

25 June 2014

### Annual Wage Structure Survey Year 2012

#### Main results

- Average annual earnings per worker are 22,726.44 euros in 2012, that is, a 0.8% decrease as compared with the previous year.
- Average annual female wages represent 76.1% of male wages, a proportion that is nine tenths lower than that of the previous year (77.0%). The difference in pay between men and women decreases when considering similar situations with regard to variables such as occupation, or type of working day or contract, among others.
- País Vasco, with 26,535.61 euros per worker per year, is the Autonomous Community with the highest average annual wage. Canarias, with 19,277.62 euros, has the lowest one.
- The economic activity with the highest remuneration is *Supply of electrical energy, gas, steam and air conditioning* (52,324.67 euros). Wage-earners in *Accommodation* receive the lowest remuneration (13,867.02).
- Executives and managers constitute the occupational group with the highest average annual wages (53,165.69 euros), more than twice average annual wages.
- Workers with a fixed-term contract have an average annual salary of 15,893.55 euros, 34.5% lower than that of employees with a permanent contract.
- Regarding nationality, only workers with Spanish nationality exceeded the average annual wage.

### **Gross annual earnings**

Average annual earnings per worker were 22,726.44 euros in 2012, a 0.8% decrease as compared with the previous year.

One feature of the functions of wage distribution was that many more workers were registered in the lowest values than in the highest salaries. This fact caused average wages to be higher than both the median wages and the most frequent wages.

Thus, median wages (that is, the wage figure that divides the number of workers into two equal parts, those whose wages are higher and those whose wages are lower) registered a value of 19,040.98 euros. The most frequent salary stood at around 15,500 euros.

By sex, the average annual earnings were 25,682.05 euros for men, and 19,537.33 euros for women. Therefore, the female average annual earnings represented 76.1% of male earnings. This difference was reduced when considering similar situations with regard to variables such as type of contract, type of working day, occupation, seniority, etc.

Nevertheless, wage distribution inequality between sexes was significant. Thus, in the year 2012, a total of 17.36% of women had wages lower than or equal to the Interprofessional Minimum Wage (IMW), as compared with 7.52% of men.

Bearing in mind the highest wages, 10.4% of men received wages five times higher than the IMW, as compared with 4.72% of women.

Two further measurements completed the description of wage distribution inequality: The proportion of workers with low earnings (Low pay rate)<sup>1</sup> was 17.24%, 64.89% of these workers being women<sup>2</sup>.

### Wages by economic activity section

The economic activity with the highest average annual wage was *Supply of electrical energy, gas, steam and air conditioning*, with 52,324.67 euros per worker per year on average. This figure was 130.2% higher than the national average.

The next activity with the highest wage corresponded to *Financial and insurance activities*, with 41,905.60 euros.

Conversely, *Accommodation* and *Administrative and support services activities* received the lowest average annual wages, with 13,867.02 and 16,130.55 euros, respectively. These figures were 39.0% and 29.0% below the average.

As regards wage differences by sex and economic activity, it was worth noting that the ranking of activities for each sex remained largely unaltered with only slight modifications.

Thus, Supply of electrical energy, gas, steam and air conditioning was the activity that registered the highest wages, both for men and for women, and Accommodation received the lowest.

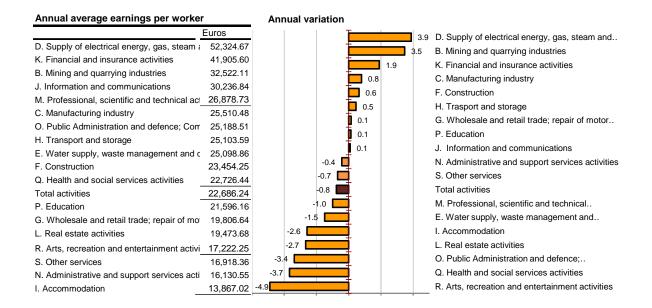
In all economic activities, women earned wages lower than those of men. This inequality was partly due to the differences in type of working day and contract.

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<sup>&</sup>lt;sup>1</sup> Proportion of wage earners whose earnings per hour were less than 2/3 of the median earnings.

<sup>&</sup>lt;sup>2</sup> Proportion of women, out of the total wage earners, with low earnings.





By activity sections, increases in annual earnings were greater in *Supply of electrical energy*, gas, steam and air conditioning, Mining and quarrying industries and Financial and insurance activities.

In contrast, *Arts, recreation and entertainment activities*, *Health and social services activities* and *Public Administration and defence; Compulsory Social Security* registered the greatest decreases. In these activities, the weight of the public sector explained the decrease registered, due to the salary reduction of civil servants in 2012.

### Wages by occupation

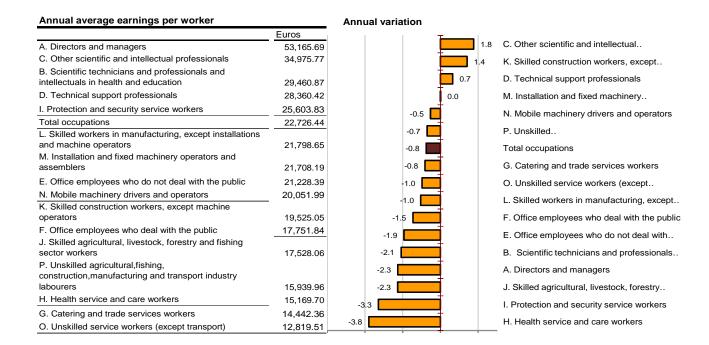
Occupation was one of the variables that most influenced the wage level. Worth noting was the large difference between wages from the group *Directors and managers* and the rest of occupations. The wage for said group was 133.9% higher than the average wage.

The occupations of the groups *Scientific technicians and professionals and intellectuals, Technical support professionals* and *Protection and security service workers* were also above the average wage.

The remaining occupations had average wages that were below the national average, with the least paid corresponding to *Unskilled service workers* (except transport) and Catering and trade services workers.

By sex, the occupations with the highest pay were the same for men and women, and in the same order. The Main Groups with the lowest pay also coincided in men and in women, but in a different order.

Women had a wage below that of men in all occupations. The lowest wage difference between men and women was registered in the group *Skilled construction workers*, except machine operators. In turn, the greatest difference occurred in the group *Unskilled service workers* (except transport).



In terms of wage increases, the groups that registered the greatest wage increase in 2012 were *Scientific technicians and professionals and intellectuals, Skilled construction workers, except machine operators* and *Technical support professionals.* 

In contrast, *Health services workers* and *Protection and security service workers* registered the most significant decreases in wages.

#### Wages by type of working day

The type of working day was the variable that determined the wage level. Annual average wages in 2012 for part-time work was less than 50% of total average wages, both for men and for women.

Annual full-time earnings grew 0.5% in 2012, whereas annual part-time earnings decreased by 1.2%.

By sex, average annual earnings grew for men in the case of full-time work and decreased for part-time work. In turn, average annual earnings for women decreased in both types of working day.

Nevertheless, this comparison, which was valid considering workers' earnings, was not pertinent on comparing wages as "workforce costs", since full-time wages correspond to more working hours than part-time. Consequently, earnings per hour became a relevant variable.

### Average annual wage by type of working day. 2012

	Both sexes Annual		Women		Men	
				Annual		Annual
	Euros	variation rate	Euros	variation rate	Euros	variation rate
TOTAL	22,726.44	-0.8	19,537.33	-1.2	25,682.05	0.1
Full-time	26,095.51	0.5	23,674.19	-0.1	27,898.06	1.1
Part-time	10,321.63	-1.2	9,988.41	-0.9	11,032.10	-1.8

The earnings per hour for part-time workers were lower than average earnings per hour, regardless of sex, with those of women being 29.5% lower.

In turn, whereas earnings per hour for men in full-time employment were 10.1% higher than average earnings, those of women were 5.4% lower.

# Wage per hour by type of working day. 2012

	Both sexes		Women		Men	
	Euros	Annual variation rate	Euros	Annual variation rate	Euros	Annual variation rate
TOTAL	14.57	0.3	13.10	-0.2	15.83	1.0
Full-time	15.09	0.4	13.79	-0.3	16.05	1.1
Part-time	11.03	1.3	10.27	1.5	12.89	0.7

The wage difference between men and women decreased when comparing earnings per hour. Whereas the average annual wages for women were, as commented previously, 76.1% those of men, this difference decreased to 82.7% when considering wages per hour.

In comparison with the year 2011, earnings per hour for full-time workers increased 1.1% in the case of men, and registered a decrease of 0.3% in the case of women. Regarding part-time work, earnings per hour increased for both sexes, being this increase greater for women (1.5% as compared to 0.7%).

### Wages by type of contract

For the purposes of the survey, two types of contract have been considered: permanent contracts and fixed-term (temporary) contracts.

So as to be able to compare workers with permanent contracts and workers with fixed-term contracts, adjustments were made as regards the wages paid to workers who did not stay the whole year at the workplace. To this end, they were assigned equivalent annual wages to those they would have been paid, had they worked for the entire year under the same conditions.

In general, workers with a fixed-term contract had average annual wages that were 34.5% lower than those of persons with permanent contracts.

As regards sex differences, men with permanent contracts earned wages 21.5% higher than the average annual wages, and men with fixed-term contracts earned wages 25.7% lower than the average. In turn, women received wages that were lower than the average wage, regardless of the type of contract (9.2% for permanent contracts, and 34.5% for fixed-term contracts).

Regarding the variation of annual earnings compared with the previous year, earnings decreased in both types of contract, this drop being more significant in fixed-term contracts.

### Average annual wage by type of contract. 2012

	Both sexes	Women			Men		
		Annual		Annual		Annual	
	Euros	variation rate	Euros	variation rate	Euros	variation rate	
TOTAL	22,726.44	-0.8	19,537.33	-1.2	25,682.05	0.1	
Permanent	24,277.06	-0.9	20,632.89	-1.1	27,608.03	-0.3	
Fixed-term	15,893.55	-3.5	14,891.24	-3.8	16,880.78	-2.7	

### Wages by nationality

Spanish workers were the only ones to have above-average wages.

For the remainder of workers from the European Union, wages were 23.3% lower than average, whereas other nationalities received wages that were more than a 36% below the average.

# Average annual wage by nationality. 2012

	Both sexes	Women	Men
TOTAL	22,726.44	19,537.33	25,682.05
Spain	23,232.42	19,948.76	26,298.33
EU excluding Spain(27)	17,442.86	14,585.44	20,103.66
Rest of Europe	*14.482,50	*12.525,75	*17.122,95
Latin America	14,280.32	12,704.15	15,915.84
Rest of World	14,396.72	11,988.01	15,462.55

CELL SAMPLE SIZE: When the box is marked with an asterisk (\*), this indicates that the number of sample observations is between 100 and 500, by which the figure is fairly insignificant and it is subject to variability.

### Wages by age

There was a positive relationship between the age of workers and their wage level, which reflected the fact that older workers were generally likely to be those with the greatest seniority and most experience in the workplace.

It is worth noting that wage differences by sex were greater, the older the workers. This was largely explained by younger women being better qualified (occupation, education, etc.) than older women.

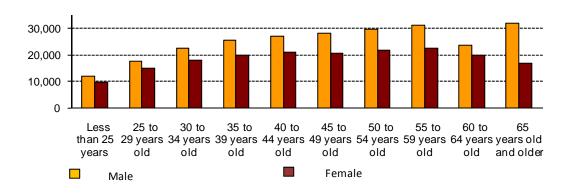
### Average annual wage by age groups. 2012

	Both sexes		Women		Men	
	Euros	Annual variation rate	Euros	Annual variation rate	Euros	Annual variation rate
TOTAL	22,726.44	-0.8	19,537.33	-1.2	25,682.05	0.1
Less than 25 years	11,077.39	-7.3	9,920.4	-7.5	12,171.86	-7.3
25 to 29 years old	16,244.38	-4.1	15,042.60	-3.3	17,629.20	-4.3
30 to 34 years old	20,201.98	-2.8	17,995.40	-3.5	22,525.75	-1.7
35 to 39 years old	22,927.66	-0.9	20,031.92	-1.7	25,652.49	0.0
40 to 44 years old	24,157.21	-1.8	20,941.80	-1.6	26,995.84	-1.3
45 to 49 years old	24,689.67	-2.3	20,821.54	-3.4	28,253.68	-0.7
50 to 54 years old	25,930.82	-2.2	21,744.69	-2.0	29,562.85	-1.9
55 to 59 years old	27,166.96	-2.4	22,396.23	-2.6	31,349.16	-0.8
60 to 64 years old	22,290.64	-2.6	19,963.66	-3.1	23,795.55	-1.8
65 years old and older	25,723.51	-8.3	*16.757,7		31,858.86	-6.7

CELL SAMPLE SIZE: When the box is marked with an asterisk (\*), this indicates that the number of sample observations is between 100 and 500, by which the figure is fairly insignificant and it is subject to variability.

In terms of wage increases, worth noting were the decreases in the annual wages of all age groups in 2012, specially among the youngest and oldest groups. In the case of older workers, this decrease is mainly explained by the increase in the number of part-time workers (partial-retirement contacts).

#### Comparison of the annual average wage by age and sex group



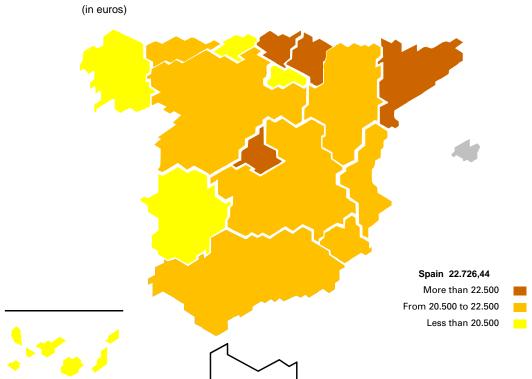
### **Wages by Autonomous Community**

The highest wages in the year 2012 corresponded to País Vasco (26,535.61 euros per worker per year), Comunidad de Madrid (26,044.39) and Cataluña (24,436.39).

These three Autonomous Communities, together with Comunidad Foral de Navarra, registered average annual earnings above the national average.

The remaining Autonomous Communities recorded average wages below the national average. Canarias (19,277.62 euros), Galicia (19,389.20 euros) and Extremadura (19,721.35 euros) recorded the lowest.





The wage difference between men and women varied by Autonomous Community. The different employment structure and occupation in each of them was the fundamental factor explaining such variability.

Despite this, in 2012 the average wages for women were lower than for men in all Autonomous Communities.

Thus, Illes Balears presented the least deviation, followed by Canarias and Extremadura, whereas Aragón recorded the greatest divergence, followed by Comunidad Foral de Navarra and Cantabria.

Considering the annual growth of earnings, Comunidad de Madrid and País Vasco were the only Autonomous Communities presenting positive variation rates. The remaining Autonomous Communities registered negative annual variations, being Cantabria, La Rioja and Galicia the communities registering the greatest decreases in their annual earnings.



# Main results by Autonomous Communities. 2012

	Both sex		Female		Male	
	Euros	Annual variation rate	Euros	Annual variation rate	Euros	Annual variation rate
TOTAL	22,726.44	-0.8	19,537.33	-1.2	25,682.05	0.1
Andalucía	20,891.63	-2.2	17,828.44	-3.0	23,592.08	-0.9
Aragón	22,103.79	-1.0	18,042.28	-4.2	25,766.27	2.0
Asturias, Principado de	21,750.66	-2.4	18,026.01	-3.7	25,048.82	-1.2
Balears, Illes	20,960.53	-1.8	19,022.24	-1.8	22,859.04	-1.4
Canarias	19,277.62	-1.2	17,498.71	-1.8	21,089.85	0.0
Cantabria	20,191.51	-3.5	16,771.99	-4.7	23,309.90	-2.0
Castilla y León	20,569.14	-2.2	17,552.07	-3.5	23,473.82	0.0
Castilla-La Mancha	20,536.42	-0.6	17,527.30	-2.6	22,810.39	0.2
Cataluña	24,436.39	-0.3	20,931.07	0.6	27,836.40	-0.7
Comunitat Valenciana	21,223.72	-0.4	17,870.88	-1.0	24,289.23	0.5
Extremadura	19,721.35	-0.8	17,401.90	-3.6	21,585.30	1.3
Galicia	19,389.20	-2.9	16,727.15	-3.3	22,059.69	-1.4
Madrid, Comunidad de	26,044.39	0.8	22,841.15	1.1	29,116.20	0.8
Murcia, Región de	20,682.01	-1.9	17,457.52	-3.3	23,487.03	0.1
Navarra, Comunidad Foral de	23,784.38	-2.5	19,462.13	-2.6	27,632.80	-0.7
País Vasco	26,535.61	0.6	22,313.41	-0.6	30,084.89	2.0
Rioja, La	20,346.24	-3.1	17,486.66	-4.6	23,097.08	-1.8

# **Methodological Annex**

The main objective of the Annual Wage Structure Survey (AWSS) is to obtain estimates of the gross annual earnings per worker, classified by type of working day, sex, section of the National Classification of Economic Activities (CNAE-09) and occupation to one digit of the National Classification of Occupations (CNO-11).

The information is obtained through the combined processing of the Social Security General Affiliation File (SS) and Model 190 statements: Annual Summary of Withholdings and Advance Payments on Personal Income Taxes by the State Tax Administration Agency (AEAT) and the Treasury of Comunidad Foral de Navarra, along with the occupation and work time variables provided by the survey attached to the INE Quarterly Labour Cost Survey (QLCS).

In this sense, the collaboration of the General Social Security Treasury, the State Tax Administration Agency, the Treasury of Comunidad Foral de Navarra and the Statistics Institute of Navarra has been fundamental in this statistical operation.

The population scope of the AWSS comprises all workers who work for others included in Social Security. This includes all of the units (contribution accounts), regardless of their size. It excludes all chairpersons, members of boards of directors and, in general, all personnel whose remuneration is not mainly in the form of wages, but rather commissions or benefits.

**It covers the whole country.** The design allows for offering results by Autonomous Community for the main variables.

**The sectoral coverage** extends to industry, construction and services, except Domestic Service. It covers sections B to S of the National Classification of Economic Activities, CNAE-09.

**Wage concepts** All wage concepts are collected as gross values, that is, before carrying out withholdings or advance payments on personal income taxes or contributions to Social Security on the part of the worker.