

In the 3rd quarter, year-over-year growth in average wages and salaries continued to accelerate

According to Statistics Estonia, in the 3rd quarter of 2017, the average monthly gross wages and salaries were 1,201 euros, having increased 7.4% compared to the 3rd quarter of 2016. The year-over-year growth in wages and salaries accelerated for the second consecutive quarter.

The average monthly gross wages and salaries were 1,201 euros in July, 1,180 euros in August and 1,224 euros in September. Compared to the previous quarter, the average monthly gross wages and salaries decreased 3.3%, mainly due to a decrease in irregular bonuses and premiums.

In the 3rd quarter of 2017, irregular bonuses and premiums per employee were 25% higher than in the 3rd quarter of 2016 and 28% lower than in the 2nd quarter of 2017. Without irregular bonuses and premiums, the average monthly gross wages and salaries increased 7.0% compared to the 3rd quarter of 2016.

The average hourly gross wages and salaries were 7.22 euros in the 3rd quarter of 2017, having decreased 3.7% compared to the previous quarter and increased 9.1% compared to the 3rd quarter of the previous year.

Real wages, which take into account the impact of the change in the consumer price index, continued to increase slower compared to the 3rd quarter of 2016 than the average monthly gross wages and salaries due to an increase in consumer prices. Compared to the 3rd quarter of 2016, real wages rose 3.7%, i.e. as much as in the previous quarter. Real wages have been increasing year-over-year since the second half of 2011.

In the 3rd quarter of 2017, the average monthly gross wages and salaries continued to be the highest in information and communication and in financial and insurance activities, respectively 2,109 and 1,914 euros. Compared to the 3rd quarter of 2016, the average monthly gross wages and salaries increased the most in mining and quarrying (12%), construction (12%) and in information and communication (12%). Over the course of a year, monthly gross wages and salaries increased in all economic activities except in agriculture, forestry and fishing (-1%) where the monthly gross wages and salaries remained relatively constant compared to the 3rd quarter of 2016.

In the 3rd quarter of 2017, the average monthly gross wages and salaries were the highest in foreign private sector enterprises (1,428 euros) and in state institutions and enterprises (1,396 euros). Also the year-over-year growth in average monthly gross wages and salaries was the fastest in these enterprises and institutions, respectively 8.9% and 9.1%. The monthly gross wages and salaries were the lowest in local government organisations (924 euros), with a year-over-year increase of 8.5%, and in Estonian private sector enterprises (1,110 euros) with a year-over-year increase of 6.3%.

In the 3rd quarter of 2017, by county, the average monthly gross wages and salaries were the highest in Harju (1,337 euros) and Tartu (1,199 euros) counties and the lowest in Hiiu (879 euros) and Saare (862 euros) counties. The year-over-year growth of monthly gross wages and salaries was the fastest in Rapla (14%), Ida-Viru (11%) and Põlva (11%) counties and the slowest in Saare (1%), Hiiu (2%) and Lääne-Viru (3%) counties.

According to the Wages and Salaries Statistics Survey, the number of employees converted to full-time equivalent units decreased 1.2% compared to the previous quarter and increased 4.1% compared to the 3rd quarter of 2016. The biggest year-over-year increase in the number of employees in full-time equivalent units occurred in real estate activities (25%), administrative and support service activities (16%) and in agriculture, forestry and fishing (14%). The number of employees in full-time equivalent units decreased in professional, scientific and technical

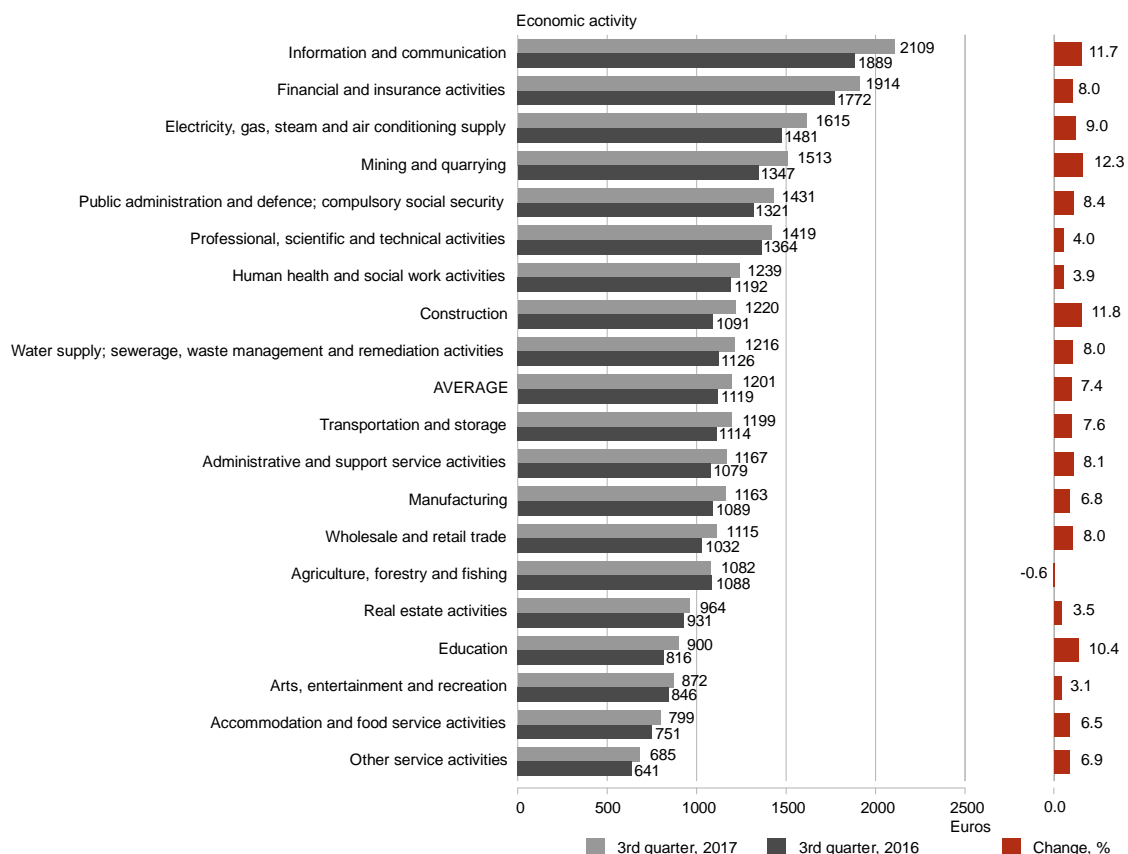
activities (-5%), transportation and storage (-3%) and in public administration and defence; compulsory social security (-3%). Over the course of a year, the number of employees converted to full-time equivalent units increased 6% in the private sector and remained at the level of the 3rd quarter of 2016 in the public sector.

In the 3rd quarter of 2017, the average monthly labour costs per employee were 1,618 euros and the hourly labour costs 11.42 euros. Compared to the 3rd quarter of 2016, the average monthly labour costs per employee increased 7.3%.

Average monthly gross wages and salaries per employee and change, 1st quarter 2015 – 3rd quarter 2017

Year	Quarter	Average monthly gross wages and salaries, euros	Change compared to the same quarter of the previous year, %
2015	I	1,010	4.5
	II	1,082	5.8
	III	1,045	6.9
	IV	1,105	6.4
2016	I	1,091	8.1
	II	1,163	7.6
	III	1,119	7.1
	IV	1,182	6.9
2017	I	1,153	5.7
	II	1,242	6.8
	III	1,201	7.4

Average monthly gross wages and salaries per employee and change by economic activity, 3rd quarter, 2016–2017



Statistics Estonia conducts the Wages and Salaries Statistics Survey on the basis of an international methodology since 1992. In 2017, the sample includes 12,349 enterprises, institutions and organisations. The average monthly gross wages and salaries have been given in full-time units to enable a comparison of wages and salaries irrespective of the length of working time. Calculations of the monthly gross wages and salaries are based on payments for time actually worked and remuneration for time not worked. The hourly gross wages and salaries do not include remuneration for time not worked (holiday pay, benefits,

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etc.). In short-term statistics, the average gross wages and salaries are measured as a component of labour costs. Labour costs include gross wages and salaries, employer's contributions and employer's imputed social contributions to employees.

The statistics are based on the questionnaire "Wages and salaries", the deadline of which was 18 October 2017. Statistics Estonia published the quarterly summary in 30 working days. For the statistical activity "Wages and salaries", the main representative of public interest is the Ministry of Economic Affairs and Communications, commissioned by whom Statistics Estonia collects and analyses the data necessary for conducting the statistical activity.

For further information:

Kai Maasoo
Leading Statistician
Enterprise and Agricultural Statistics Department
Statistics Estonia
Tel. +372 625 9327

More detailed data have been published in the [Statistical Database](#).