6 June 2016

Average Wage Increased by 3.9% in Real Terms

Average Wages – Q1 2016

**In Q1 2016 the average gross monthly nominal wage per FTE employee in the national economy increased by 4.4% compared to the corresponding period of the previous year. In real terms it grew by 3.9%. The median wage was CZK 22 533.**

In **Q1 2016** the average gross monthly nominal wage[[1]](#footnote-1) (hereinafter only as “the average wage”) per FTE employee in the national economy was CZK 26 480, which was by CZK 1 119 (4.4%) more than in the same period of 2015. In the aforementioned period of 2016 consumer prices grew by 0.5% and thus wages increased by 3.9% in real terms. The wage volume grew by 6.6% and the number of employees increased by 2.1%.

The average wage in the business sphere increased nominally by 4.5%, that means its growth was 4.0% in real terms; in the non-business sphere the average wage increased nominally by 4.1%, and thus grew by 3.6% in real terms.

**Compared to the previous quarter**, the seasonally adjusted average wage in Q1 2016 increased by 1.2%.

The median wage (CZK 22 533) increased by 6.5% compared to the same period of the previous year. The male median wage reached CZK 24 570 and the female one was CZK 20 165. Eighty per cent of employees earned wages within the interval from CZK 12 117 to CZK 40 997.

*Notes:*

The data are preliminary; revised data will be available in September 2016.

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Method of data acquisition: The direct survey and models of the CZSO, and the ISAE (Information System on Average Earnings) model

End of data processing: 30 May 2015

Related data set: 110024-16 Registered Number of Employees and Their Wages (1st Quarter of 2016),

 <http://www.czso.cz/csu/2015edicniplan.nsf/p/110024-15>

Next News Release will be published on: 5 September 2016

Annexes:

Table 1 Employees, average gross monthly wages (by activity, Q1 2016 – absolute numbers, changes year-on-year)

Table 3 Employees, average gross monthly wages (by territory of CZ-NUTS, Q1 2016 – absolute numbers, changes year-on-year)

Table 5 Median wages of gross average monthly wages by sex

Graph 1 Average gross monthly wages (quarters – absolute numbers, changes year-on-year)

1. *The average gross monthly nominal wage is a share of wage funds (including extra pay for overtime work, bonuses, compensation of wages, etc.) for one employee per month. Therefore this does not indicate what wage one concrete employee has. Results of structural statistics, in which data on earnings of respective employees are available, show that roughly two thirds of employees have the average wage below the national average.*

*The business sphere and the non-business one are delimited using the ESA 1995 methodology for the national accounts compilation. This type of breakdown will be last time published for 2016 and since the reference year 2017 will not be available any more.*

*The median wage represents a value of an employee wage in the middle of the wage distribution. That means one half of the wages is lower and the second half of the wages is higher than the median wage. Conversely to the average wage, which is calculated on the basis of background data from enterprise reports, the median must be derived from a statistical-mathematical model based on a sample survey, because enterprise questionnaires contain just aggregated data for the whole enterprise or organization.*

*It is necessary to keep in mind the employers pay, from the gross wages, appropriate amounts for premiums for health insurance and social security, income tax advances of natural persons, and other statutory deductions, or deductions agreed with the employee for their employees. The employees are paid net wages.*  [↑](#footnote-ref-1)