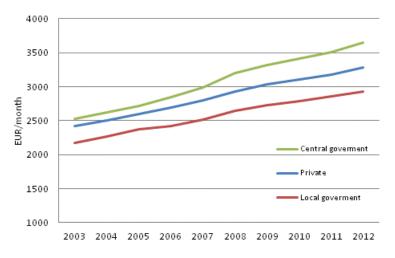


Structure of Earnings 2012

Central government average earnings have grown most among employer sectors from 2003 to 2012

According to Statistics Finland's Structure of Earnings statistics, the average monthly earnings of full-time wage and salary earners were EUR 3,206 in the last quarter of 2012 and the median earnings were EUR 2,853. In the central government sector, the average earnings of full-time wage and salary earners were EUR 3,647, in the local government sector EUR 2,932, and in the private sector EUR 3,279. Between 2003 and 2012, average earnings grew by 44 per cent in the central government sector and by 35 per cent in both the local government sector and the private sector.

Change in earnings by employer sector in 2003 to 2012



According to the comparison by occupational group, average earnings have grown more in the central government sector than in the other employer sectors in almost all occupational groups. Earnings have grown particularly for managers, professionals and associate professionals. The change in average earnings in the local government sector has been more considerable than in the private sector in several occupational groups.

Change in earnings according to occupational category by employer sector in 2003 to 2012

Classification of Occupations 2010	Change in average total earnings, percent			
	Private sector	Local government	Central government	
Total	35	35	44	
1 Managers	44 ¹⁾	42	52	
2 Professionals	29	35	46	
3 Technicians and associate professionals	32	37	50	
4 Clerical support workers	30	35	45	
5 Service and sales workers	34	31	40	
6 Skilled agricultural, forestry and fishery workers	32	43	48	
7 Craft and related trades workers	32	30	36	
8 Plant and machine operators, and assemblers	33	22	21	
9 Elementary occupations	24	25	33	

¹⁾ Top management of enterprises is missing

In the statistics on wages and salaries, universities moved from the central government sector to the private sector in 2010 as a result of the university reform. This slightly raises the growth percentage for average earnings in the central government sector, but has no effect on the trend of the pay development between the sectors. Appendix table 1 includes changes in average earnings by occupational group and employer sector so that universities are part of the central government sector in 2010 to 2012.

The data of this release derive from Statistics Finland's Structure of Earnings statistics, which cover all employer sectors. Monthly earnings for total hours worked are only calculated for full-time wage and salary earners. Besides earnings for regular working hours, the earnings also include pay for any possible overtime and working hour supplements but not one-off pay items, such as performance-based bonuses.

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The higher pay level in central government is caused by differences in the occupational and educational structures compared with the other sectors

The average pay level in central government is higher than in the private and local government sectors. This is not, however, visible in the pay comparison by occupational group, because average earnings are higher in several occupational groups in the private sector than in the other sectors (Table 1). For example, the average pay of associate professionals was EUR 3,448 in the private sector, EUR 3,297 in the central government sector and EUR 2,829 in the local government sector in 2012.

Table 1. Average earnings of full-time wage and salary earners by occupational group and employer sector in 2012

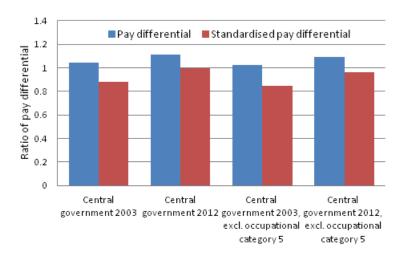
Classification of Occupations 2010	Total earnings, EUR/month			
	Private sector	Local government	Central government	Total
Total	3 279	2 932	3 647	3 206
1 Managers	6 196 ¹⁾	4 664	6 328	5 911
2 Professionals	4 315	3 777	4 180	4 104
3 Technicians and associate professionals	3 448	2 829	3 297	3 269
4 Clerical support workers	2 663	2 311	2 628	2 601
5 Service and sales workers	2 421	2 354	3 172	2 413
6 Skilled agricultural, forestry and fishery workers	2 054	2 305	2 724	2 272
7 Craft and related trades workers	2 910	2 580	2 826	2 897
8 Plant and machine operators, and assemblers	2 928	2 453	2 722	2 917
9 Elementary occupations	2 292	2 063	2 268	2 224

¹⁾ Top management of enterprises is missing

The higher average earnings in central government are explained by the fact that the occupational and educational structures differ from the other sectors. In relative terms, more professionals and associate professionals are working in the central government sector than in the other sectors. The level of education is also higher inside occupational groups in central government than in the other sectors, on average. Police and prison guards classified as service and sales workers, whose average earnings are considerably higher than those of service and sales workers employed in the other sectors, raise average earnings in the central government sector.

Figure 1 illustrates the effect of the occupational structure and level of education on the pay differential between the central government and private sectors. In the Figure, "pay differential" describes the difference in average earnings. "Standardised pay differential" depicts the pay differential between the sectors, when the effect of the occupational group (on 1-digit level) and level of education is standardised. The standardisation of the occupational group and level of education in practice means that the wages and salaries of persons working in the same occupational group and with the same level of education are compared with each other.

Figure 1. Pay differential between the central government and private sectors in 2003 and 2012



In 2003, the monthly average earnings of full-time wage and salary earners were 2 per cent higher in the central government sector than in the private sector. If the wages and salaries are compared between persons in the same occupational group and with the same level of education, earnings were around 12 per cent lower in the central government sector than in the private sector in 2003. In 2012, average earnings were 13 per cent higher in central government than in the private sector. When the occupational and educational structures are taken into account, average earnings in central government corresponded to average earnings in the private sector in 2012.

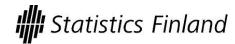
In Figure 1, the bars on the right illustrate what effect the occupational category "5 Service and sales workers" has on the pay differential between the central government and private sectors. If occupational category 5 including police and prison guards is not taken into account in the pay comparison, the pay differential between the central government and private sectors falls and the standardised pay differential increases. Without occupational group 5, the pay differential standardised for occupation and education and calculated for the year 2012 is four per cent in favour of the private sector.

Appendix tables

Appendix table 1. Change in earnings according to occupational category by sector in 2003 to 2012, universities as part of the central government sector

Classification of Occupations 2010	Change in average total earnings, percent			
	Private sector	Local government	Central government	
Total	35	35	43	
1 Managers	44 ¹⁾	42	49	
2 Professionals	31	35	38	
3 Technicians and associate professionals	33	37	47	
4 Clerical support workers	30	35	41	
5 Service and sales workers	34	31	39	
6 Skilled agricultural, forestry and fishery workers	31	43	42	
7 Craft and related trades workers	32	30	36	
8 Plant and machine operators, and assemblers	33	22	19	
9 Elementary occupations	24	25	30	

¹⁾ Top management of enterprises is missing



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Source: Structure of Earnings 2012, Statistics Finland