Area: Labour Market

THE AVERAGE MONTHLY LABOUR COST\(^1\) WAS 4573 LEI/EMPLOYEE IN 2018

- The average monthly gross earnings\(^2\) by total economy were 4357 lei in 2018.

  The average monthly net earnings by total economy were 2642 lei, increasing by 13.0% (+304 lei) as against the previous year.

- Monthly, employers spent an average of 4573 lei/employee.

- The average number of employees in 2018 was 5068.1 thousand persons, increasing with 122.2 thousand persons compared to the previous year.

- The number of employees at December 31\(^{st}\) 2018 was 5426.3 thousand persons, higher with 63.9 thousand persons compared to the end of the previous year.

The average monthly earnings

In 2018, the highest average monthly net earnings, above the mean value by the total economy, were registered in: information and communication (+96.9%), financial and insurance activities (+71.5%), public administration (+66.8%), electricity, gas, steam and air conditioning supply (+44.4%), mining and quarrying (+43.4%), professional, scientific and technical activities (+31.0%), human health and social work activities (+28.2%), respectively education (+6.8%).

Average monthly gross and net earnings by economic activities, in 2018

[Graph data (xls)]
The lowest values of the average monthly net earnings compared to the mean value by total economy were in: accommodation and food service activities (-40.8%), other service activities (-33.7%), construction (-27.2%), administrative and support service activities (-21.4%), real estate activities (-19.6%), agriculture, forestry and fishing (-19.1%), water supply; sewerage; waste management and remediation activities (-15.9%), wholesale and retail trade (-15.7%), arts, entertainment and recreation (-15.4%), manufacturing (-11.4%), transportation and storage (-7.3%).

The real earnings index (expressed as ratio of the net nominal earnings index and the consumer price index of the population) was 196.9% in 2018 compared to 1990, higher by 14.6 percentage points compared to the previous year, respectively by 66.6 percentage points compared to 2008.

Women earned, on average, with about 2% less than men, having the monthly gross earnings of 4314 lei (compared to 4395 lei for men) and the monthly net earnings of 2615 lei (compared to 2666 lei for men).

Men had higher monthly net earnings compared with the ones of women, in almost all economic activities, the most significant differences (over 15.0%) being registered in: financial and insurance activities (39.4%), manufacturing (23.0%), other service activities (21.0%), information and communication (20.0%) and wholesale and retail trade (19.2%).

In territorial profile, by counties, the average monthly net earnings in 2018 were below the average on total economy in 37 counties.

The lowest levels of the average earnings were registered in Bistrița-Năsăud (2044 lei, by 22.6% less than the average on total economy), Harghita (2059 lei, by 22.1% less than the average on total economy), Teleorman (2079 lei, by 21.3% less than the average on total economy), respectively Neamț and Vrancea (2083 lei each, by 21.2% less than the average on total economy).

The average number of employees

In 2018, the average number of employees was 5068.1 thousand persons, with 122.2 thousand persons more compared to the previous year.

The majority of employees are men (2671.0 thousand persons, respectively 52.7% of the total average number of employees). Compared to the previous year, the average number of male employees increased by 71.7 thousand persons while that of female employees increased by 50.5 thousand persons.

The distribution of the employees by economic sectors shows that most of them were in the tertiary sector (services), their share being 62.4% in 2018. In the secondary sector (industry and construction) worked 35.2% of the employees and in the primary sector (agriculture, forestry and fishing) only 2.4%.
The distribution of employees by gender, within each economic activity, in 2018

The activities of construction and mining and quarrying are performed mostly by men, they represent 86.6%, respectively 83.6% of the total numbers of employees belonging to these activities.

The activities performed mostly by women are in human health and social work activities (79.9% of the total number of employees belonging to these activities), education (72.0%), financial and insurance activities (70.3%), accommodation and food service activities (60.4%).

As compared to 2017, significant increases of the average number of employees registered in economic activities: wholesale and retail trade (+28.0 thousand persons), human health and social work activities (+14.0 thousand persons), professional, scientific and technical activities (+13.3 thousand persons), respectively information and communication (+12.0 thousand persons).

At the opposite side, decreases of the average number of employees were in mining and quarrying (-2.5 thousand persons) and education (-1.4 thousand persons).

**The number of employees at December 31st, 2018**

The number of employees at the end of 2018 was 5426.3 thousand persons. As compared to the end of 2017, the number of employees registered an increase of 63.9 thousand persons.

In **territorial profile**, the number of employees increased in all development regions, as compared to the end of 2017.

The most significant increases of the number of employees at the end of the year were registered in the regions: Bucharest-Ilfov (+26.9 thousand persons), South-West Oltenia (+10.5 thousand persons), respectively North-East (+10.4 thousand persons). In Bucharest-Ilfov are concentrated almost 22% from the total number of employees.

The development regions where the primary sector exceeds the average share of the country (2.4% per total economy) are: South-Muntenia (4.0%), South-East (3.8%), North-East (3.2%), West (2.8%) and South-West Oltenia (2.7%).

The development regions that concentrate a significant part of the employees from the industry and construction sectors are: Centre, West, South–Muntenia, North–West and South–West Oltenia (42.6%, 42.5%, 40.0%, 39.4%, 37.7% compared to 34.8% the country average).

The highest proportion of the employees in the commercial services was found in Bucharest–Ilfov region (62.3% compared to 43.4% the country average) and in the social services sector, the highest proportion was registered in the North–East region (26.1% compared to 19.4% the country average).
At the end of 2018, the majority of employees was in the private companies (76.0%) and registered an increase of 1.3% compared to the previous year.

The distribution of employees by legal status of the enterprises shows that the employees in the commercial companies were 79.8% in the number of employees, increasing by 1.7% compared to the previous year.

Additional Information:

For an accurate interpretation of the indicators, please see the Methodological notes attached to the press release on the homepage.

1) The average monthly labour costs were calculated by dividing the unit expenditure for the paid labour to the average number of employees and to the number of the months of the year.

2) According to the national legislation provisions in force (GEO No. 79/2017, as subsequently amended and supplemented), the social security contribution and the social health insurance contribution paid by the employer were transferred to the employee; thus, starting with the reference year 2018, these contributions are borne entirely by the employee, and reflected in the gross amount of the nominal earnings. Consequently, the indicator "average monthly gross earnings" produced and disseminated starting with the reference year 2018 is no longer comparable to previous data series. These legal provisions do not affect the data series comparability for the "average monthly net earnings".

The average monthly gross and net earnings, the average monthly labour cost, the average number of employees and the number of employees at the end of the year are presented in the Annex.

Additional information can be obtained from:
- TEMPO on-line database, Domain A.4 Labour Force:
  http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table
- the statistical publication „Earnings and Labour Costs in 2018”, available for users starting with October 17th 2019.

Next press release will be issued in September 2020. Press release archive:
http://www.insse.ro/cms/en/comunicate-de-presa-view

Directorate of Communication:
E-mail: biroupresa@insse.ro  Tel: +4021 3181869