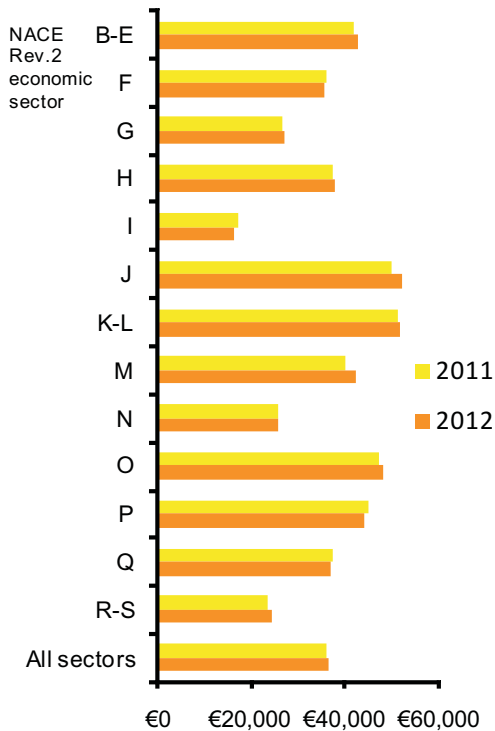




**Average annual earnings by economic sector**



**Earnings and Labour Costs**  
Annual Data 2012

Year	Average Annual Earnings	Average Annual Other Labour Costs	Average Annual Total Labour Costs
	€	€	€
<b>2011</b>	35,905	4,870	40,775
<b>2012</b>	36,079	5,582	41,661
<b>Annual change %</b>	+0.5	+14.6	+2.2

**Average annual earnings at €36,079 in 2012**

Average annual earnings rose to €36,079 in 2012 from €35,905 in 2011, an increase of 0.5% (+ €174). This compares with a decrease of 0.6% (-€212) between 2010 and 2011, when the value was €36,117. See table 1 and graph opposite.

Other features of the annual results for the year 2012 include:

- Average annual other labour costs were €5,582 in 2012 compared with a value of €4,870 in 2011, an increase of €712 (+14.6%). See table 2.
- Average annual total labour costs rose by 2.2% between 2012 (€41,661) and 2011 (€40,775). See table 3.
- Total annual earnings at €55.3 billion were up 0.8% in 2012 from €54.9 billion in 2011. See table 4.
- In the three years to 2012 total annual earnings have fallen by €4.0 billion (-6.7%). See Table 4.

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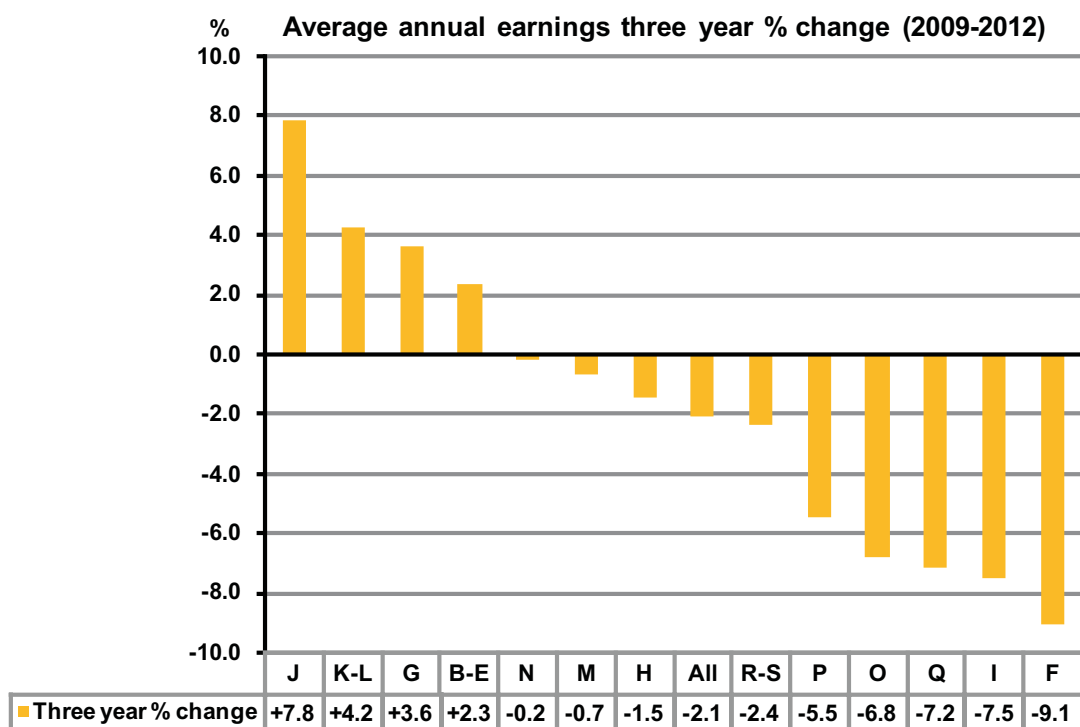
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## Average annual earnings rise in 9 of the 13 sectors

Across the economic sectors average annual earnings rose in 9 of the 13 sectors in the year 2012 when compared with average annual earnings in 2011, with the largest percentage increase in the *Professional, scientific and technical activities* (+5.2%) sector. The largest sectoral percentage decrease in average annual earnings was recorded in the *Accommodation and food services* (-3.5%) sector.

The range of percentage change in earnings across the sectors over the three years to 2012 has varied from +7.8% in *Information and communication* sector to -9.1% in the *Construction* sector. See table 1 and graph below.



Key to NACE sectors			
All	All sectors	K-L	Financial, insurance and real estate
B-E	Industry	M	Professional, scientific and technical
F	Construction	N	Administrative and support services
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	O	Public administration and defence
H	Transportation and storage	P	Education
I	Accommodation and food services	Q	Human health and social work
J	Information and communication	R-S	Arts, entertainment, recreation and other service activities

It should be noted that earnings are gross amounts before deductions for PRSI, tax and other levies such as the pension levy in the public sector introduced in March 2009. Estimated averages do not reflect differences in characteristics of the job or the employees, and since EHECS collects aggregate data from each enterprise it is not possible to correct for such differences using EHECS data.

## **Average annual other labour costs rise by 14.6% in 2012**

Average annual other labour costs were up by 14.6% in 2012 when compared to 2011, with values of €5,582 and €4,870 respectively. Results showed that average annual other labour costs in the *Accommodation and food services* sector at €1,494 had the only percentage drop (-5.4%) when compared with the 2011 value of €1,580. The largest annual percentage increase was in the *Transportation and storage* sector where other labour costs at €7,951 were up 23.4% on the 2011 value of €6,445. See *table 2*.

## **Total annual earnings up €55.3b in 2012**

Total annual earnings at €55.3 billion were up 0.8% in the year to 2012 from €54.9 billion in 2011, a rise of €0.4 billion. Seven of the 13 NACE economic sectors showed an increase with the largest percentage increase in the *Information and communications* sector, where there was a 13.2% increase. The largest percentage decrease in total annual earnings was in the *Construction* sector, which had a decrease of 9.0%. See *Table 4*.

There was a rise of 2.5% in the total wage bill in the year to 2012 when the total labour costs rose by €1.6 billion from €62.3 billion in 2011 to €63.9 billion in 2012. See *Table 5*.

Additional information on average annual overtime, average annual irregular earnings, total annual overtime, total irregular earnings, etc. are set out the CSO Statbank. See *background notes for links to this data*.



## Tables

**Table 1 Average annual earnings by economic sector <sup>1</sup>**

NACE Principal Activity		2009	2010	2011	2012	Three year change	Two year change	One year change
						(2009-2012)	(2010-2012)	(2011-2012)
		€	€	€	€	%	%	%
B-E	Industry	41,797	42,196	41,832	42,750	+2.3	+1.3	+2.2
F	Construction	39,035	37,150	35,611	35,493	-9.1	-4.5	-0.3
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	25,990	26,097	26,352	26,917	+3.6	+3.1	+2.1
H	Transportation and storage	38,234	36,686	37,049	37,645	-1.5	+2.6	+1.6
I	Accommodation and food services	17,649	16,949	16,910	16,319	-7.5	-3.7	-3.5
J	Information and communication	48,261	49,068	49,768	52,035	+7.8	+6.0	+4.6
K-L	Financial, insurance and real estate	49,302	51,342	50,985	51,389	+4.2	+0.1	+0.8
M	Professional, scientific and technical	42,280	41,597	39,886	41,972	-0.7	+0.9	+5.2
N	Administrative and support services	25,789	24,945	25,303	25,737	-0.2	+3.2	+1.7
O	Public administration and defence	51,611	48,755	47,060	48,118	-6.8	-1.3	+2.2
P	Education	46,216	43,868	44,606	43,664	-5.5	-0.5	-2.1
Q	Human health and social work	39,589	37,909	37,277	36,737	-7.2	-3.1	-1.4
R-S	Arts, entertainment, recreation and other service activities	24,651	25,043	23,404	24,071	-2.4	-3.9	+2.8
<b>Total</b>		<b>36,835</b>	<b>36,117</b>	<b>35,905</b>	<b>36,079</b>	<b>-2.1</b>	<b>-0.1</b>	<b>+0.5</b>

<sup>1</sup> Earnings are inclusive of overtime and irregular earnings.

**Table 2 Average annual other labour costs by economic sector <sup>1</sup>**

NACE Principal Activity	2009	2010	2011	2012	Three year change	Two year change	One year change
					(2009-2012)	(2010-2012)	(2011-2012)
	€	€	€	€	%	%	%
B-E Industry	9,823	8,608	8,145	9,639	-1.9	+12.0	+18.3
F Construction	7,232	5,375	4,477	4,522	-37.5	-15.9	+1.0
G Wholesale and retail trade; repair of motor vehicles and motorcycles	4,171	3,864	3,712	4,265	+2.3	+10.4	+14.9
H Transportation and storage	7,532	6,632	6,445	7,951	+5.6	+19.9	+23.4
I Accommodation and food services	2,051	1,715	1,580	1,494	-27.2	-12.9	-5.4
J Information and communication	10,333	9,920	9,933	10,912	+5.6	+10.0	+9.9
K-L Financial, insurance and real estate	14,256	12,612	11,416	13,262	-7.0	+5.2	+16.2
M Professional, scientific and technical	7,652	6,371	6,188	6,885	-10.0	+8.1	+11.3
N Administrative and support services	3,837	3,229	2,968	3,543	-7.7	+9.7	+19.4
O Public administration and defence	3,776	3,183	3,074	3,685	-2.4	+15.8	+19.9
P Education	3,705	3,320	3,572	4,304	+16.2	+29.6	+20.5
Q Human health and social work	4,492	3,612	3,266	3,789	-15.7	+4.9	+16.0
R-S Arts, entertainment, recreation and other service activities	3,702	3,072	3,119	3,390	-8.4	+10.4	+8.7
<b>Total</b>	<b>5,968</b>	<b>5,110</b>	<b>4,870</b>	<b>5,582</b>	<b>-6.5</b>	<b>+9.2</b>	<b>+14.6</b>

<sup>1</sup> Other labour costs include Statutory employers' PRSI, other social costs, Benefits in kind, etc.

**Table 3 Average annual total labour costs by economic sector <sup>1</sup>**

NACE Principal Activity		2009	2010	2011	2012	Three year change	Two year change	One year change
						(2009-2012)	(2010-2012)	(2011-2012)
		€	€	€	€	%	%	%
B-E	Industry	51,620	50,803	49,977	52,389	+1.5	+3.1	+4.8
F	Construction	46,267	42,525	40,088	40,015	-13.5	-5.9	-0.2
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	30,161	29,962	30,064	31,182	+3.4	+4.1	+3.7
H	Transportation and storage	45,767	43,318	43,494	45,595	-0.4	+5.3	+4.8
I	Accommodation and food services	19,700	18,664	18,490	17,813	-9.6	-4.6	-3.7
J	Information and communication	58,594	58,988	59,702	62,946	+7.4	+6.7	+5.4
K-L	Financial, insurance and real estate	63,558	63,954	62,401	64,651	+1.7	+1.1	+3.6
M	Professional, scientific and technical	49,932	47,968	46,074	48,858	-2.2	+1.9	+6.0
N	Administrative and support services	29,625	28,174	28,271	29,280	-1.2	+3.9	+3.6
O	Public administration and defence	55,386	51,938	50,134	51,803	-6.5	-0.3	+3.3
P	Education	49,922	47,187	48,178	47,969	-3.9	+1.7	-0.4
Q	Human health and social work	44,081	41,521	40,543	40,525	-8.1	-2.4	-
R-S	Arts, entertainment, recreation and other service activities	28,353	28,115	26,523	27,461	-3.1	-2.3	+3.5
<b>Total</b>		<b>42,804</b>	<b>41,226</b>	<b>40,775</b>	<b>41,661</b>	<b>-2.7</b>	<b>+1.1</b>	<b>+2.2</b>

<sup>1</sup> The average annual total labour costs is the sum of the average annual earnings on Table 1 and average annual other labour costs on Table 2.



**Table 4 Total annual earnings by economic sector <sup>1</sup>**

NACE Principal Activity		2009	2010	2011	2012	Three year change	Two year change	One year change
		€/M	€/M	€/M	€/M	(2009-2012) %	(2010-2012) %	(2011-2012) %
B-E	Industry	8,769.1	8,476.2	8,276.8	8,223.5	-6.2	-3.0	-0.6
F	Construction	3,808.0	2,523.2	2,369.4	2,156.3	-43.4	-14.5	-9.0
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	7,491.5	7,197.7	7,286.5	7,509.5	+0.2	+4.3	+3.1
H	Transportation and storage	2,467.7	2,384.0	2,432.1	2,371.9	-3.9	-0.5	-2.5
I	Accommodation and food services	2,251.7	2,143.4	1,981.9	2,058.9	-8.6	-3.9	+3.9
J	Information and communication	2,642.8	2,565.5	2,615.0	2,959.3	+12.0	+15.3	+13.2
K-L	Financial, insurance and real estate	4,697.9	4,575.7	4,536.9	4,524.9	-3.7	-1.1	-0.3
M	Professional, scientific and technical	3,118.1	2,874.6	2,838.4	2,978.5	-4.5	+3.6	+4.9
N	Administrative and support services	2,276.6	2,186.2	1,988.7	2,177.6	-4.3	-0.4	+9.5
O	Public administration and defence	6,187.2	5,774.0	5,369.3	5,407.2	-12.6	-6.4	+0.7
P	Education	6,046.9	5,979.9	5,918.7	5,685.5	-6.0	-4.9	-3.9
Q	Human health and social work	8,333.3	8,164.7	8,123.4	8,102.4	-2.8	-0.8	-0.3
R-S	Arts, entertainment, recreation and other service activities	1,194.0	1,163.0	1,137.7	1,165.1	-2.4	+0.2	+2.4
<b>Total</b>		<b>59,284.6</b>	<b>56,008.2</b>	<b>54,874.7</b>	<b>55,320.5</b>	<b>-6.7</b>	<b>-1.2</b>	<b>+0.8</b>

<sup>1</sup> Earnings are inclusive of overtime and irregular earnings.

**Table 5 Total annual labour costs by economic sector<sup>1</sup>**

NACE Principal Activity		2009	2010	2011	2012	Three year change	Two year change	One year change
		€/M	€/M	€/M	€/M	(2009-2012) %	(2010-2012) %	(2011-2012) %
B-E	Industry	10,830.0	10,205.3	9,888.3	10,077.7	-6.9	-1.3	+1.9
F	Construction	4,513.5	2,888.3	2,667.3	2,431.1	-46.1	-15.8	-8.9
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	8,693.8	8,263.5	8,312.9	8,699.3	+0.1	+5.3	+4.6
H	Transportation and storage	2,953.8	2,814.9	2,855.1	2,872.8	-2.7	+2.1	+0.6
I	Accommodation and food services	2,513.3	2,360.3	2,167.1	2,247.4	-10.6	-4.8	+3.7
J	Information and communication	3,208.6	3,084.2	3,136.9	3,579.8	+11.6	+16.1	+14.1
K-L	Financial, insurance and real estate	6,056.3	5,699.7	5,552.7	5,692.7	-6.0	-0.1	+2.5
M	Professional, scientific and technical	3,682.5	3,314.9	3,278.8	3,467.1	-5.8	+4.6	+5.7
N	Administrative and support services	2,615.3	2,469.2	2,222.0	2,477.4	-5.3	+0.3	+11.5
O	Public administration and defence	6,639.8	6,150.9	5,720.0	5,821.2	-12.3	-5.4	+1.8
P	Education	6,531.6	6,432.4	6,392.6	6,245.9	-4.4	-2.9	-2.3
Q	Human health and social work	9,278.7	8,942.6	8,835.0	8,938.1	-3.7	-0.1	+1.2
R-S	Arts, entertainment, recreation and other service activities	1,373.2	1,305.7	1,289.3	1,329.2	-3.2	+1.8	+3.1
<b>Total</b>		<b>68,890.4</b>	<b>63,931.9</b>	<b>62,318.0</b>	<b>63,879.7</b>	<b>-7.3</b>	<b>-0.1</b>	<b>+2.5</b>

<sup>1</sup> Annual labour costs is the sum of the annual earnings and annual other labour costs.

## Background Notes - Annual Earnings

- Introduction** The Earnings, Hours and Employment Costs Survey (EHECS) replaced the four-yearly Labour Cost Survey, and also replaced all other CSO short-term earnings inquiries. The EHECS results are comparable across sectors and include more detail on components of earnings and labour costs than was previously available.
- Legislation** The survey information was collected by the Central Statistics Office (CSO) under the S.I. No 314 of 2008 Statistics (Labour Costs Surveys) Order 2008. The information collected is treated as strictly confidential in accordance with the Statistics Act 1993. The survey results meet the requirements for Labour Costs statistics set out in Council Regulation (EC) 530/1999.
- Business Register** The CSO's Business Register provides the register of relevant enterprises for the survey. An enterprise is defined as the smallest legally independent unit.
- Business Classification** The business classification used for the EHECS is based on the Statistical Classification of Economic Activities in the European Community (NACE Rev.2). The NACE code of each enterprise included in the survey was determined from the predominant activity of the enterprise, based on information provided in this or other CSO inquiries.
- Nace Classification** NACE Rev.2 is the latest classification system for economic activities, updated from NACE Rev 1.1. A major revision of NACE was conducted between 2000 and 2007, in order to ensure that the NACE classification system remained relevant for the economy. The main changes that affected the release was the reclassification of some industrial enterprises from industry to services (principally in the software and publishing sectors) and the inclusion of air conditioning supply, sewerage, water management and remediation activities in industry.
- Coverage** The survey results relate to enterprises in the Nace Rev 2 Sections B – E (Industry), F (Construction), G (Wholesale & retail trade: repair of motor vehicles & motorcycles), H (Transportation & storage), I (Accommodation & food services activities), J (Information & communication), K-L (Financial, insurance & real estate activities), M (Professional, scientific & technical activities), N (Administrative & support services activities), O (Public administration & defence), P (Education), Q (Human health & social work activities) and R-S (Arts, entertainment, recreation & other service activities) with 3 or more employees. The data was collected at the enterprise level.
- All enterprises with 50 or more employees and a sample of those with 3 to 49 employees are surveyed each quarter. The sample is based on the proportion of companies in each NACE 2 digit economic sectors in the 3 to 49 size classes (3 to 9, 10 to 19 and 20 to 49).
- Earnings in the public sector are calculated before the deduction of the pension levy that was introduced in March 2009. For Q1 and Q2 2011 temporary census field staff are included in all calculations due to the large numbers involved.
- Data Collection** The survey is conducted by post and questionnaires are issued in the last week of each quarter. Some returns are received electronically. All returns are scrutinised for accuracy. Where appropriate, firms are queried by post or telephone regarding incompleteness, apparent inconsistencies, etc. Information about the survey is on the CSO website and all questionnaires and instructions are available electronically there.

<b>Definitions</b>	<p><b>Employees:</b> All full-time or part-time workers paid a specific wage or salary or who had a contract of employment are defined as employees. Persons not working for salary e.g. family members, directors, partners, outside pieceworker's etc., are not considered employees but other persons engaged. These workers are included separately but not used in the calculation of derived variables. All employment figures are rounded to the nearest hundred.</p> <p><b>Part-time Employees:</b> Part-time employees are defined as those who normally worked less than around 30 hours per week. These included persons who worked for some whole days per week as well as those who worked for part of the day each day.</p>
<b>Apprentices</b>	Apprentices are defined as those whose wages/salaries are governed by the fact that they work either under an apprenticeship contract or as part of a training program. They are included in the calculation of earnings and hours data. They were also combined with full-time and part-time employees in determining the size group to which enterprises were classified.
<b>Wages and Salaries</b>	<p>All wages and salaries payments are gross (i.e. before deduction of income tax and employees' PRSI contributions and levies such as the public sector pension levy). In the analysis, the total wages and salaries are divided into:</p> <ul style="list-style-type: none"> <li>– Regular earnings i.e. pay and allowances paid at each pay period, even if the amount may vary.</li> <li>– Overtime, i.e. payments for working in excess of normal hours, usually paid at a premium.</li> <li>– Irregular bonuses and premiums, pay and allowances not paid at each pay period, i.e. annual or quarterly bonuses etc.</li> </ul>
<b>Other Costs</b>	<p>The following are the other categories of labour costs:</p> <ul style="list-style-type: none"> <li>– Statutory employers' PRSI including the social security contributions for apprentices.</li> <li>– Other social costs; which encompass pension fund contributions, life assurance premiums, income continuance insurance as well as other employee-related payments paid by the employer.</li> <li>– Benefits in kind; which include private use of company cars, stock options &amp; share purchase schemes, voluntary sickness insurance, staff housing and other free or subsidised benefits (e.g. canteen facilities, childcare provision, health costs).</li> <li>– Other labour costs.</li> <li>– Redundancy payments.</li> </ul>
<b>Subsidies and Refunds</b>	These are amounts received by firms under the various state schemes (IDA employment incentive scheme, grants etc.) as well as refunds from the Department of Social Protection (DSP) for sick and maternity leave. These are deducted from the firms' labour costs in the analysis.
<b>Derived Variables</b>	<p><b>Average annual earnings</b> Annual average earnings are the sum of annual regular earnings, annual overtime earnings and annual irregular earnings, divided by the average annual employment.</p> <p><b>Average annual other labour costs</b> Total annual other labour costs are divided by the average annual employment to get average annual other labour costs.</p> <p><b>Average annual total labour costs</b> The sum of average annual total earnings and annual average other labour costs.</p> <p><b>Total annual earnings</b> This is the sum of total annual regular earnings, total annual overtime earnings and total annual irregular earnings.</p>

<b>Methodology for production of annual results</b>	All enterprises with 50 or more employees are surveyed quarterly as well as a sample of enterprises which have between 3 and 49 employees inclusive. The classifications by size of enterprise are based on total persons engaged on the first day of the quarter. Quarterly results are added to produce annual data at the 2-digit NACE level.
<b>Weighting</b>	For enterprises with 3 to 49 employees inclusive, a weighting factor (the reciprocal of the sampling fraction) is used to weight the estimates to the total population for both employees and enterprises. The CSO Business Register forms the basis of the sampling frame used for weighting the sample data to the population. Decay factors are calculated for each size class and sector to adjust the non-sampled element of the register for the respondent non-relevant enterprises.
<b>Imputation</b>	Imputation is carried out for non-respondents in the greater than 50 employees' categories. Where an enterprise responded in the previous quarter ratio-imputation is used to estimate figures for the current quarter while for enterprises that did not respond in the previous quarter a stratum average imputation method is used to estimate the missing variables. These estimates are based on respondent enterprises of a similar size and activity.
<b>Final Estimates</b>	After imputation, all enterprises with 50 or more employees are accounted for and included in the final dataset. For those cells where a sample survey of enterprises is used (enterprises employing between 3 and 49 employees), the results are expanded using the grossing factors to cover the entire population for the relevant industries in the quarter. Macro edits are carried out at this stage and any outliers are investigated and corrected. Coherence of the data is ensured by scrutinising quarter on quarter changes.
<b>Interpretation of results</b>	The series presented in this release and all estimates deriving from the EHECS survey are primarily of use as an indicator of trends in average earnings across different classifications. However, in interpreting the trends and in undertaking direct comparison of the average level of earnings across sectors some caution in interpretation is warranted. For example, the results presented here are based on raw earnings levels. To get a true picture of differences in earnings levels of different employees, comparisons should take account of differences in the characteristics of employees, such as length of service, educational attainment level, nature of work etc., none of which are available via EHECS. The additional information available from the National Employment Survey (NES) allows for a more detailed analysis of differences in earnings levels and should be referred to by users seeking more detailed information on earnings determinants than is available from EHECS.
<b>Public Sector Organisations</b>	Public sector organisations consist of the following: <ul style="list-style-type: none"><li>• Civil Service</li><li>• Defence</li><li>• Garda Síochána</li><li>• Education</li><li>• Regional bodies</li><li>• Health</li><li>• Semi State, both commercial and non-commercial</li></ul>

**CSO Statbank** Updated earnings and hours worked tables are available on the CSO Statbank. To access the CSO website go to:

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    - Annual Earnings and other Labour Costs by Industry Sector
    - Annual Average Earnings and other Labour Costs by Industry Sector

For further information or assistance use the contact details on the front page of the release or email [earnings@cso.ie](mailto:earnings@cso.ie)