



Pay developments – 2009

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EIRO's annual analysis of pay trends finds that the average collectively agreed nominal wage increase across the EU fell from 5% in 2008 to 4.2% in 2009. In the former EU15, the average nominal increase declined from 3.8% in 2008 to 3.1% in 2009, while in the 12 new Member States that joined the EU since 2004 (NMS12), the average dropped from 7.1% in 2008 to 5.9% in 2009. By contrast, taking into account inflation (which fell steeply in 2009), the rate of real increase across the EU rose sharply, from 0.5% in 2008 to 2.9% in 2009. In the EU15, the real increase rose from 0.4% in 2008 to 2.4% in 2009. In the NMS, the real increase rose from 0.8% in 2008 to 3.9% in 2009. The report also examines collectively agreed pay increases in three selected sectors (chemicals, retail and the civil service), increases in minimum wages (as well as current rates), increases in average earnings, and the gender pay gap.

This annual report from the [European Industrial Relations Observatory \(EIRO\)](#), based mainly on contributions from its national centres, provides a broad indication of trends in pay increases over 2008 and 2009 across the current 27 EU Member States (EU27) and Norway (country groups are included in Annex 7). It looks at collectively agreed pay rises across the economy as a whole and in three selected sectors; national minimum wage increases and rates; gender pay differentials; and average rises in earnings.

The figures provided should be treated with great caution, and the various notes and explanations read with care, as pay is an area where meaningful international comparisons are particularly difficult to make. Differing national systems of wage formation, industrial relations, taxation and social security, and the divergent ways in which pay-related statistics are collected and presented, mean that it is hard to compare countries. This analysis therefore provides general indications of recent developments, drawing on varying national data sources, rather than a fully comparable or scientific set of data.

Average collectively agreed pay increases

Figure 1 provides data on average nominal collectively agreed basic pay increases in 23 countries (or a broadly equivalent indicator, where these are not available). Where possible, the figures cover the whole economy, albeit with some exceptions (see the notes below Figure 1). Data are not yet available for the whole of 2009 in a number of cases. Variations in the 2008 figures from those appearing in the EIRO pay update for 2008 ([TN0904029S](#)) are explained mainly by the replacement of provisional or partial figures with more reliable ones, plus in some cases changes in the data used, where more appropriate sources have been identified. In Figure 1 and subsequent charts, the data are sorted in order of increase from highest to lowest for 2009. If there is no 2009 figure, the country is ranked by its 2008 figure in comparison with the 2009 figures for the other countries.

No data are available on average collectively agreed pay increases in Estonia, Latvia, Lithuania, Luxembourg and Poland. In recent years, the annual EIRO pay updates have included information for these countries in the 'average collectively agreed pay increases' section based on increases in average wages, as measured in official surveys, for the purposes of giving some indication of trends across the whole EU. However, this practice has been discontinued in this update, with its inherent problems exacerbated by the current economic downturn (which has resulted in falls in average monthly wages/earnings in Estonia, Latvia and Lithuania – see below under 'Average earnings'). Furthermore, collective bargaining plays a relatively minor role in overall pay setting in Estonia, Latvia, Lithuania and Poland, owing to its limited coverage.

In the 23 countries included in Figure 1, the role of collective bargaining in pay determination, while significant, differs widely ([TN0808019S](#)): the various bargaining levels (intersectoral, sectoral and company) play different parts, while the importance of collective agreements in wage setting differs considerably between economic sectors and groups of workers. These differences

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in national pay formation and industrial relations systems are illustrated by the varying ways in which the increases referred to in Figure 1 are arrived at, and mean that there are limitations in some of the indicators used.

The figure for Greece refers to increases in the minimum wage rates set out in a national intersectoral agreement. No data are available for average increases in collective agreements concluded at sector and company level, which may be higher. Similarly, the figure for Romania refers to increases in the national minimum wage set by national tripartite intersectoral agreement, and no average figure is available for increases in industry-specific minimum wages set by sectoral agreements, which may be higher. By contrast, in Ireland, until 2008, national intersectoral agreements set the actual pay increase to be applied by company agreement at unionised workplaces, and this figure is used in Figure 1. However, these arrangements broke down in 2009 and the average pay increase awarded in company-level bargaining is unknown. For Bulgaria, the figure given for 2008 is the national wage increase recommendation agreed by the social partners in the private sector, as no data are available on average collectively agreed pay increases at sector level. No national recommendation was agreed in 2009.

For almost all other countries, the figures given in Figure 1 are averages of various sorts, and in some countries these may not give the full picture. In countries such as Austria, France and Italy, the figures given are averages based on the pay increases in sectoral agreements, but do not include the effect of the company-level bargaining that builds on these increases in some enterprises (by contrast, the figures for Norway include both sectoral and company-level increases). In Denmark, no data are available for the average increases in sectoral agreements, so the figures used refer to the agreement for industry, which generally sets the trend for bargaining rounds. However, this agreement, like many in Denmark, sets only minimum rates, with subsequent local bargaining producing further increases that are not reflected in the figure given. In the Czech Republic, the figures given refer only to increases in enterprise-level collective agreements, which generally build on rises agreed in sectoral agreements where these exist.

In cases such as Bulgaria (2008), the Czech Republic, Greece, Ireland (2008), Malta, Portugal and Slovenia, only separate figures for average pay increases in the private and public sectors are available. The private sector figures are given in Figure 1, with the public sector data provided, where available, in the notes to the figure.

An overview by EIRO of the wage formation and pay bargaining systems in the various countries is available ([TN0808019S](#)).

Nominal pay increases

As shown in Figure 1, the average collectively agreed nominal pay increase in the EU countries for which data are available (that is, excluding Estonia, Latvia, Lithuania, Luxembourg and Poland) fell from 5% in 2008 to 4.2% in 2009 (although the 2009 average is of a smaller number of countries, with Bulgaria, France and Ireland excluded). Including Norway in the calculation increases the average rise by 0.1 percentage points in 2008 and leaves it unchanged in 2009. In 2008, increases ranged between 15.9% in Romania and 1.8% in Malta, while in 2009 the range was between 17.6% in Romania and 1.8% in Malta.

Substantial differences in pay increase levels persist between the 15 pre-2004 Member States (the EU15) and the post-2004 new Member States (NMS). Increases in the EU15 (minus Luxembourg in both years and France and Ireland in 2009) were at considerably lower levels than in the EU as a whole, with the average rise standing at 3.8% in 2008 and 3.1% in 2009 (the addition of Norway increases the figure by 0.2 percentage points in 2008 and 0.1 points in 2009). In the NMS for which data are available (eight in 2008 and seven in 2009), the average rate of increase was considerably higher, at 7.1% in 2008 and 5.9% in 2009. The figure for the eurozone (including

Slovakia from 2009, but excluding France and Ireland in 2009) was 0.1 points higher than the EU15 average in both 2008 and 2009.

Pay increases in the two countries that joined the EU in 2007, Bulgaria and Romania, were in double digits in 2008, as they were in 2009 in Romania (no 2009 information is available for Bulgaria); far higher than in the other countries for which data are available. Removing these two countries from the calculation would reduce the EU average increase to 4.1% in 2008 and 3.6% in 2009.

The differential between the EU15 and the NMS remained unchanged from 2008 to 2009 – average rises in the NMS were 1.9 times higher than in the EU15 in both years.

Although agreed pay increases in the NMS were on average around twice as high as in the EU15 in both years, there were exceptions within each group. For instance, pay rises in Greece, Finland and Ireland were far ahead of the EU15 average in 2008 (as was the case in Norway), and remained so in 2009 in Greece. Among the NMS, Cyprus and Malta had pay increases below EU15 average levels in both years, while those in Slovenia and the Czech Republic were also relatively low in 2009.

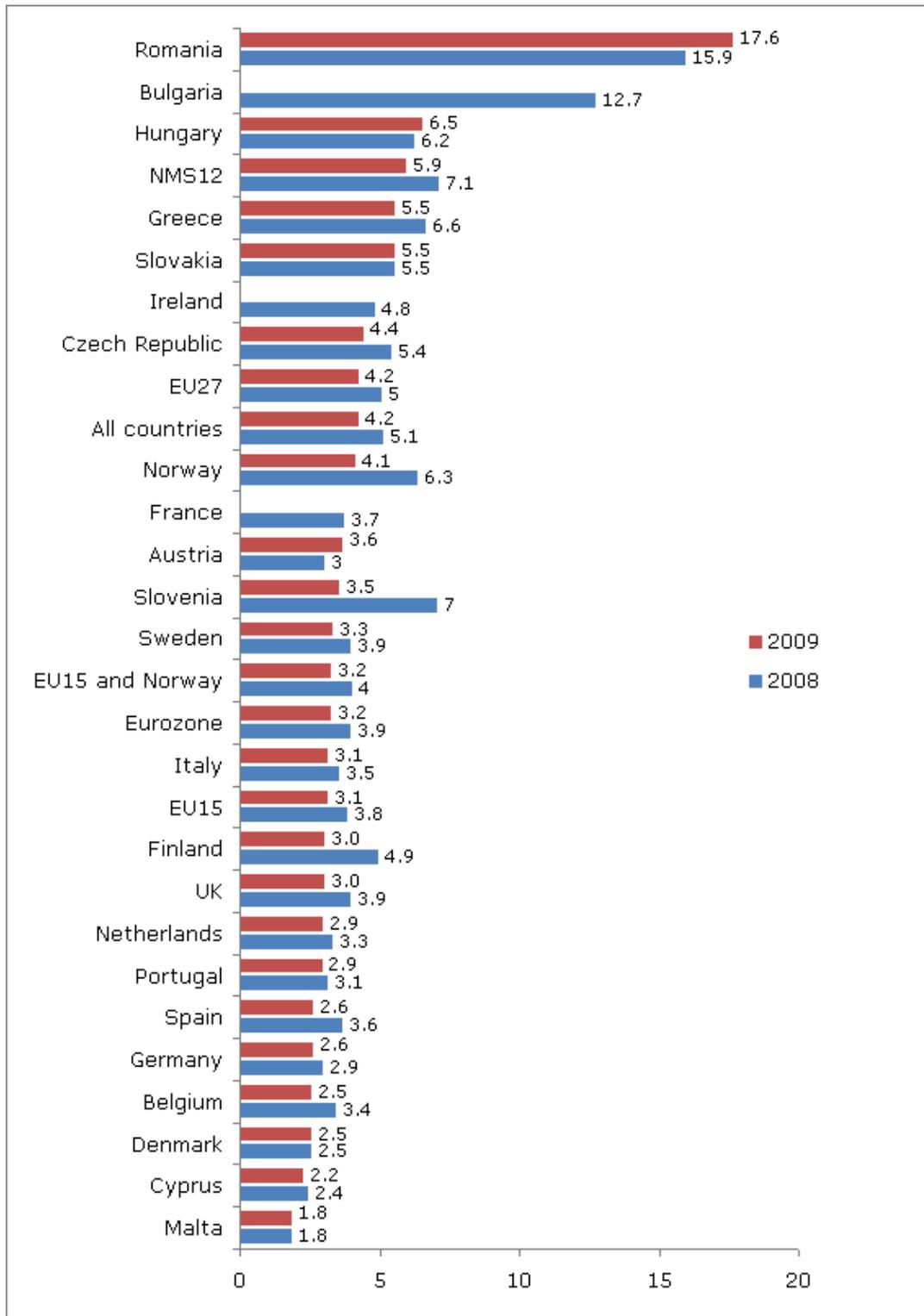
Among the 20 countries for which figures are available for both years, the rate of increase fell between 2008 and 2009 in 14 cases, remained unchanged in three (Denmark, Malta and Slovakia) and rose in three (Romania, Austria and Hungary). The downward trend was sharpest in Slovenia, followed by Norway and Finland.

The economic downturn affected the whole of Europe during 2009, although the depth, length and timing of its effects varied considerably. It was undoubtedly a factor in the 0.8 percentage point fall in average collective agreed nominal pay increases across the EU between 2008 and 2009 (0.7 points in the EU15 and 1.2 points in the NMS).

An indication of the duration and depth of the recession during 2009 is provided by data from Eurostat on quarterly gross domestic product (GDP) growth rates during the year ([Eurostat news release 34/2010, 15Kb PDF](#)). The downward trend in pay increases between 2008 and 2009 was most severe in several of the countries where the recession was deepest, such as Slovenia (and probably Ireland too, though no accurate figure is available for the 2009 increase), although no agreed pay increase data are available for the countries with the most severe recessions – Estonia, Latvia, Lithuania. Average agreed wage increases held up relatively well or rose in some countries where the recession was shallowest, as in Cyprus, Malta and Portugal, or ended soonest, as in the Czech Republic, Germany and Slovakia. However, there was generally no simple correlation between the severity of the recession and the degree of pay moderation, with agreed increases falling back only slightly in some countries suffering protracted and deep downturns, such as Hungary and Spain. In a number of cases, pay increases in 2009 were still largely determined by collective agreements concluded before the downturn took effect – examples include Denmark, Finland, Greece, Romania and Sweden. Another factor that should be taken into consideration is that the statistics used in Figure 1 exclude the public sector in some countries, such as Greece and Slovenia, where public sector pay was frozen in 2009 (see below under ‘Collectively agreed pay increases by sector’).

Overall, the picture is that collectively agreed pay rises moderated in 2009, but perhaps to a lesser degree than might have been predicted, given the scale of the economic crisis. Average collectively agreed nominal rises did not fall back at all in six countries and, among the 14 other countries, the fall in the rate of increase exceeded 1 percentage point in only three cases. However, while the downturn may have had only a relatively limited impact on increases in agreed pay rates, workers’ actual earnings were more severely affected – see below under ‘Average earnings’.

Figure 1: Average collectively agreed pay increases, 2008 and 2009 (%)



Average collectively agreed pay increases, 2008 and 2009 (%)

Notes on averages: 'all countries' refers to 23 countries in 2008 and 20 countries in 2009; 'EU27' refers to 22 countries in 2008 and 19 countries in

2009; 'EU15' refers to 14 countries in 2008 and 12 countries in 2009; 'EU15 and Norway' refers to 15 countries in 2008 and 13 countries in 2009; 'NMS12' refers to eight countries in 2008 and seven countries in 2009; 'eurozone' refers to 14 countries in 2008 and 13 countries in 2009.

The data in Figure 1 should be read in conjunction with the notes in Annex 1. See Annex 7 for a breakdown of country groupings.

Source: EIRO

Longer-term trends in nominal increases

Providing a somewhat longer-term perspective, Table 1 outlines the average agreed pay rises in various groups of European countries between 2005 and 2009. Regarding the data for 2008 and 2009, Estonia, Latvia, Lithuania, Luxembourg and Poland are not included.

In the current EU as a whole (including Bulgaria and Romania before their accession in 2007), the average rate of increase rose very slightly from 2005 to 2006, before rising more sharply in 2007, slowing in 2008 and falling back in 2009 to slightly above the 2006 level (the picture is unchanged if Norway is included). The trend differed somewhat between the EU15 and the NMS (again including Bulgaria and Romania before their accession). In the former group of countries, the average rate of increase climbed slowly from 2005 to 2007 before rising sharply in 2008 and dropping back in 2009 (this trend was broadly mirrored in the eurozone). In the NMS, the upward surge in 2007 was more substantial, but the average rate of increase started falling in 2008, earlier than in the EU15, and the moderation in 2009 was more notable.

In 2005, the average increase in the NMS was 2.1 times higher than in the EU15. This differential fell back very slightly to 2 in 2006 before rising to 2.4 in 2007. It slipped to 1.9 in 2008 and remained at that level in 2009. Over the period, average collectively agreed increases in the NMS were, on average, around twice those in EU15.

EIRO data for the EU15 (plus Norway) go back as far as 2000 (the pre-2008 data include Luxembourg). Following a peak in 2001, the average rate of increase fell fairly steadily until 2005–2006 and then rose quite sharply, reaching its highest level of the decade in 2008, before falling back to around the 2006 level in 2009. Over this period, the trend in the eurozone was similar, with annual average increases varying little (by no more than 0.3 percentage points in any year) from the EU15.

Table 1: Average collectively agreed pay increases, 2005–2009 (%)

	2005	2006	2007	2008	2009
All countries	3.9	4.0	4.8	5.1	4.2
EU27	3.9	4.0	4.8	5.0	4.2
EU15	2.8	2.9	3.2	3.8	3.1
NMS12	5.8	5.9	7.6	7.1	5.9
Eurozone	2.8	2.9	3.0	3.9	3.2

Notes on averages: 'all countries' refers to 23 countries in 2005–2008 and 20 countries in 2009; 'EU27' refers to 22 countries in 2005–2008 and 19 countries in 2009; 'EU15' refers to 14 countries in 2005–2008 and 12 countries in 2009; 'NMS12' refers to eight countries in 2005–2008 and seven countries in 2009; 'eurozone' refers to 11 countries in 2005 and 2006, 12 countries in 2007, 14 countries in 2008, and 13 countries in 2009.

Source: EIRO

Average nominal increases 2005–2009

Averaging the annual nominal increases over the five-year period 2005–2009, the 23 countries can be divided into:

- 'very high' nominal pay-increase countries – those where agreed rises averaged 10% or over. These are the two newest Member States, Bulgaria and Romania;
- 'high' nominal pay-increase countries – those where agreed rises averaged 5%–10%. These are two NMS – Hungary and Slovakia – plus Greece. The NMS average (for those countries for which data are available) over the period stood at 6.5%;
- 'medium' nominal pay-increase countries – those where agreed rises averaged 3%–5%. These are mainly EU15 countries – Ireland, Spain, the UK, Finland, Sweden and France (plus Norway) – plus the Czech Republic and Slovenia. The EU15 average (for those countries for which data are available) over the period stood at 3.2% and the EU27 average (for those countries for which data are available) at 4.4%;
- 'low' nominal pay-increase countries – those where agreed rises averaged 2%–3%. With the exception of the two 'Mediterranean' NMS, Malta and Cyprus, these are all EU15 countries – Italy, Portugal, Austria, Denmark, Belgium, Germany and the Netherlands.

Over the five-year period, few countries displayed a clear trend in nominal pay increases, with most varying up and down from year to year. Exceptions include a consistent upward trend until 2008 in the Netherlands, Norway and Sweden.

In terms of the size of the variations in annual pay increases over 2005–2009, the countries with the greatest stability were Portugal, Denmark, Slovakia, Cyprus and the UK (in all cases, the variation between the highest and lowest annual increases was 1 percentage point or less), while the least stable were Romania and Slovenia (variations of over 4 percentage points).

Real pay increases

Figure 1 refers to nominal collectively agreed pay increases. To provide an indication of real pay increases, Figure 2 adjusts the increases for inflation, subtracting the annual percentage national increase in the Harmonised Index of Consumer Prices (HICP) for 2008 and 2009, as calculated by Eurostat and reported in the [European Central Bank Statistics Pocket Book \(440Kb PDF\)](#) (for

Norway, the figures used are the average annual increases in the national Consumer Prices Index).

For the EU as a whole, the inflation rate fell sharply from 3.7% in 2008 to 1% in 2009. The eurozone saw an even greater drop, from 3.3% to 0.3%. The effect of this steep fall in prices was to increase the average collectively agreed real pay rise across the EU countries for which data are available (22 in 2008 and 19 in 2009) from 0.5% in 2008 to 2.9% in 2009 (the 2008 average increases by 0.1 percentage points if Norway is included, while the 2009 average remains the same). This rise of 2.5 percentage points contrasts with the fall of 0.8 points in nominal pay increases.

In 2008, real increases ranged between 8% in Romania and -2.9% in Malta. Inflation equalled or outstripped the nominal pay rise in eight countries – Malta, Cyprus, Belgium, Denmark, the Czech Republic, Spain, Austria and Italy – and workers in only seven countries (Romania, Norway, Greece, Ireland, Slovakia, Slovenia and the Netherlands) saw a real pay increase of over 1%. However, despite the general decline in nominal pay rises, the steep fall in inflation in 2009 resulted in real pay rises ranging from 12% in Romania to zero in Malta, which was the only country without a real collectively agreed pay increase. The real increase exceeded 1% in all countries apart from Malta and the UK. Deflation in Portugal and Spain added to the nominal pay rises in these countries.

In the EU15 (data available for 14 countries in 2008 and 12 in 2009), the average real agreed increase stood at 0.4% in 2008 and rose to 2.4% in 2009 (0.5% and 2.2% respectively, if Norway is included). This 2-point rise contrasted sharply with a 0.7-point fall in nominal increases in the EU15 from 2008 to 2009. Real wage increases in the EU15 were 0.1 percentage points lower than the level in the whole EU27 in 2008, and the gap widened to 0.5 points in 2009.

In the NMS for which data are available (eight in 2008 and seven in 2009), the average real increase was higher than in the EU15 in both years, at 0.8% in 2008 and 3.9% in 2009, and the year-to-year rise was larger, at 3.1 percentage points. This contrasted with a fall of 1.2 points in the NMS nominal average.

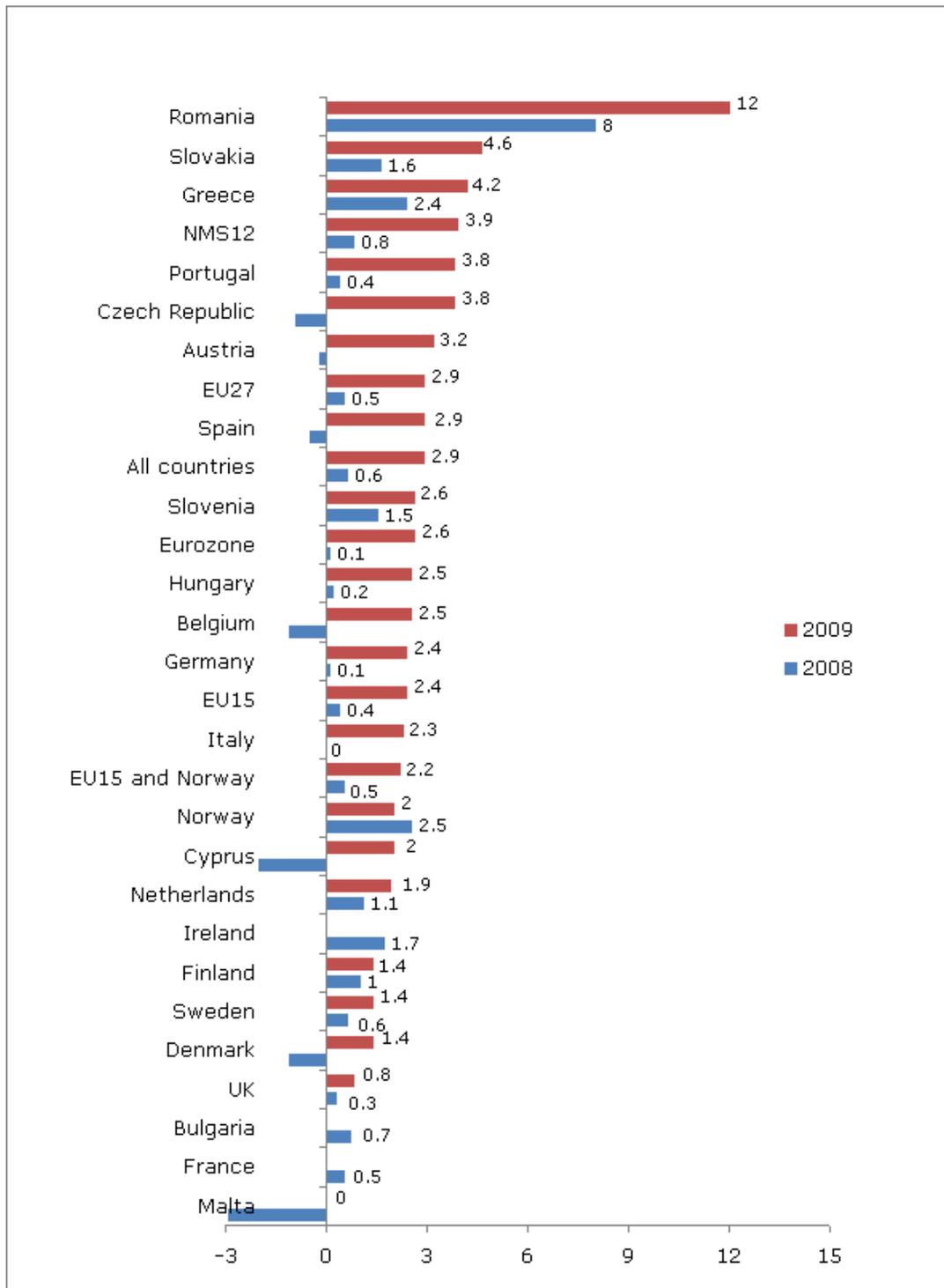
The average real pay increase for the eurozone (data available for 14 countries in 2008 and 13 in 2009) was only 0.1% in 2008, considerably lower than the EU15 average, but rose to 2.6% in 2009, which was slightly higher than the figure for the EU15.

The overall picture of real pay rises in 2008 and 2009 differs somewhat from that for nominal increases. In the EU as a whole, the rate of real increase rose sharply from 2008 to 2009, while the nominal rate fell. Both the rise in average real increase and the fall in the average nominal increase were greater in the NMS than in the EU15, and from higher levels. The average real wage increase in the NMS was twice that in the EU15 in 2008 and 1.6 times higher in 2009. These differentials did not differ greatly from those for nominal wage increases.

By no means all NMS had higher real agreed pay increases than EU15 countries. Among the NMS, real pay increases were below the EU15 average level in Malta, Cyprus, the Czech Republic and Hungary in 2008, and in Malta and Cyprus in 2009. The overall NMS average is pushed up considerably by the high level of increase in Romania. In the EU15, Ireland, the Netherlands and Finland had well above average real pay rises in 2008 (along with Norway), as did Greece, Portugal and Austria in 2009.

In terms of trends in real pay rises, the rate of increase, following the average trend, rose between 2008 and 2009 in all countries except Norway, where it fell slightly. The largest rises were in the Czech Republic, Cyprus and Romania (more than 4 percentage points) and the smallest in Finland, the UK, the Netherlands and Sweden (less than 1 percentage point).

Figure 2: Average collectively agreed pay increases, adjusted for inflation, 2008 and 2009 (%)



Average collectively agreed pay increases, adjusted for inflation, 2008 and 2009 (%)

Notes on averages: 'all countries' refers to 23 countries in 2008 and 20 countries in 2009; 'EU27' refers to 22 countries in 2008 and 19 countries in

2009; 'EU15' refers to 14 countries in 2008 and 12 countries in 2009; 'EU15 and Norway' refers to 15 countries in 2008 and 13 countries in 2009; 'NMS12' refers to eight countries in 2008 and seven countries in 2009; 'eurozone' refers to 14 countries in 2008 and 13 countries in 2009.
Source: EIRO

Collectively agreed pay increases by sector

While the previous section included developments across the whole economy, figures are provided below for collectively agreed pay increases in three sectors: selected to represent the manufacturing industry (chemicals), services (retail) and the public sector (the central civil service) respectively. While these more specific figures are probably more accurate than the overall average increases given in the previous section, caution is again advised in their use, and attention should be paid to the information in the notes to each figure.

Factors that should be borne in mind when comparing the sectoral wage increase figures, often reflecting differences in national industrial relations systems, include the following:

- the figures have been arrived at in a number of ways – usually the basic increase provided for in the most recent relevant sectoral agreement, but also in some cases through producing an average of a number of settlements at company or subsectoral level (as in chemicals in Bulgaria, Cyprus, the Czech Republic, Luxembourg and the Netherlands, in Dutch and Portuguese retail, and in all sectors in the UK);
- the definitions of sectors, and the structure of sectoral bargaining, vary considerably from country to country, so like is not always being compared with like;
- the extent to which actual pay reflects the collectively agreed increases referred to varies, with bonuses and additional payments of various sorts featuring more strongly in some countries than others;
- pay rises are not always fully consolidated, with the use of one-off payments featuring in some cases (such as Austrian and Luxembourg chemicals, Belgian retail, and the Greek and Luxembourg civil service). Furthermore, increases may be awarded as a fixed cash amount (per month, hour, etc.), which will result in a differing percentage increase in the pay of workers on differing wage rates (as in Belgian chemicals and retail). These payments are given a crude percentage value in Figures 3–5, where possible;
- automatic pay indexation may account for a considerable part of the pay increases recorded (as in Belgium and Slovenia);
- the relative roles of sectoral and company bargaining are an important factor, with the sectoral agreements referred to in countries such as Italy and Denmark (and Belgian chemicals) generally providing only for minima, with subsequent lower-level bargaining;
- the dates when the various collective agreements, and the relevant pay increases, come into force vary considerably and often do not run from the beginning of the calendar year;
- in some countries multi-year agreements apply (as in Belgium, Denmark, Finland, Italy or Sweden) with the pay increases not always being paid in equal tranches, distorting the annual figures;
- only one category of workers may be referred to in the tables where bargaining occurs separately for blue-collar and white-collar workers (for example, in Swedish retail), or for particular employee groups (as in the Swedish civil service), or where agreements provide different percentage increases for various employee groups (for example, for skilled and unskilled workers in Danish retail);

- in the civil service, the increases referred to in the tables are in some cases not the result of bargaining but are imposed by law, as in Austria, Bulgaria, Estonia, Greece, the Netherlands, Poland and Portugal.

Sectoral overview

Comparing the three sectors examined, in 2008 the average agreed wage increase across the EU27 stood at 5.5% in chemicals (0.5 percentage points above the EU-wide average for the entire economy), 5.3% in retail (0.3 points above the average) and 4.2% in the civil service (0.8 points below the average). In 2009, retail had the largest increase, at 4.6% (0.4 points above the overall average), followed by chemicals at 3.9% (0.3 points below the average) and the civil service at 2.9% (1.3 points below the average). Thus, only in retail did average increases exceed the whole-economy average in both years, while the civil service lagged behind in both years.

The average rate of increase fell back in all three sectors between 2008 and 2009, with chemicals experiencing the greatest fall, followed by the civil service. In the latter sector, a notable feature of 2009 was the imposition of pay freezes in Belgium, Bulgaria, Estonia, Hungary, Greece (with some compensation for lower paid workers), Ireland and Slovenia, as governments cut public expenditure to tackle financial difficulties (several countries for which usable data are not available, notably Latvia and Lithuania, also froze or cut the pay of all or some civil servants in 2009). Furthermore, while this is not apparent from the basic pay figures used in Figure 5, cuts in bonuses and new levies reduced many civil servants' take-home pay in countries such as Hungary and Ireland.

Over the five-year period from 2005 to 2009, the average annual increases in the EU27 countries (though the number of countries included varied from year to year) stood at 5.2% in retail (0.8 points above the whole-economy average), 4.8% in chemicals (0.4 points above the average) and 4% in the civil service (0.4 points below the average). Over the period, pay in retail and chemicals thus increased faster than in the economy more widely, while the civil service fell slightly behind.

EU15 and Norway

Looking only at the EU15 and Norway, the average nominal increase in 2008 stood at 3.8% in chemicals (0.2 percentage points below the whole-economy average for these countries), 3.7% in retail (0.3 points below the average) and 3.2% in the civil service (0.8 points below the average). In 2009, retail overtook chemicals, recording an average increase of 3% (0.2 points below the overall average), compared with 2.6% in chemicals (0.6 points below the average) and 2.3% in the civil service (0.9 points below the average).

Over the five-year period 2005–2009, the average annual increases in the EU15 and Norway stood at 3.1% in both chemicals and retail (0.2 points below the whole-economy average for these countries) and 2.6% in the civil service (0.7 points below the average). Over the period, pay in all three sectors lagged behind the whole-economy trend, most notably in the civil service.

New Member States

With regard to the NMS, in 2008 the average nominal increase was highest in retail, at 9.8% (2.7 percentage points above the whole-economy average for the NMS), followed by chemicals, at 9.2% (2.1 points above the average), and the civil service, at 6.8% (0.3 points below the average). The relative position of the sectors remained unchanged in 2009, with increases of 8.4% in retail (2.5 points above the whole economy average), 6.3% in chemicals (0.4 points above the average) and 4.3% in the civil service (1.6 points below the average).

Between 2005 and 2009 the average annual increases in the NMS (although the number of countries included varied from year to year) stood at 8.7% in retail (2.2 points above the whole-

economy average), 7.7% in chemicals (1.2 points above the average) and 6.7% in the civil service (0.2 points above the average). Over the period, pay in the three sectors thus rose faster than in the overall economy, although only marginally in the civil service.

In 2008, the average increases in the NMS exceeded those in the EU15 and Norway by 6.1 percentage points in retail, 5.4 points in chemicals and 3.6 points in the civil service. In 2009, the differential narrowed in all three sectors, to 5.4 points in retail, 3.7 points in chemicals and 2 points in the civil service.

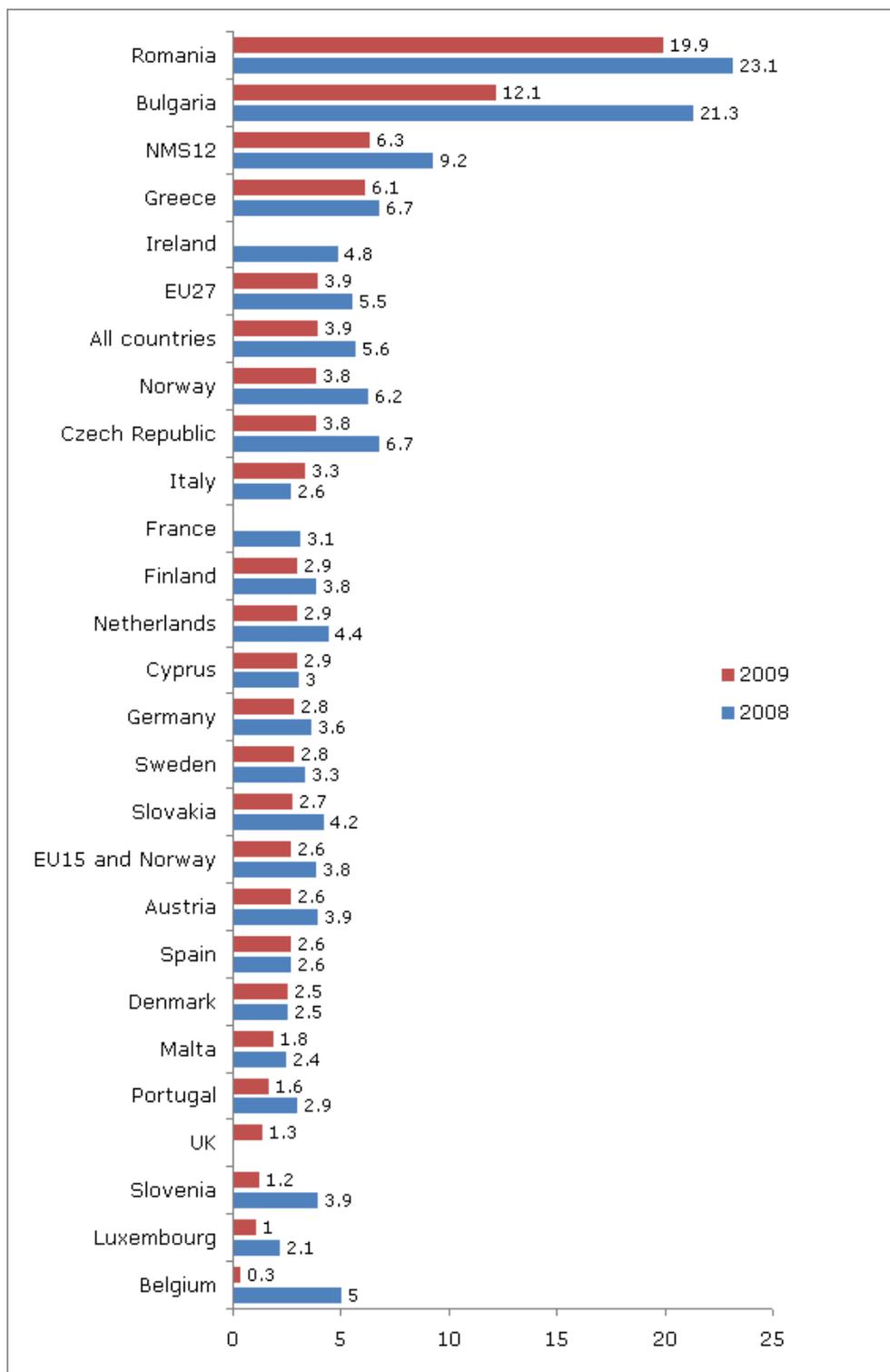
Chemicals

Data on agreed pay increases in the chemicals sector are available for 23 countries – the exceptions being Estonia, Hungary, Latvia, Lithuania and Poland (in most of these cases, collective bargaining plays little role in pay setting in the sector). Information for only 2008 or 2009 is available for France, Ireland and the UK.

Nominal rises in 2008 ranged between 23.1% in Romania and 2.1% in Luxembourg – see Figure 3. In 2009, Romania again occupied top position, at 19.9%, with Belgium in bottom position, at 0.3%. The average pay increase in chemicals across the EU27 fell from 5.5% in 2008 to 3.9% in 2009 – 0.5 percentage points above the whole-economy average (see Figure 1) in 2008 and 0.3 points below in 2009. The rate of increase fell between 2008 and 2009 in 17 of the 20 countries for which data are available for both years (most sharply in Bulgaria and Belgium), remained unchanged in two, and rose in only one (Italy). The average whole-EU increase in chemicals (based on a varying number of countries in each year) had previously stood at 3.8% in 2003, 3.5% in 2004, 3.8% in 2005, 4.8% in 2006 and 6.2% in 2007, indicating that a rising trend from 2004 ended in 2008, with a steeper fall in the rate of increase in 2009.

In 2008, the pay increase in chemicals was higher than the national average increase for all sectors in 10 countries (most notably in Bulgaria and Romania), equal to the average in two countries and lower in nine (most notably in Slovenia and Slovakia). In 2009, the increase in chemicals was higher than the national average increase for all sectors in only five countries (most notably in Romania), equal to the average in four countries and lower in 10 (most notably in Slovakia, Belgium and Slovenia). Looking only at the EU15 and Norway, average increases in chemicals stood at 3.8% in 2008 and 2.6% in 2009 – 0.2 percentage points below the whole-economy average in 2008 and 0.6 points below the average in 2009. The EU15 and Norway increases for 2008 and 2009 compare with rises of 3.4% in 2007, 2.8% in 2006, 3% in 2005, 2.9% in 2004, 3.2% in 2003, 3.4% in 2002, 3.6% in 2001, 3% in 2000 and 3% in 1999. There was thus a general fall-off in increases after a peak in 2001, before an upswing in 2007–2008, with the rate then declining to the lowest level in more than a decade in 2009. With regard to the NMS countries for which data are available, the average nominal increase in the sector stood at 9.2% in 2008 and 6.3% in 2009 – 2.4 times higher than the EU15 and Norway chemicals average in both years. The average increase in chemicals in the NMS was 2.1 percentage points above the whole-economy average for these countries in 2008 but only 0.4 points above it in 2009. The NMS average increase in chemicals (based on a varying number of countries in each year) had previously stood at 9.9% in 2007, 7.5% in 2006, 5.7% in 2005, 4.7% in 2004 and 5.3% in 2003, suggesting a broad upward trend until 2007, which stalled in 2008 and fell away strongly in 2009.

Figure 3: Average collectively agreed pay increases in chemicals, 2008 and 2009 (%)



Average collectively agreed pay increases in chemicals, 2008 and 2009 (%)

Notes on averages: ‘all countries’ refers to 22 countries in 2008 and 21 countries in 2009; ‘EU27’ refers to 21 countries in 2008 and 20 countries in

2009; 'EU15 and Norway' refers to 15 countries in 2008 and 14 countries in 2009; 'NMS12' refers to 7 countries.

The data in Figure 3 should be read in conjunction with the notes in Annex 2.

Source: EIRO

Retail

Data on agreed pay increases in the retail sector are available for 20 countries – the exceptions being Cyprus (see note to Figure 4), the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Luxembourg and Poland (in most of these cases, collective bargaining plays little role in pay setting in the sector). Information for only 2008 or 2009 is available for France, Ireland and the UK.

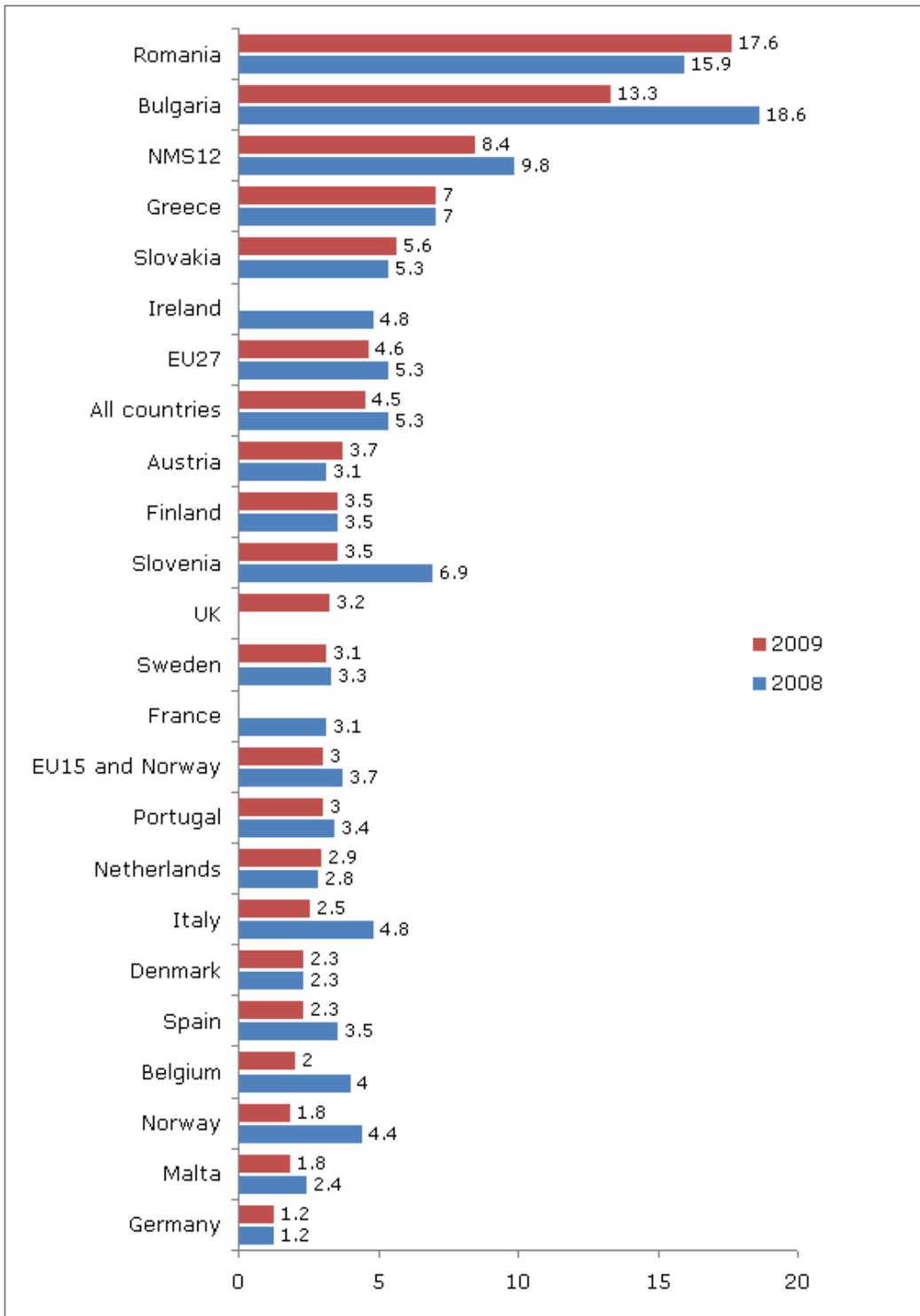
Nominal rises in 2008 ranged from 18.6% in Bulgaria to 1.2% in Germany – see Figure 4. In 2009, it was Romania that had the highest increase, at 17.6%, with Germany again in bottom position, at 1.2%. The average pay increase in retail across the EU27 fell from 5.3% in 2008 to 4.6% in 2009 – 0.3 percentage points above the whole-economy average (see Figure 1) in 2008 and 0.4 points above it in 2009 (although the whole-economy average is of a greater number of countries). The rate of increase rose between 2008 and 2009 in four of the 17 countries for which data are available for both years (most sharply in Romania), remained unchanged in four and fell in nine (by the highest margin in Bulgaria, Slovenia and Norway). The average whole-EU increase in retail (based on a varying number of countries in each year) stood at 6.8% in 2007, 5.4% in 2006, 3.8% in 2005, 4% in 2004 and 6.5% in 2003, indicating a decline until 2005, then a rise until 2007 followed by a fall in 2008–2009.

In 2008, the increase in retail was lower than the national average increase for all sectors in nine countries (most notably in Norway, Germany and Finland), equal to the average in three countries and higher in seven (most notably in Bulgaria and Italy). In 2009, the retail increase was higher than the national whole-economy average increase in six countries (most notably in Greece), equal to the average in four countries and lower in seven (most markedly in Norway and Germany).

With regard to the EU15 and Norway, average increases in retail stood at 3.7% in 2008 and 3% in 2009 – 0.3 percentage points below the whole-economy average in 2008 and 0.2 points below the whole-economy average in 2009. The EU15 and Norway increases for 2008 and 2009 compare with rises of 3.1% in 2007, 2.9% in 2006, 3% in 2005, 3% in 2004, 2.8% in 2003, 3.6% in 2002, 3.6% in 2001, 3% in 2000 and 2.8% in 1999. There would thus appear to have been considerable stability at around 3% over the decade, with upswings in 2001–2002 and in 2008.

Data are available for only five NMS. In these countries, the average nominal increase in retail stood at 9.8% in 2008 and 8.4% in 2009 – 2.6 times higher than the EU15 and Norway retail average in 2008 and 2.8 times higher in 2009. The average increase in retail in the NMS was 2.7 percentage points above the whole-economy average for these countries in 2008 and 2.5 points above it in 2009 (although the whole-economy average is of a greater number of countries). The NMS average increase in retail (based on a varying number of countries in each year) had previously stood at 12.3% in 2007, 9.1% in 2006, 3.8% in 2005, 4% in 2004 and 6.5% in 2003.

Figure 4: Average collectively agreed pay increases in retail, 2008 and 2009 (%)



Average collectively agreed pay increases in retail, 2008 and 2009 (%)

Notes on averages: ‘all countries’ refers to 19 countries in 2008 and 18 countries in 2009; ‘EU27’ refers to 18 countries in 2008 and 17 countries in

2009; 'EU15 and Norway' refers to 14 countries in 2008 and 13 countries in 2009; 'NMS12' refers to five countries.

The data in Figure 4 should be read in conjunction with the notes in Annex 3.

Source: EIRO

Civil service

Data on agreed (or imposed) pay increases in the central civil service sector are available for 24 countries – the exceptions are the Czech Republic, Latvia, Lithuania and Malta. Information is available for Poland only for 2009.

The range of nominal rises in 2008 was between 15.9% in Romania and 0.9% in Luxembourg – see Figure 5. In 2009, Romania again had the highest increase, at 17.6%, while there was a zero increase in seven countries – Belgium, Bulgaria, Estonia, Hungary, Greece, Ireland and Slovenia. The average pay increase in the civil service across the EU27 fell sharply from 4.2% in 2008 to 2.9% in 2009 – 0.8 percentage points below the whole-economy average (see Figure 1) in 2008, with the gap widening to 1.3 points below average in 2009.

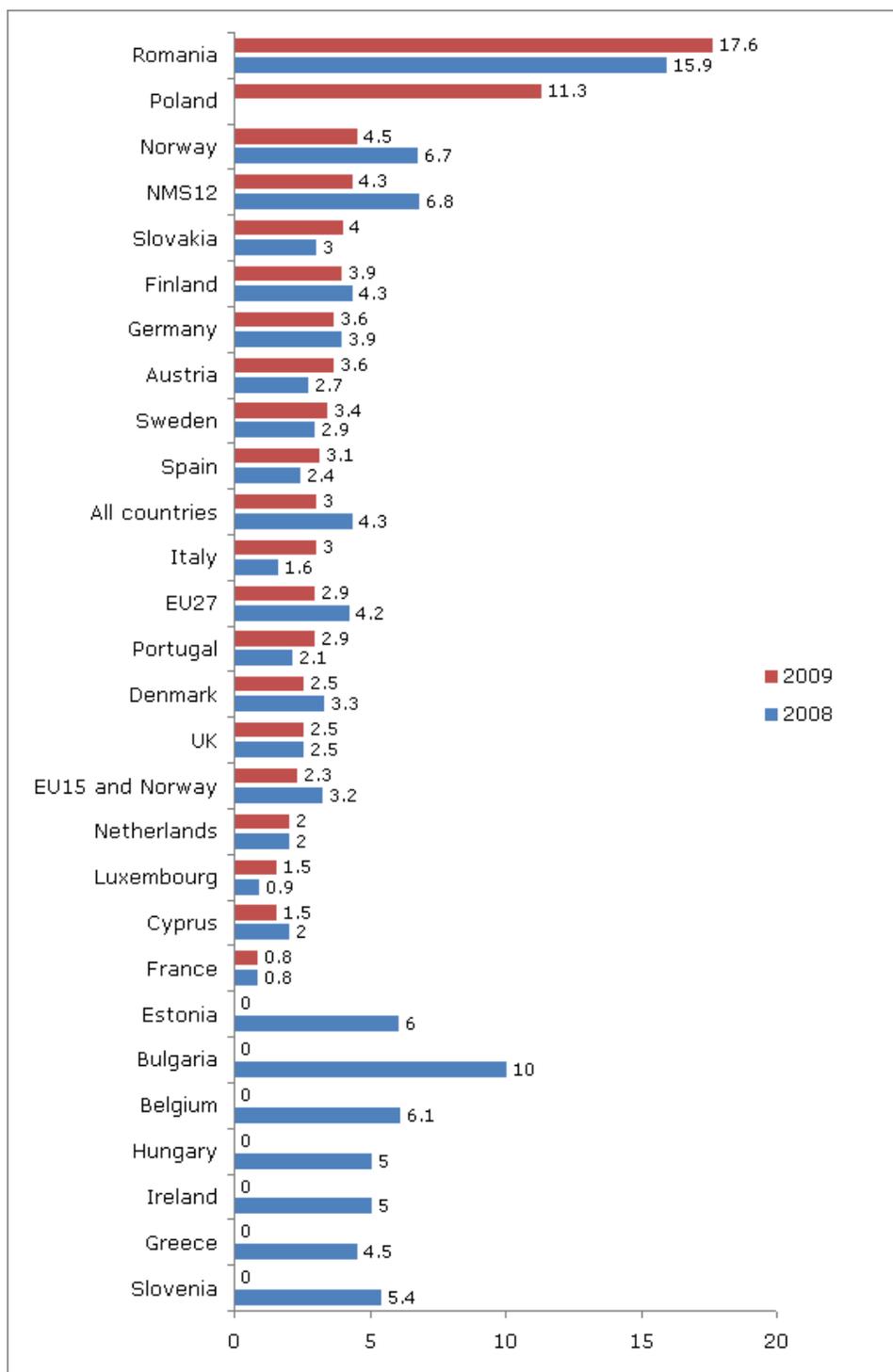
The rate of increase declined between 2008 and 2009 in 12 countries (most sharply in Bulgaria, Belgium, Estonia, Slovenia, Hungary and Ireland), remained unchanged in three, and rose in eight countries (most notably in Romania, Italy and Slovakia). The average whole-EU increase in the civil service (based on a varying number of countries in each year) had previously stood at 6.2% in 2007, 4.1% in 2006, 2.5% in 2005, 3.6% in 2004 and 3.3% in 2003.

In 2008, the increase in the civil service was lower than the national average increase for all sectors in 15 countries (most notably in France, Bulgaria, Slovakia and Greece), at the average in one country, and higher in only five (most notably in Belgium and Germany). In 2009, the increase in the civil service was lower than the national average increase for all sectors in nine countries (most notably in Hungary, Greece, Slovenia and Belgium), equal to the average in three countries, and higher in five (most markedly in Germany and Finland).

Looking only at the EU15 and Norway, average increases in the civil service stood at 3.2% in 2008 and 2.3% in 2009 – 0.8 percentage points below the whole-economy average in 2008 and 0.9 points below in 2009. The EU15 and Norway increases for 2008 and 2009 compare with rises of 2.4% in 2007, 2.8% in 2006, 2.3% in 2005, 3% in 2004, 2.8% in 2003, 3.2% in 2002, 3.2% in 2001, 3% in 2000 and 2.7% in 1999. The picture is thus one of relative stability over the decade, although the 2009 increase was the joint lowest over the period.

Turning to the NMS, the average nominal increase in the civil service stood at 6.8% in 2008 and 4.3% in 2009 – 2.1 times higher than the EU15/Norway civil service average in 2008 and 1.9 times higher in 2009. The average increase in the civil service in the NMS was 0.3 percentage points below the whole-economy average for these countries in 2008, with the gap rising to 1.6 points in 2009. The NMS average increase in the civil service (based on a varying number of countries in each year) had previously stood at 12.2% in 2007, 6.4% in 2006, 3.6% in 2005, 4.8% in 2004 and 4.8% in 2003. The annual increase has thus fallen sharply from a peak in 2007.

Figure 5: Average collectively agreed pay increases in the civil service, 2008 and 2009 (%)



Average collectively agreed pay increases in the civil service, 2008 and 2009 (%)

Notes on averages: 'all countries' refers to 23 countries in 2008 and 24 countries in 2009; 'EU27' refers to 22 countries in 2008 and 23 countries in

2009; 'EU15 and Norway' refers to 16 countries; 'NMS12' refers to seven countries in 2008 and eight countries in 2009.

The data in Figure 5 should be read in conjunction with the notes in Annex 4.

Source: EIRO

Minimum wages

Of the 28 countries covered in this report, 20 have a national minimum wage, set either by law or by a national intersectoral agreement (Cyprus has a system of statutory minimum wages that applies only to six specific occupations – sales staff, clerical workers, auxiliary healthcare staff and auxiliary staff in nursery schools, crèches and schools – and is not included in this group). Figure 6 provides data on national minimum wage increases in 2008 and 2009 for these countries. These minimum wages are generally increased through political and/or social partner decisions, plus some kind of indexation mechanism in a number of countries.

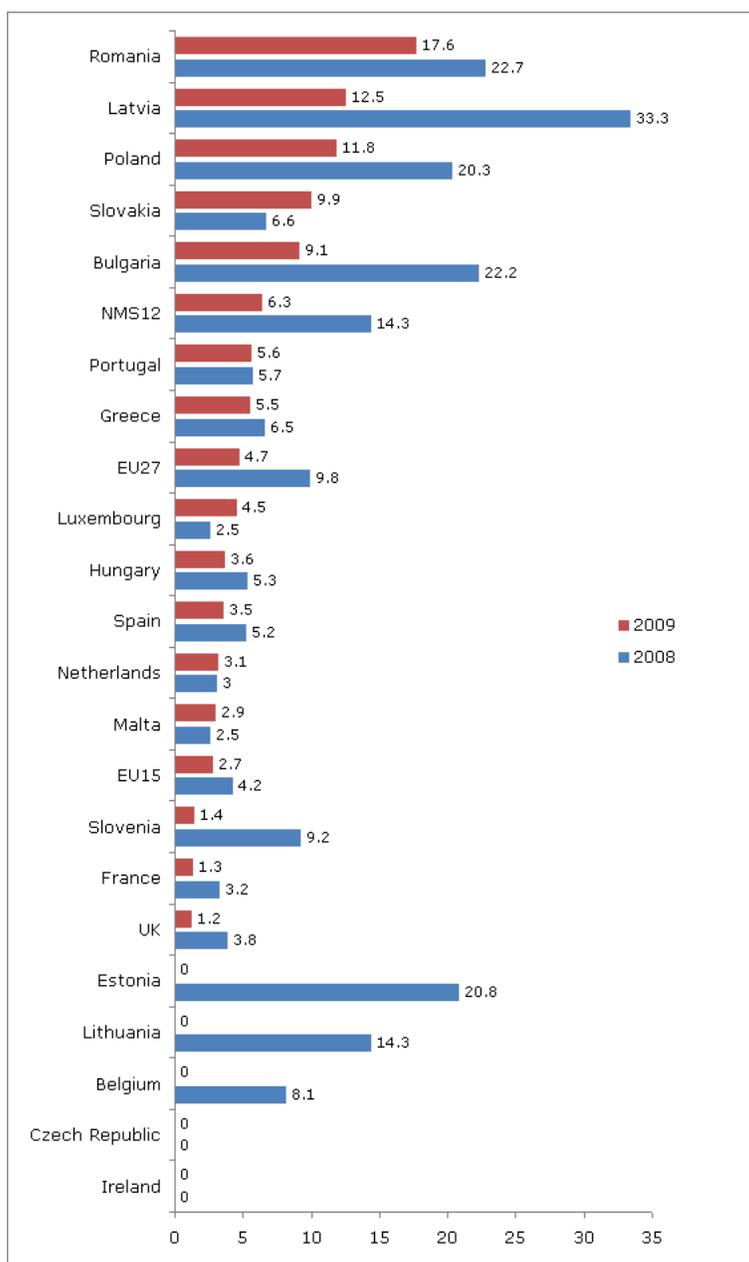
In 2008, the highest minimum wage increase in the countries concerned was in Latvia, at 33.3%, and the lowest in the Czech Republic and Ireland, at zero. In 2009, Romania recorded the highest rise, at 17.6%, with the Czech Republic and Ireland again seeing no increase at all, along with Belgium, Estonia and Lithuania. The overall average rate of increase in the EU fell sharply from 9.8% in 2008 to 4.7% in 2009. The trend in previous years had been slightly downward from 6.8% in 2004 to 6.4% in 2005 and 6.2% in 2006, before rising to 8.1% in 2007. Following the overall downward trend, the rate of increase fell from 2008 to 2009 in 15 of the 20 countries (with double-digit falls in Estonia, Latvia, Lithuania and Bulgaria). The rate of increase was static in two countries (at zero in the Czech Republic and Ireland) and rose in only three (most steeply in Slovakia and Luxembourg).

Across the EU, the average increase in minimum wages was higher than the average increase in collectively agreed wages in both 2008 and 2009 (by 4.8 and 0.5 percentage points respectively), but with the gap narrowing considerably in 2009. The increase in the minimum wage exceeded the average collectively agreed pay increase in 2008 in eight countries (most notably in Romania and Bulgaria) while it lagged behind the agreed increase in six countries (by most in the Czech Republic and Ireland) and was equal to it in one (comparisons are possible for 15 countries). In 2009, the increase in the minimum wage was above the average agreed pay increase in five countries (most notably in Slovakia and Portugal), below it in five countries (by most in the Czech Republic and Hungary) and equal to it in two (comparisons are possible for 12 countries).

In the nine EU15 countries with a national minimum wage, the average rate of increase fell from 4.2% in 2008 to 2.7% in 2009. The EU15 average increase had previously been 4.4% in 2007, 3.3% in 2006, 3.9% in 2005, 4.9% in 2004, 3.5% in both 2003 and 2002, 4.9% in 2001, 2.8% in 2000, 2.9% in 1999 and 2.6% in 1998. The 2009 increase was thus the lowest since 1998. The average increase in the minimum wage in these countries was 0.4 percentage points higher than the average EU15 increase in collectively agreed wages in 2008 and 0.4 points lower in 2009.

The average increase in the 11 NMS concerned fell steeply from 14.3% in 2008 to 6.3% in 2009, abruptly ending a consistent rising trend since 2005 (the average stood at 11.2% in 2007, 8.5% in 2006, 8.4% in 2005 and 6.8% in 2004). The average minimum wage increase figure for these countries was 7.2 percentage points higher than the average increase in collectively agreed wages for all NMS in 2008, but only 0.4 points higher in 2009.

Figure 6: Increase in national minimum wage for adults, 2008 and 2009 (%)



Increase in national minimum wage for adults, 2008 and 2009 (%)

Notes on averages: ‘EU27’ is for 20 countries; ‘EU15’ is for nine countries; ‘NMS12’ is for 11 countries.

The data in Figure 6 should be read in conjunction with the notes in Annex 5.

Source: EIRO

Minimum wage rates

Table 2 shows the actual rate – hourly, monthly, or as relevant – of national minimum wages in the various national currencies in 2008 and 2009. See the notes to Figure 6 for the dates from

which conversion rates applied (if there was more than one increase in the year, the rate given in the table is that after the final one).

Table 2: National gross minimum wage for adults, 2008 and 2009, in national currency and euro equivalent

Country	Frequency	2008	2009
Belgium	Monthly	€1,387.49	€1,387.49
Bulgaria	Monthly	BGN 220 (€112.49)	BGN 240 (€122.71)
Czech Republic	Hourly	CZK 48.10 (€1.93)	CZK 48.10 (€1.82)
	Monthly	CZK 8,000 (€320.69)	CZK 8,000 (€302.63)
Estonia	Hourly	EEK 27.00 (€1.73)	EEK 27.00 (€1.73)
	Monthly	EEK 4,350 (€278.02)	EEK 4,350 (€278.02)
France	Hourly	€8.71	€8.82
	Monthly	€1,321.02	€1,337.70
Greece	Daily	€31.32	€33.04
	Monthly	€701.00	€739.50
Hungary	Hourly	HUF 397.00 (€1.58)	HUF 441.00 (€1.57)
	Daily	HUF 3,180 (€12.64)	HUF 3,290 (€11.74)
	Weekly	HUF 15,880 (€63.14)	HUF 16,500 (€58.86)
	Monthly	HUF 69,000 (€274.34)	HUF 71,500 (€255.06)
Ireland	Hourly	€8.65	€8.65
Latvia	Hourly	LVL 0.96 (€1.37)	LVL 1.08 (€1.53)
	Monthly	LVL 160 (€227.69)	LVL 180 (€255.07)
Lithuania	Hourly	LTL 4.85 (€1.40)	LTL 4.85 (€1.40)
	Monthly	LTL 800 (€231.70)	LTL 800 (€231.70)
Luxembourg	Hourly	€9.30	€9.73
	Monthly	€1,609.53	€1,682.76
Malta	Weekly	€142.39	€146.47
Netherlands	Daily	€62.61	€64.55
	Monthly	€1,356.60	€1,398.60
Poland	Monthly	PLN 1,126 (€320.61)	PLN 1,276 (€294.85)
Portugal	Monthly	€426.00	€450.00
Romania	Hourly	RON 3.18 (€0.86)	RON 3.529 (€0.83)
	Monthly	RON 540 (€146.64)	RON 600 (€141.51)

Slovakia	Hourly	SKK 46.60 (€1.49)	€1.70
	Monthly	SKK 8,100 (€259.10)	€295.50
Slovenia	Monthly	€589.19	€597.43
Spain	Monthly	€600.00	€624.00
	Annual (14 monthly payments)	€8,400.00	€8736.00
UK	Hourly	GBP 5.73 (€7.20)	GBP 5.80 (€6.51)

Notes: Euro conversions, where necessary, used the average exchange rates for 2008 and 2009 from the European Central Bank ([ECB](#)).

Source: EIRO

The rates in Table 2 should be read in conjunction with the notes to Figure 6 in Annex 5, as well as the following.

- **Belgium:** rates given apply to workers aged 21 years and above; workers aged 21.5 years and above receive higher rates after six and then 12 months' service (premium of 2.7%–3.8%).
- **France:** monthly rate is based on a 35-hour working week.
- **Latvia:** workers engaged in dangerous work receive a higher rate, with a premium of 14%.
- **Luxembourg:** rates given are for unqualified workers; qualified workers receive a 20% higher rate.

Youth wage rates

The minimum wage increases and rates examined above are the full adult rates. However, 10 countries apply lower rates to younger or less experienced workers (Slovakia also did so until February 2008). Table 3 presents a summary of these rates.

Table 3: National minimum wages of younger and less experienced workers, 2009

Country	% of full rate	Applicable to
Belgium (see note to Table 2 for details of additional rates based on age and level of experience)	94%	Workers aged 20 years
	88%	Workers aged 19 years
	82%	Workers aged 18 years
	76%	Workers aged 17 years
	70%	Workers aged 16 years and younger
Czech Republic	90%	Workers aged 18–21 years in the first six months of employment
	80%	Workers aged 17 years and younger
France	90%	Workers aged 17 years in the first six months of employment
	80%	Workers aged 16 years and younger in the first six

		months of employment
Ireland	90%	Workers aged 18 years and over in the second year of employment, as well as workers aged over 18 years and undergoing the final third (lasting one month to a year) of a course of authorised training or study
	80%	Workers aged 18 years and over in the first year of employment, as well as workers aged over 18 years and undergoing the second third (lasting one month to a year) of a course of authorised training or study
	75%	Workers aged over 18 years and undergoing the first third (lasting one month to one year) of a course of authorised training or study
	70%	Workers aged under 18 years
Latvia	114%	Workers aged 15–18 years, who may only work up to 35 hours a week rather than the 40 hours on which the minimum wage is normally based
Luxembourg (% of qualified or unqualified workers receiving adult wage rate, as appropriate – see note to Table 2)	80%	Workers aged 17 years
	75%	Workers aged 15 and 16 years
Malta*	95.4%	Workers aged 17 years
	93.4%	Workers aged under 17 years
Netherlands	85%	Workers aged 22 years
	72.5%	Workers aged 21 years
	61.5%	Workers aged 20 years
	52.5%	Workers aged 19 years
	45.5%	Workers aged 18 years
	39.5%	Workers aged 17 years
	34.5%	Workers aged 16 years
	30%	Workers aged 15 years
Poland	80%	Workers in their first year of employment
UK**	83.28%	‘Development rate’ for workers aged 18–21 years inclusive
	61.55%	Workers aged 16 and 17 years, other than apprentices

*Notes: * In 2008, the percentages were 95.2% for workers aged 17 years and 93.2% for workers under 17 years – the relative values were increased due to higher 2009 increases in the wage rates for younger workers than for the full adult rate.*

*** In 2008, the percentage was 83.25% for the development rate – the differential with the full adult rate was reduced in 2009 by a higher increase in the development rate than in the adult rate. In 2008, the percentage was 61.61% for the rate for those aged 16–17 years – the differential with the full adult rate was widened in 2008 due to a lower increase in the development rate for those aged 16–17 years than in the adult rate.*

Source: EIRO

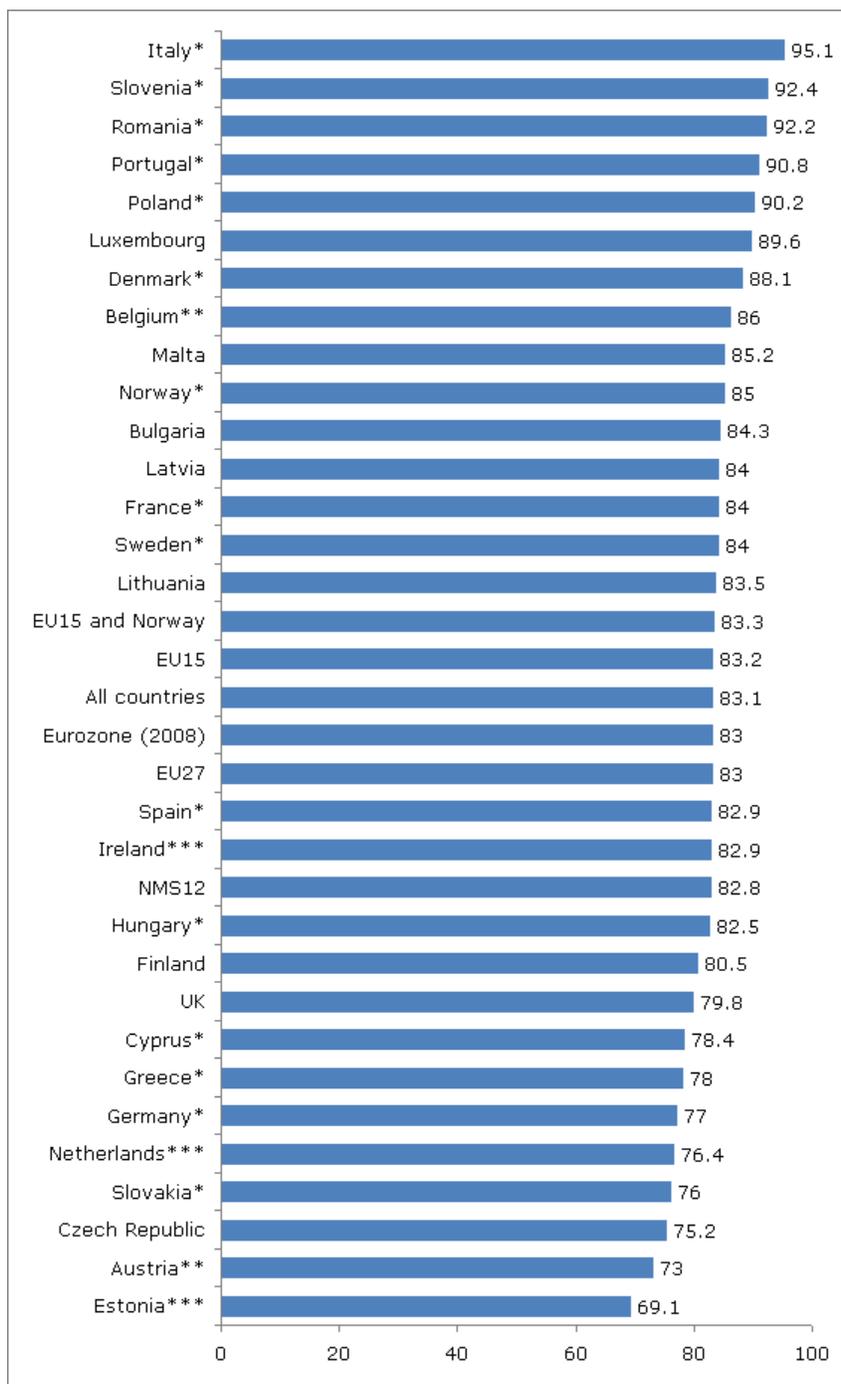
Gender pay differentials

The explicit pay terms of the collective agreements and minimum wage laws dealt with above are presumably gender neutral – they do not provide for differing pay rates or increases for women and men (to do so would, of course, breach EU and national legislation on equal pay). However, it remains the case that women in all the countries examined in this research earn, on average, lower wages than men. Figure 7 indicates this gender pay gap by showing women's average earnings – on an hourly basis, unless otherwise specified – as a percentage of men's in 2008, based on [Eurostat data](#). These refer to the average gross hourly earnings of paid employees (unadjusted for individual characteristics that may explain part of the earnings difference).

Among the 28 countries examined, the gender wage gap was widest in 2008 in Estonia (at 30.9%) and narrowest in Italy (at 4.9%). Other countries with a notably narrow gender wage differential (less than 10 percentage points) include Slovenia, Romania, Belgium, Portugal, Malta and Poland. Those with a comparatively wide gap (more than 20 percentage points) include the Czech Republic, Austria, the Netherlands, Germany, Greece, Cyprus, Lithuania, the UK and Slovakia.

The gender wage gap averaged 18% across the EU27 in 2008, according to Eurostat – a slight increase on the 17.7% recorded in 2006 and 17.6% in 2007. For the eurozone, the average gap also stood at 18% in 2008, up from 17.3% in 2006 and 17.6% in 2007. Year-on-year upward and downward variations seem to be a feature of gender pay statistics, and the widening of the wage gap is unlikely to be significant over such a short period. Bearing that in mind, over 2006–2008, the Eurostat data indicate a slight tendency for the gender pay gap to narrow in countries such as Belgium, Denmark, Finland, Slovakia and Spain. However, there appeared to be some movement in the opposite direction in countries such as Bulgaria, the Czech Republic, France, Germany, Greece, Hungary, Lithuania and Slovenia.

Figure 7: Women's average earnings as a percentage of men's, 2008 (%)



Women's average earnings as a percentage of men's, 2008 (%)

Notes: * Provisional figure; ** 2007 figure.

Source: Eurostat

Average earnings

The main focus of this review is on collectively agreed pay increases and minimum wage rises, based largely on the contents of agreements and laws. The actual development of workers' incomes is more clearly revealed by earnings data, which are usually based on a survey of individuals' earnings and include elements such as bonuses and overtime pay, as well as the effects of reduced working hours (without full pay compensation). Figure 8 provides data from national sources on increases in average earnings in 2008 and 2009 (figures are not available for the Netherlands in either year, or for Austria and Spain in 2009, while some 2009 figures are only partial). Once again, the notes accompanying the figure should be taken into consideration as the nature of the statistics and the definitions of earnings vary considerably from country to country.

Across the EU27, average earnings increases in 2008 ranged from 26.2% in Bulgaria to 2.3% in Germany and Ireland. Bulgaria was again in the leading position in 2009, but at only 12.9%, with Lithuania in last place at -8.7%. The average rate of increase across the EU fell sharply from 8.5% in 2008 to 1.8% in 2009 (although the 2009 average relates to fewer countries). Including Norway reduces the average rise by 0.1 percentage points in 2008 and increases it by 0.1 point in 2009. The EU average had previously stood at 7.8% in 2007, 6.6% in 2006, 5.9% in 2005 and 5.2% in 2004, indicating that a sustained upward trend ended abruptly in 2009.

The downward trend in increases in average earnings was universal in countries where figures are available for both years. The rate of increase in average earnings fell only slightly (by 1 percentage point or less) in Greece, Malta, Portugal, Sweden and France, but fell by 20 points or more in Latvia, Lithuania, Romania and Estonia. In Germany, Ireland, Estonia, Latvia and Lithuania, the level of average earnings fell between 2008 and 2009.

As seen above, the average collectively agreed nominal pay increase in the EU fell from 5% in 2008 to 4.2% in 2009. The average increase in earnings (calculated on a larger number of countries) thus fell much more sharply (and from a higher level) than the increase in agreed pay.

Looking at the EU15 only, the level of increase in average earnings was much lower than in the whole EU in 2008, at 4% (compared with 8.5%). The EU15 average fell sharply to 2.2% in 2009 (although the 2009 average relates to fewer countries), but this was above the whole-EU average (1.8%). The EU15 average stood at 3.6% in 2007, 3.4% in 2006, 2.8% in 2005, 2.9% in 2004, 3.4% in 2003, 3.9% in 2002 and 4.3% in 2001. The 2009 rise was therefore the lowest since 2000.

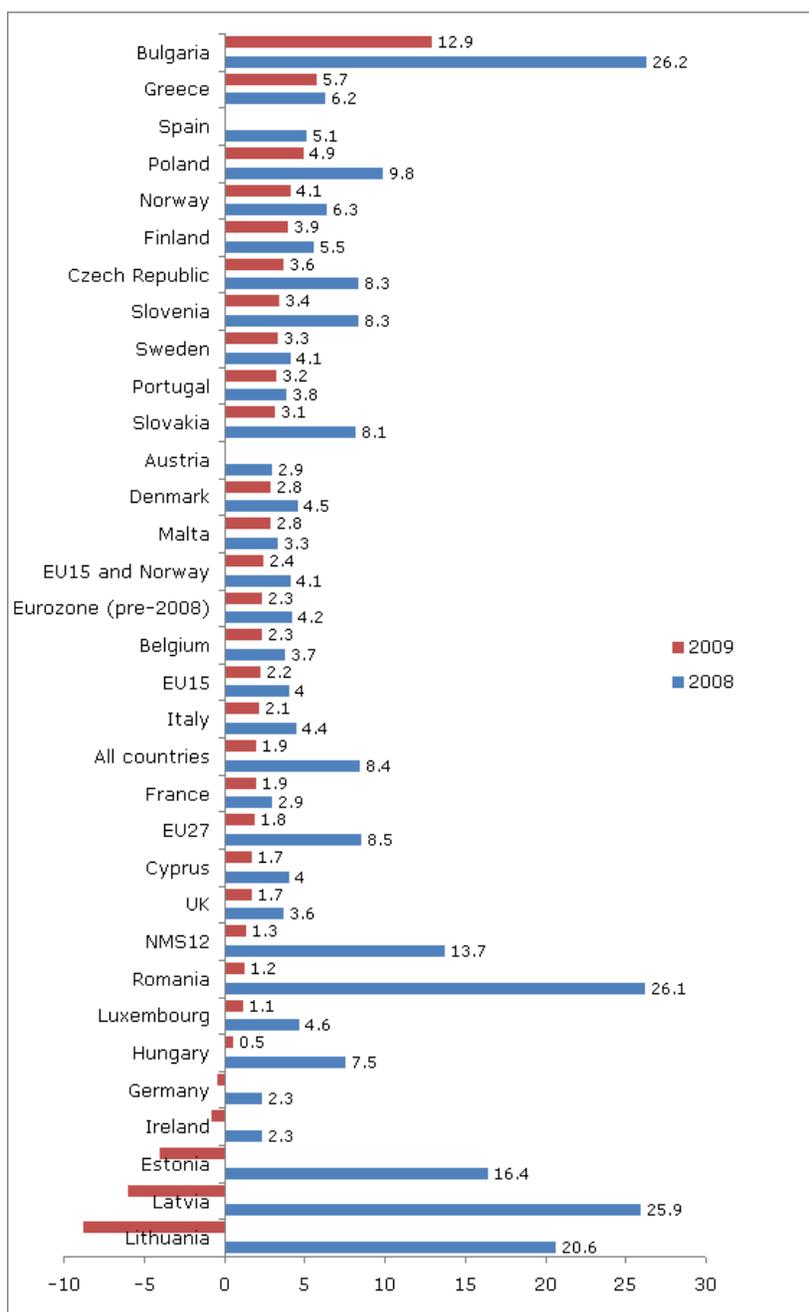
In the NMS, the average rate of increase was much higher than the EU average in 2008, at 13.7% (compared with 8.5%). However, it plunged to 1.3% in 2009, below the average for the whole EU (1.8%) and the EU15 (2.2%), reflecting massive falls in the Baltic states and Romania. The NMS average was 3.4 times higher than the EU15 increase in 2008, but the EU average was 1.7 times higher than the NMS rise in 2009. The NMS average increase was 12.8% in 2007, 10.2% in 2006 and 9.5% in 2005.

In the countries of the eurozone (including Slovakia from 2009), the average increase in earnings was slightly higher than in the EU15 in both 2008 and 2009.

Since EIRO started collecting data on the issue, it has usually been the case that, in most countries covered, increases in actual earnings are higher than collectively agreed pay increases, presumably due to factors such as overtime and additional payments. This was the case in 2008, when increases in earnings exceeded agreed pay increases in 15 of the 22 countries for which data are available (most markedly in Bulgaria and Romania), and were lower in only six countries (most notably in Ireland). Across all countries covered, the average increase in earnings was 3.4 percentage points higher than the average agreed pay increase in 2008 (although the two averages are not based on identical groups of countries). The gap between the two average figures was lower in the EU15, at 0.2 points, than in the NMS, where it was 6.6 points.

The picture was rather different in 2009, with short-time work possibly being a factor in the change. Of 17 countries for which data are available, increases in earnings exceeded agreed pay increases in only five cases, and by no more than 1 percentage point (in Malta). Increases in earnings were lower than agreed pay increases in 11 countries (most notably in Romania, Hungary and Germany). Across all countries covered, the average agreed pay increase was 2.3 percentage points higher than the average increase in earnings (though the two averages are not based on identical groups of countries). The agreed increase exceeded the increase in earnings by 4.6 points in the NMS and by 0.9 points in the EU15.

Figure 8: Increases in average earnings, 2008 and 2009 (%)



Increases in average earnings, 2008 and 2009 (%)

Notes on averages: ‘all countries’ is for 27 countries in 2008 and 25 countries in 2009; ‘EU27’ is for 26 countries in 2008 and 24 countries in 2009; ‘EU15’ is for 14 countries in 2008 and 12 countries in 2009; ‘EU15 and Norway’ is for 15 countries in 2008 and 13 countries in 2009; ‘eurozone’ is for 14 countries in 2008 and 13 countries in 2009.

The data in Figure 8 should be read in conjunction with the notes in Annex 6. Source: EIRO

Annexes

Annex 1

Back to Figure 1

The data in Figure 1 should be read in conjunction with the following notes.

- **Austria:** 2008 figure is from Statistics Austria ([Statistik Austria](#)); 2009 figure is an estimate based on the most important national collective agreements.
- **Belgium:** 2008 figure from the National Bank of Belgium ([Banque Nationale de Belgique/Nationale Bank van België](#)); 2009 figure is an estimate based on calculations from the Federal Public Service for Employment, Labour and Social Dialogue ([SPF Emploi, Travail et Concertation sociale/FOD Werkgelegenheid, Arbeid en Sociaal Overleg](#)).
- **Bulgaria:** no data available for average collectively agreed pay increases; the figure given for 2008 is the national wage increase recommendation agreed by the social partners in the private sector; no such recommendation was agreed in 2009.
- **Cyprus:** figures are estimates from the Cyprus Labour Institute ([Ινστιτούτο Εργασίας Κύπρου, INEK-PEO](#)).
- **Czech Republic:** figures, from the Working Conditions Information System ([Informační systém o pracovních podmínkách, ISPP](#)), refer to nominal increases in enterprise-level collective agreements (the more prevalent bargaining level) in the business sector.
- **Denmark:** no general figures available and data used relate to the trend-setting industry sector agreement (2007–2010), which operates the minimum wage system, whereby sectoral agreements set only minimum rates, with subsequent local bargaining producing further increases.
- **Finland:** figures from Statistics Finland ([Tilastokeskus](#)).
- **France:** 2008 figure, from the [Ministry of Labour](#)'s Directorate for Research, Studies, and Statistics ([Direction de l'animation de la recherche, des études et des statistiques, DARES](#)) refers to the weighted average of agreed increases in pay scales in sectoral collective agreements (the weighted average of agreed increases in guaranteed wages in sectoral collective agreements stood at 3.4%); no data are available for 2009.
- **Germany:** figures, from the Institute for Economics and Social Science ([Wirtschafts- und Sozialwissenschaftliches Institut, WSI](#)) collective agreement archive, represent the average collectively agreed increase in wages and salaries.
- **Greece:** figures refer to increases in minimum rates as set out in National General Collective Agreement for 2008–2009; 2008 figure represents cumulative effect of rises of 3.45% from January and 3% from September; 2009 increase applied from 1 May.
- **Hungary:** figures from Ministry of Social Affairs and Labour ([Szociális és Munkaügyi Minisztérium, SZMM](#)) register of collective agreements; central social partners recommended increases in lower-level bargaining of 5%–7.5% in 2008 and 3%–5% in 2009.
- **Ireland:** the 2008 figure refers to the remaining three months of the last award under the first pay 'module' of the current national social partnership agreement (worth 1.25%), plus the first award of 3.5% due (after a three-month pay pause) under the second module of the agreement (the phasing of national pay awards differed somewhat across enterprises); different pay arrangements under the national agreements applied in the public sector, with average increases totalling 5% in 2008; the second module provided for an increase of 2.5% in the private sector in 2009 (3% for low-paid workers) and a 3.5% increase in the public sector from September 2009; however, the national pay deal was not applied in practice in

2009, owing to the economic crisis, and public sector pay was frozen; no data are available on the average agreed pay increase in 2009 but it was likely to have been very low, taking into account the public sector freeze and the fact that, according to an [Irish Business and Employers' Confederation \(IBEC\)](#) private sector pay survey conducted in August, 59% of employers had frozen pay and over a fifth had cut pay.

- **Italy:** figures, from National Institute of Statistics ([Istituto Nazionale di Statistica, Istat](#)), are based on the contents of national sectoral collective agreements.
- **Malta:** figures, from the economic survey by the government's [Economic Policy Division](#), refer to the 12 months to September in each year, and to the production and market services sectors.
- **Netherlands:** figures, from the Central Statistical Office ([Centraal Bureau voor de Statistiek, CBS](#)), refer to collectively negotiated hourly wages including special allowances.
- **Norway:** there are no reliable figures on collectively agreed basic pay increases for all employees; the figures given are widely accepted estimates from the tripartite Technical Calculation Committee for Income Settlements ([Teknisk Beregningsutvalg, TBU](#)) and represent the total annual pay increase; the figures include general pay increases (set by sector-level bargaining), carry-over effects (arising from general increases awarded in the previous year) and wage drift (which includes the effect of company-level bargaining).
- **Portugal:** figures, from the Ministry of Labour and Social Solidarity's Directorate General for Employment and Labour Relations ([Direcção-Geral do Emprego e das Relações de Trabalho, DGERT](#)), refer to average collectively agreed nominal pay increases in the private sector; according to the Ministry of Finance's Directorate General for Public Administration ([Direcção Geral da Administração Pública, DGAP](#)), average nominal increases in basic pay rates in the public administration stood at 2.1% in 2008 and 2.9% in 2009.
- **Romania:** figures refer to the increases in minimum wage rates set out in the single national collective agreement for 2007–2010 and the tripartite agreement on minimum wage increases over 2008–14.
- **Slovakia:** figures from Information System on Working Conditions ([Informačný systém o pracovných podmienkach](#)), Trexima Bratislava.
- **Slovenia:** figures refer to average increases in the lowest basic pay rates determined by sectoral collective agreements in the private sector; 2008 figure represents the cumulative effect of a 3% rise paid in January to compensate for higher than forecast inflation, and a 3.9% 'regular' rise in August; 2009 figure represents the cumulative effect of a 1.15% rise paid in January to compensate for higher than forecast inflation, and a 2.3% 'regular' rise in August; equivalent figures for the public sector were 5.4% in 2008 (3.4% plus 2%) and zero in 2009 (when pay was frozen).
- **Spain:** figures, from the Ministry of Labour and Immigration ([Ministerio de Trabajo e Inmigración, MTIN](#)) labour statistics publications, refer to average increases set by agreements at all levels.
- **Sweden:** figures, from the National Mediation Office ([Medlingsinstitutet](#)), are based on the three-year agreements concluded in the 2007 bargaining round, which covered some 75% of the labour market (agreements concluded in 2008 provided for average increases of 4.6% in 2008, while the few agreements signed in 2009 did not have a significant effect on the average collectively agreed pay increase for the year).
- **UK:** figures, from the [Labour Research Department \(LRD\)](#) *Workplace Report*, refer to increases in lowest basic rates; figures are for the 12 months up to and including December each year; averages calculated on basis of number of agreements, not workers covered.

Annex 2

Back to Figure 3

The data in Figure 3 should be read in conjunction with the following notes.

- **Austria:** figures, from the Union of Salaried Employees, Graphical Workers and Journalists ([Gewerkschaft der Privatangestellten, Druck, Journalismus, Papier, GPA-DJP](#)), relate to sectoral collective agreements and exclude one-off payments of €35 per employee in 2008 and €50 in 2009; increases applied from May each year.
- **Belgium:** figures, from [Acerta](#), relate to the minimum provisions of the sectoral agreement that provides a framework for company-level bargaining in chemicals; the 2008 increase represents indexation payments of 2% from March and 2% from July, plus a €0.10 increase in minimum hourly rates from January (expressed crudely as an increase of 1%); the 2009 increase represents a €0.03 increase in minimum hourly rates (expressed crudely as an increase of 0.3%).
- **Bulgaria:** figures, from the National Labour Federation Chemistry and Industry, are an average of the (widely varying) pay increases, applicable from first quarter each year, laid down in subsectoral agreements for: manufacture of coke/petroleum refinery products, chemical products, drugs/medical goods, rubber/plastic products and minerals, and non-metallic mineral products; and distribution of gaseous fuel and oil products.
- **Cyprus:** figures are estimates from INEK, based on the weighted averages of three company collective agreements in pharmaceuticals and one in chemicals, valid from January each year.
- **Czech Republic:** figures, from ISPP, refer to average nominal increases in enterprise-level collective agreements signed by the trade union ECHO ([Odborový svaz ECHO](#)).
- **Denmark:** figures relate to the industry sector agreement (for 2007–2010), which operates the minimum wage system, whereby sectoral agreements set only minimum rates, with subsequent local bargaining producing further increases; the figures represent the minimum hourly increases from March each year.
- **Finland:** figures relate to the sectoral collective agreement.
- **France:** the 2008 figure, from DARES, refers to an increase in average basic monthly pay; no data available for 2009.
- **Germany:** data, from the WSI collective agreement archive, refer to average collectively agreed basic pay increases.
- **Greece:** the 2008 increase comprises rises of 3.5% from January and 3.2% from September.
- **Ireland:** the 2008 figure represents a pay increase under national agreement – see note to Figure 1; no data available for 2009.
- **Italy:** figures from Istat pay bargaining statistics.
- **Luxembourg:** figures, from the Luxembourg Confederation of Independent Trade Unions ([Onofhängege Gewerkschafts-Bond Lëtzebuerg, OGB-L](#)), are estimates based on enterprise-level collective agreements, including both consolidated pay rises and one-off payments.
- **Malta:** figures, from the government Economic Policy Division, represent increases between September 2007 and September 2008 and between September 2008 and September 2009 respectively.
- **Netherlands:** figures, from CBS, are averages of mainly company agreements, plus several subsectoral agreements; the 2009 figure refers to the first 11 months of the year.

- **Norway:** figures, from TBU, include wage drift and carryover effects – see note to Figure 1; the 2008 figure is for blue-collar workers in chemicals and the 2009 figure (expressed by TBU as 3.75%) is for blue-collar workers in manufacturing as a whole.
- **Portugal:** figures from the Ministry of Labour and Social Solidarity.
- **Romania:** figures relate to sectoral agreement for chemicals and petrochemicals.
- **Slovakia:** figures from the Information System on Working Conditions, Trexima Bratislava.
- **Slovenia:** figures refer to increases in the basic pay rates determined by sectoral collective agreement; the 2008 increase was applied from August; the 2009 increase represents only a 1.15% rise paid in January to compensate for higher than forecast inflation.
- **Spain:** figures from MTIN collective agreement statistics.
- **Sweden:** figures, from the Industrial and Chemical Employer’s Association ([Industri- och kemigruppen](#)), relate to the 2007–2010 sectoral agreement for blue-collar and white-collar workers.
- **UK:** no data available for 2008; the 2009 figure, from the LRD *Workplace Report*, represents an average (calculated on the basis of the number of agreements and not workers covered) of agreements signed in annual pay round (that is, from August of the preceding year) and refers to median increases in lowest basic rates in ‘manufacturing (chemical, mineral and metals)’.

Annex 3

Back to Figure 4

The data in Figure 4 should be read in conjunction with the following notes.

- **Austria:** figures, from GPA-DJP, relate to sectoral collective agreement; increases applied from January each year.
- **Belgium:** figures, from the Federal Public Service for Employment, Labour and Social Dialogue, refer to average collectively agreed wage increases for white-collar workers (the largest employee group) in wholesale and retail (wage bargaining in retail occurs in a range of sectoral joint committees); the 2008 figure represents indexation plus an increase of €8 in monthly pay in August/September; the 2009 figure represents mainly an ‘eco-cheque’ worth €125 per employee paid in November or December.
- **Bulgaria:** figures, from the Independent Trade Union Federation of Commerce and Cooperatives, relate to increases set by sectoral collective agreements; the 2008 figure includes the last 12 months of an increase of 14.9% over 15 months from October 2007, plus the first six months of an increase of 20% over 18 months from July 2008; 2009 represents the last 12 months of the increase of 20% over 18 months from July 2008.
- **Cyprus:** collective bargaining in the retail sector is restricted to a few large enterprises, and even here the statutory minima are often higher than those provided by collective agreements; the statutory monthly minimum wage for newly recruited retail sales staff was €743 in 2008 and €791 in 2009, rising to €789 and €840 respectively after six months’ service.
- **Denmark:** figures refer to increases in monthly pay, set by sectoral collective agreement for 2007–2010, applicable from April each year; figures given are for skilled workers, with unskilled workers receiving increases of 2.6% in 2008 and 2.5% in 2009.
- **Finland:** figures relate to sectoral collective agreement.
- **France:** the 2008 figure, from DARES, refers to increase in average basic monthly pay; no data available for 2009.
- **Germany:** data, from the WSI collective agreement archive, refer to average collectively agreed basic pay increases.

- **Greece:** the 2008 increase comprises rises of 3.5% from January and 3.5% from September; the 2009 increase comprises rises of 2% from January and 5% from September.
- **Ireland:** the 2008 figure represents a pay increase under national agreement – see note to Figure 1; no data available for 2009.
- **Italy:** figures from Istat pay bargaining statistics.
- **Malta:** figures, from the government Economic Policy Division, refer to increases in wholesale and retail between September 2007 and September 2008, and between September 2008 and September 2009 respectively.
- **Netherlands:** figures, from CBS, are average of mainly subsectoral agreements, plus several company agreements; the 2009 figure refers to the first 11 months of the year.
- **Norway:** figures, from TBU, include wage drift and carryover effects – see note to Figure 1; the 2009 figure is expressed by TBU as 1.75%.
- **Portugal:** figures represent the average of three subsectoral agreements (those signed by the General Confederation of Portuguese Workers ([Confederação Geral dos Trabalhadores Portugueses, CGTP](#)) for large supermarkets and for commerce in Lisbon, and by the General Workers' Union ([União Geral de Trabalhadores, UGT](#)) for commerce in Lisbon).
- **Romania:** no sectoral agreement; figures refer to the increases in minimum wage rates set out in the tripartite agreement on minimum wage increases over 2008–2014.
- **Slovakia:** figures from the Information System on Working Conditions, Trexima Bratislava.
- **Slovenia:** figures refer to increases in the basic pay rates determined by sectoral collective agreement; the 2008 increase comprises rises of 3.9% from August and 3% from September; the 2009 increase comprises a 1.15% rise paid in January to compensate for higher than forecast inflation and a 2.3% rise from August.
- **Spain:** figures from MTIN collective agreement statistics.
- **Sweden:** figures refer to average agreed increases for white-collar workers, as set out in the sectoral agreement; average agreed increases for blue-collar workers were 4.3% in 2008 and 4.5% in 2009.
- **UK:** no data available for 2008; the 2009 figure, from the LRD *Workplace Report*, represents an average (calculated on the basis of the number of agreements and not workers covered) of agreements signed in annual pay round (i.e. from August of preceding year) and refers to median increases in lowest basic rates in 'retail, wholesale, hotels and catering'.

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Back to Figure 5

The data in Figure 5 should be read in conjunction with the following notes.

- **Austria:** pay increases fixed by federal law from January each year; figures from the Union of Public Services ([Gewerkschaft Öffentlicher Dienst, GÖD](#)).
- **Belgium:** the 2008 figure refers to automatic indexation only; no increase awarded in 2009 (except variable rises in some bonuses).
- **Bulgaria:** the 2008 increase was imposed by cabinet decree from July; no increase awarded in 2009.
- **Cyprus:** data from the Pancyprian Federation of Public Employees ([Παγκύπρια Συντεχνία Δημοσίων Υπαλλήλων, PASYDY](#)); increases applied from January each year; the 2008 increase is subject to a minimum cash increase of €275 a year and the 2009 increase to a minimum cash increase of €211 a year.

- **Denmark:** figures refer to agreement between the State Employers' Authority and the Central Federation of State Employees' Organisations ([Centralorganisationernes Fællesudvalg, CFU](#)); the 2008 increase applied from April; the 2009 figure comprises rises of 1.84% from April and 0.65% from October.
- **Estonia:** pay increases are fixed by government regulation; the 2008 figure is an average increase, with only the 15 lowest civil service grades receiving rises; no increase awarded in 2009.
- **Finland:** figures relate to sectoral collective agreements.
- **France:** figures refer to general increases in civil service pay scales imposed by government.
- **Germany:** data, from the WSI collective agreement archive, refer to average collectively agreed basic pay increases; the 2008 figure refers to western Germany only, with the increase in eastern Germany standing at 12.3% (including an adjustment of pay to western German levels).
- **Greece:** the 2008 increase was fixed by law from January; no general increase awarded in 2009, only lump-sum payments of €500 for employees with gross monthly pay below €1,500, and €300 for those with gross monthly pay between €1,500 and €1,700.
- **Hungary:** no increase awarded in 2009, and higher-paid employees – earning HUF 180,000 (about €641 as at 21 June 2010) or more a month – experienced an effective pay cut of up to 8.3% due to the full or partial cancellation of the '13th month' bonus.
- **Ireland:** the 2008 figure represents the average public sector pay increase under national agreement – see note to Figure 1; no increase awarded in 2009, and civil servants experienced a cut in take-home pay due to a 7% 'pension levy'.
- **Italy:** figures from Istat pay bargaining statistics.
- **Luxembourg:** figures refer to civil service wage agreements; the 2008 increase represents a one-off, non-consolidated rise, payable in December; the 2009 increase represents a rise in basic pay scales from January.
- **Netherlands:** increases awarded by government decree from April each year.
- **Norway:** figures, from TBU, include wage drift and carryover effects – see note to Figure 1; the 2009 figure was expressed by TBU as 4.5%.
- **Poland:** no data available for 2008; the 2009 figure refers to an increase in average civil service pay set by government regulation.
- **Portugal:** increases are set, from January each year, by governmental orders, following consultation.
- **Romania:** figures refer to the increases in minimum wage rates set out in the tripartite agreement on minimum wage increases over 2008–2014.
- **Slovakia:** figures refer to increases set by sectoral collective agreements for the civil service for each year.
- **Slovenia:** figures refer to the general wage adjustment for the public sector (public administration, health and education); the 2008 increase includes rises of 3.4% from January and 2% from July; no increase awarded in 2009.
- **Spain:** figures from MTIN collective agreement statistics.
- **Sweden:** data refer to 2007–2010 collective agreement between the Swedish Agency for Government Employers ([Arbetsgivarverket](#)) and the Public Employees' Negotiation Council ([Offentliganställdas Förhandlingsråd, OFR](#)); an agreement between the Swedish Agency for Government Employers and the Union of Service and Communication Employees ([SEKO](#))

provided for increases of 2.8% in 2008 and 3.3% in 2009 (a third agreement, for professional employees, leaves pay increases to local agreements).

- **UK:** figure, from the LRD *Workplace Report*, represents an average (calculated on the basis of the number of agreements and not workers covered) of agreements signed in annual pay round (that is, from August of the preceding year) and refers to median increases in lowest basic rates in ‘public administration’.

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Back to Figure 6

The data in Figure 6 should be read in conjunction with the following notes.

- **Belgium:** increases based on a social partner agreement given legal force; the 2008 increase represents an agreed €25 monthly increase in the minimum rate, plus three automatic indexation adjustments; no increase in 2009.
- **Bulgaria:** increases, agreed in the tripartite council and imposed by cabinet decree, applied from January each year.
- **Czech Republic:** increases set by government resolution; no increase in 2008 or 2009.
- **Estonia:** increases, set by government decree based on agreement among the social partners, apply from January; no increase in 2009.
- **France:** the 2008 increase comprises 2.3% automatic rise triggered in May by rising inflation, plus 0.9% added by government in July to make up the year’s ‘normal’ increase, which is based on annual growth in consumer prices and purchasing power; the 2009 increase represents a normal rise.
- **Greece:** figures refer to increases in minimum rates as set out in 2008–2009 National General Collective Agreement; 2008 increase made up of rises of 3.45% from January and 3% from September; the 2009 increase applied from May.
- **Hungary:** increases, agreed in the tripartite council and imposed by government, applied from January each year; the minimum wage for skilled workers saw additional increases in 2008 and 2009.
- **Ireland:** increases based on tripartite national pacts; no increases in 2008 or 2009.
- **Latvia:** increases, set by government regulation, applied from January each year.
- **Lithuania:** increases applied by government resolution upon submission of a proposal by tripartite council; the 2008 increase applied from January; no increase in 2009.
- **Luxembourg:** the 2008 figure represents only an automatic indexation increase awarded in March; the 2009 figure represents a 2% increase applied by government from January and a 2.5% indexation increase awarded in March.
- **Malta:** increases applied by government order from January each year.
- **Netherlands:** increases decided by government; the 2008 increase made up of rises of 1.4% from January and 1.6% from July; the 2009 increase made up of rises of 1.8% from January and 1.3% from July.
- **Poland:** increases set by tripartite council (or government decision if no agreement); increases applied from January each year.
- **Portugal:** increases applied by law in January of each year, based on a 2006 tripartite agreement.

- **Romania:** figures refer to minimum wage rate set by the single national collective agreement; the 2008 increase is made up of a 13.6% rise from January 2008 and an 8% rise from October; the 2009 increase applied from January.
- **Slovakia:** increases awarded by government regulation (based on a tripartite agreement, where possible).
- **Slovenia:** increases set by government, based on a statutory mechanism; the 2008 increase made up of rises of 5.2% from March and 4% from July; the 2009 increase applied from August.
- **Spain:** increases applied by law from January.
- **UK:** figures refer to adult hourly rate; increases awarded by government decision in October of each year.

Annex 6

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The data in Figure 8 should be read in conjunction with the following notes.

- **Austria:** figure, from Statistics Austria, refers to net earnings of all employees (excluding apprentices).
- **Belgium:** figures from the National Bank of Belgium; the 2009 figure is an estimate.
- **Bulgaria:** figures from the [National Statistical Institute \(NSI\)](#); the 2009 figure is based on preliminary data.
- **Cyprus:** figures from National Accounts.
- **Czech Republic:** figures from the Czech Statistical Office ([Český statistický úřad, ČSÚ](#)); the 2009 figure is for year to September.
- **Denmark:** figures, from Statistics Denmark ([Danmarks Statistik](#)) are for the private sector only, and for the year to the third quarter; the 2008 figures for local government and state sector were 4.7% and 5% respectively; the 2009 figures for local government and state sector were 5.1% and 4.8% respectively.
- **Estonia:** figures, from Statistics Estonia ([Eesti Statistikaamet](#)), refer to increases in average monthly pay in the first three quarters of each year, compared with the same period in the previous year.
- **Finland:** figures from Statistics Finland wage and salary statistics.
- **France:** figures, from DARES, refer to increases in monthly basic earnings.
- **Germany:** figures from the Federal Statistical Office ([Statistisches Bundesamt, Destatis](#)).
- **Greece:** figures from Bank of Greece.
- **Hungary:** figures, from the Central Statistical Office ([Központi Statisztikai Hivatal, KSH](#)), refer to employers with at least five employees.
- **Ireland:** figures, from the [Central Statistics Office \(CSO\)](#), refer to average weekly earnings for all employees; the 2008 figure is for the fourth quarter compared with the first quarter (comparable data not available before 2008); the 2009 figure is for the year to the end of the third quarter.
- **Italy:** figures are estimates from Istat and refer to earnings in industry and services (excluding public administration); the 2009 figure is for the first three quarters.

- **Latvia:** figures, from the Central Statistical Bureau ([Centrālā statistikas pārvalde](#), CSP), are for increases in average net wages; the 2009 figure is for first nine months of the year compared with 2008 average.
- **Lithuania:** figures, from Statistics Lithuania ([Lietuvos statistikos departamentas](#)), are for increases in average gross monthly earnings; the 2009 figure is provisional.
- **Luxembourg:** figures, from the General Social Security Inspectorate ([Inspection générale de la sécurité sociale](#), IGSS), are for increases in average hourly earnings; the 2009 figure is for the year to end of the first quarter.
- **Malta:** figures, from the government Economic Policy Division, are for increases in nominal average weekly earnings per employee; figures for the year to June.
- **Norway:** see note to Figure 1.
- **Poland:** figures, from the Central Statistical Office ([Główny Urząd Statystyczny](#), GUS), refer to increases in average earnings in the period of the year to the end of the third quarter.
- **Portugal:** figures from the Ministry of Labour and Social Solidarity.
- **Romania:** figures, from the National Institute of Statistics ([Institutul National de Statistica](#) INS), refer to gross average earnings; the 2009 figure is for the year to November.
- **Slovakia:** figures from the Statistical Office of the Slovak Republic ([Štatistický úrad Slovenskej republiky](#), ŠÚ SR); the 2009 figure is a forecast.
- **Slovenia:** figures, from the Statistical Office of the Republic of Slovenia ([Statistični urad Republike Slovenije](#), SURS) and the Institute of Macroeconomic Analysis and Development, refer to gross wages per employee.
- **Spain:** figure from the National Statistical Institute ([Instituto Nacional de Estadística](#), INE) labour costs survey.
- **Sweden:** figures, from the National Mediation Office, refer to average monthly pay; the 2009 figure is for the year to October.
- **UK:** figures, based on National Statistics (ONS) average earnings index (inclusive of bonuses), represent average of earnings increases for the three months to October each year, compared with a year earlier.

Annex 7

Country codes

Country grouping	List of countries
EU27	EU15 and NMS12
EU15	Former 'old' Member States pre-enlargement 2004: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom
NMS12	10 new Member States that joined the EU on 1 May 2004 (Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia), plus Bulgaria and Romania which joined the EU on 1 January 2007

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