

Earnings	Slovenian Economic Mirror	IMAD
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Gross wage per employee, growth index	Wages in SIT April 2003	In nominal terms		In real terms ¹	
		Apr 2003/ Mar 2003	Jan-Apr 2003/ Jan-Apr 2002	Apr 2003/ Mar 2003	Jan-Apr 2003/ Jan-Apr 2002
Gross wage per employee, total	246,928	101.3	108.1	100.8	101.9
Private sector (activities A to K)	225,467	101.9	108.3	101.4	102.1
A Agriculture	204,713	103.4	106.6	102.9	100.5
B Fisheries	188,682	100.6	109.1	100.1	102.9
C Mining and quarrying	296,264	102.7	109.4	102.2	103.1
D Manufacturing	205,119	101.8	108.1	101.3	101.9
E Electricity, gas and water supply	281,783	102.0	107.6	101.5	101.4
F Construction	199,433	101.8	108.0	101.3	101.8
G Wholesale, retail; certain repairs	217,630	101.8	107.6	101.3	101.4
H Hotels and restaurants	183,333	101.3	106.4	100.8	100.3
I Transp., storage and communicat.	259,029	100.0	109.9	99.5	103.6
J Financial intermediation	355,883	103.9	107.9	103.4	101.7
K Real estate, renting	268,920	102.3	108.3	101.8	102.1
Public services (activities L to O)	307,926	100.1	107.1	99.6	100.9
L Public administration	317,425	100.1	110.0	99.6	103.7
M Education	303,391	100.0	106.7	99.5	100.5
N Health services and social work	305,844	100.0	104.9	99.5	98.9
O Other social and personal services	300,676	100.8	105.0	100.3	99.0

Source of data: SORS, private sector and public services wages calculated by the IMAD.

Note: ¹deflated by the consumer price index (December 1998=100).

In **April**, the gross wage per employee rose by 1.3% in nominal and 0.8% in real terms.

In the **private sector (activities from A to K)**, the gross wage per employee rose slightly more than in March, up 1.9% in nominal terms, mainly as a result of the longer working month. All activities of the private sector recorded both nominal and real wage growth, except transport, storage and communications. In **industry and construction (activities C, D, E and F)**, where wage growth was the strongest in March, the gross wage per employee rose by 1.8% in nominal terms in April, the most in mining. The gross wage per employee rose for the first time this year in **production services (activities G, H and I)**. In **business services (activities J and K)**, the gross wage per employee climbed by 2.9% in nominal terms, the most out of all private-sector activities.

In **public services (activities L to O)**, the gross wage per employee stagnated in nominal terms. Stagnation at March's level was seen in all activities of the public sector, except in other community, social and personal services (only one-third of employees in this activity belong to the public sector). Stagnation in public-sector wages was anticipated because no rises were planned up until July, when wages in education will be raised by an agreed supplement of 3%.

In the **first four months**, the gross wage per employee rose by 1.9% in real terms compared to the same period last year. This suggests that **moderate wage growth was sustained and kept within the envisaged macroeconomic frameworks**. In the **private sector (activities from A to K)**, the gross wage per employee rose by 2.1% in real terms because of the strong wage growth in March and April resulting from more working days. Wage growth was in fact slightly below expectations. According to inflation figures for June, August's adjustment of the basic wage should be slightly higher than envisaged (2.5% + 0.7%) because consumer prices, excluding alcohol and tobacco, rose faster than anticipated while drafting the wages policy for 2002 and 2003 (the 'safety valve'). However, this will push August's wages up marginally. In **public services (activities from L to O)**, the gross wage per employee rose by 0.9% year on year in the first four months in real terms. Negotiations between the social partners about the possibility of replacing August's 2.4% adjustment with a uniform premium of collective supplementary pension insurance are still taking place. Negotiations are also taking place about the adjustment mechanism for 2004 and 2005. Employees whose gross wage is lower than the public sector's average gross wage (about 60% of employees) would benefit more from the uniform premium of collective supplementary pension insurance than from August's adjustment. If the social partners agree to adopt the uniform pension insurance premium instead of August's wage adjustment, the gross wage per employee in the public sector will climb by about 0.6% in real terms, close to one percentage point less than in the case of the adjustment.

Graph: **Monthly gross wage per employee, real terms**

