higher than the one recorded in November 2016.

# Evolution of consumer price index and of net average earnings index during December 2014 - December 2016



# 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.

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

 $<sup>^{\</sup>rm 1}$  calculated as the ratio between the net nominal earnings index and the consumer prices index

#### December 2016 as compared to November 2016

In December 2016, in the majority of activities belonging to the economic sector<sup>2</sup> the level of the average net earnings was higher as against November 2016. The increases of the average net earnings as against the previous month were due to granting of occasional bonuses (including quarterly, annual, for performance or holiday bonuses, the 13<sup>th</sup> salary), payments in kind and other allowances, amounts from the net profit and other funds (including gift vouchers), production achievements or higher receipts (depending on contracts/projects). Also, the increases of the average net earnings were determined by layoffs of employees with lower earnings, in certain economic activities.

#### The most significant increases in the average net earnings have been recorded as follows:

- By 36.3% in extraction of crude petroleum and natural gas;
- Between 30.0% and 32.0% in forestry and logging (including fishing and aquaculture), real estate activities, warehousing and support activities for transportation;
- Between 17.5% and 24.0% in manufacture of coke and refined petroleum products, sewerage, water transport, manufacture of other transport equipment, telecommunications, manufacture of other non-metallic mineral products, repair and installation of machinery and equipment, electricity, gas, steam and air conditioning supply;
- Between 14.5% and 16.5% in manufacture of basic pharmaceutical products and pharmaceutical preparations, manufacture of beverages, financial service activities (except insurance and pension funding), motion picture, video and television programmes production (including sound recording and music publishing activities; programming and broadcasting activities), mining support service activities, manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms.

**Decreases** of the **average net earnings** as against the previous month were caused by occasional bonuses, payments in kind and other allowances, amounts from the net profit and other funds granted in November.

The most significant decreases of the average net earnings have been recorded in manufacture of rubber and plastic products (-4.1%), respectively in manufacture of motor vehicles, trailers and semitrailers (-2.7%).

In the **budgetary sector**<sup>3</sup> were registered increases of the average net earnings as against the previous month in health and social assistance (+20.2%), respectively in public administration (+4.5%) following the application of legal basis<sup>4</sup> on the remuneration of the personnel paid from public funds. In education, the average net earnings decreased (-4.9%) as a result of the school holiday and the reduction of the amounts representing the hourly payments of teaching staff.

#### **Additional Information:**

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:

- on-line accessing TEMPO database (starting with 13<sup>th</sup> February 2017):
   http://statistici.insse.ro/shop/index.jsp?page=tempo2&lang=en&context=15
- from the Monthly Statistical Bulletin no. 12/2016.

The next press release on the average monthly earnings will be issued on March 13th, 2017.

Press release archive: <a href="http://www.insse.ro/cms/en/comunicate-de-presa-view">http://www.insse.ro/cms/en/comunicate-de-presa-view</a>

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

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

<sup>&</sup>lt;sup>4</sup> Law No. 250/2016 approving the GEO no. 20/2016 concerning the modification and completion of the GEO no. 57/2015 regarding the personnel paid from public funds in 2016, the extension of certain time limits, some tax-budgetary measures as well the modification and completion of some legislative acts.