

Earnings	Slovenian Economic Mirror	IMAD
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Gross wage per employee, growth index	Wages in SIT December 2003	In nominal terms		In real terms ¹	
		Dec 2003/Nov 2003	Jan-Dec 2003/Jan-Dec 2002	Dec 2003/Nov 2003	Jan-Dec 2003/Jan-Dec 2002
Gross wage per employee, total	227,591	102.7	107.5	102.6	101.8
Private sector (activities A to K)	262,008	103.7	107.8	103.6	102.1
A Agriculture	229,614	104.3	105.5	104.2	99.9
B Fisheries	206,200	103.0	107.9	102.9	102.2
C Mining and quarrying	303,720	96.2	108.7	96.1	103.0
D Manufacturing	234,675	102.2	107.6	102.1	101.9
E Electricity, gas and water supply	339,028	96.3	108.2	96.2	102.5
F Construction	217,275	101.9	108.2	101.8	102.4
G Wholesale, retail; certain repairs	244,045	100.9	107.3	100.8	101.6
H Hotels and restaurants	205,049	101.6	106.2	101.5	100.6
I Transp., storage & communications	336,438	115.9	108.2	115.8	102.5
J Financial intermediation	481,026	117.7	109.1	117.6	103.3
K Real estate, renting, business service	299,842	98.8	107.5	98.7	101.8
Public services (activities L to O)	321,235	100.5	106.3	100.4	100.7
L Public administration	320,913	99.5	107.2	99.4	101.5
M Education	320,745	100.2	107.6	100.1	101.9
N Health services and social work	316,372	101.3	105.7	101.2	100.1
O Other social and personal services	336,706	102.2	104.6	102.1	99.0

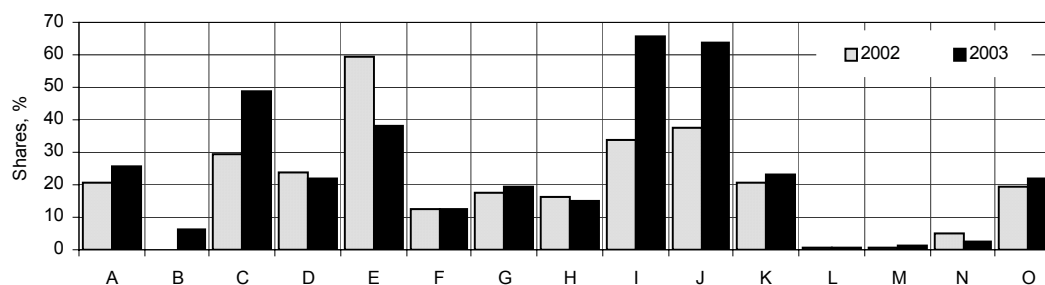
Source of data: SORS, private sector and public services wages calculated by the IMAD.
Note: ¹deflated by the consumer price index.

December's gross wage per employee rose by 2.7% in nominal and 2.6% in real terms over November. In the **private sector (activities from A to K)**, the gross wage per employee rose slightly more, going up by 3.7% in nominal terms. In addition to the '13th month's' pay and Christmas bonuses, December's base wages were adjusted by 1% in line with the Wages Policy Agreement for 2002-2004. Data show that the share of employees receiving the '13th month's' pay and Christmas bonuses increased. In November and December, this share was 20.6% compared to 18.7% of employees in 2002. Further, the share of these payments in the average wage increased from 5.0% in November and December 2002 to 5.2% in the same period of 2003. The gross wage per employee climbed the least in **industry and construction (activities from C to F)**, going up by 1.6% in nominal terms, and rising the most in manufacturing. The share of employees receiving the '13th month's' pay and Christmas bonuses only increased in mining, it shrank significantly in electricity, gas and water supply (from 60% in 2002 to 38% in 2003), and roughly stagnated in the other two activities. Wage growth was slightly stronger in **production services (activities G, H, I)**, with the gross wage per employee rising by 5.8% in nominal terms. Transport, storage and communications stood out because of the important increase in the share of employees who got the '13th month's' pay and Christmas bonuses in November and December (up from 33.9% in 2002 to 65.8% in 2003). The gross wage per employee grew the most in **business services (activities J and K)**, rising by 7.9% in nominal terms. The surge seen in financial intermediation was due to bonuses paid at the end of the year as the share of employees receiving these payments increased markedly from 37.6% in 2002 to 63.7% to 2003. While the share of employees who get these bonuses generally ranges at around 20%, it tends to be much larger in infrastructure (activities E, I, J and K), exceeding 40%.

In **public services (activities from L to O)**, the gross wage per employee rose by 0.7% in nominal terms. Wage growth was slightly stronger in health activities, which was more due to performance-related pay than the '13th month's' pay and Christmas bonuses. The share of employees receiving these bonuses was 0.6% in the public administration, 1.4% in education, and 2.6% in health. The gross wage per employee climbed the most in other community, social and personal services, which mainly belongs to the private sector, and where the share of employees who got the '13th month's' pay and Christmas bonuses was about 20%.

In **2003**, the gross wage per employee rose by 7.5% in nominal terms over the year before. With consumer prices growing by 5.6%, wages rose by 1.8% in real terms. In the **private sector**, the gross wage per employee climbed by 7.8% in nominal and 2.1% in real terms. In **public services**, on the other hand, the gross wage per employee rose by 6.3% in nominal and 0.7% in real terms. Given the estimated labour productivity growth (the IMAD's autumn forecasts), wages policy's objective of keeping wage growth one percentage point behind labour productivity growth was fulfilled. Another goal that the gross wage per employee should rise less in the public sector than the private sector was also realised.

Graph: **Share of employees receiving the '13th month's' pay and Christmas bonuses by activities**



Source of data: SORS.