

Earnings, Incomes and Living Standards in Bulgaria

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This paper examines earnings, incomes and living standards in the People's Republic of Bulgaria. The paper is in four sections. The first section examines earnings, the word earnings being used as a catch-all term for both wages and salaries, that is to say, incomes from labour. The second section looks at incomes. The third and fourth sections of the paper consider living standards and prices respectively.

SECTION I : EARNINGS

Earnings (wages and salaries) constitute about two-thirds of total household incomes in Bulgaria. For worker households, the share of total household incomes contributed by earnings was 64.4% in 1965, 61.6% in 1970, 62.9% in 1975 and 64.7% in 1980. For employee households, the share of total household incomes contributed by earnings was 71.9% in 1965, 60.5% in 1970, 69.6% in 1975 and 71.5% in 1980. [Computed from Statisticheski Godishnik Na Naroda Republika Bulgariya (SGNNRB), 1981, pp. 90-92.] Nominal earnings have tended to increase fairly fast in Bulgaria, although the increase was greater for the period 1960 to 1970 than for the period 1970 to 1980. Average nominal earnings increased by 58.3% from 1960 to 1970, by 47.4% from 1970 to 1980, and by 133.2% from 1960 to 1980. (SGNNRB, 1982, p. 75.) Nominal earnings consist of basic nominal earnings plus bonuses and premia. Bonuses and premia increased faster than basic nominal earnings in the period 1960 to 1970, but increased slower than basic nominal earnings in the period 1970 to 1980. The increase in bonuses and premia, on an average, was 81.4% from 1960 to 1970, 41.5% from 1970 to 1980 and 156.7% from 1960 to 1980. Compared to this increase in bonuses and premia, average basic nominal earnings increased by 55.6% from 1960 to 1970, by 48.2% from 1970 to 1980 and by 130.5% from 1960 to 1980. (SGNNRB, 1982, p. 75.) The share of bonuses and premia in nominal earnings has thus tended to decline in recent years. Specifically, the share of bonuses and premia in nominal earnings increased from 1960 to 1975, but declined from 1975 to 1980. This share was 10.3% in 1960, 11.1% in 1965, 11.8% in 1970, 12.9% in 1975 and 11.4% in 1980. (Computed from SGNNRB, 1976, p. 77 and SGNNRB. 1981. p. 75.)