

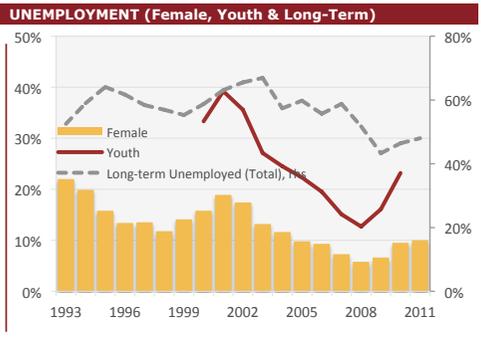
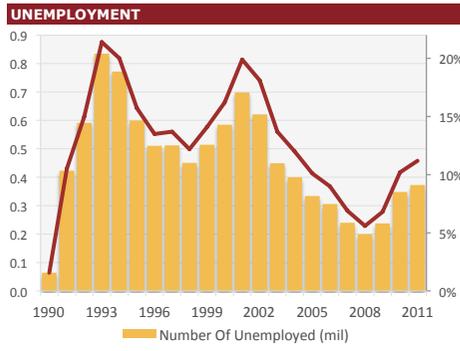
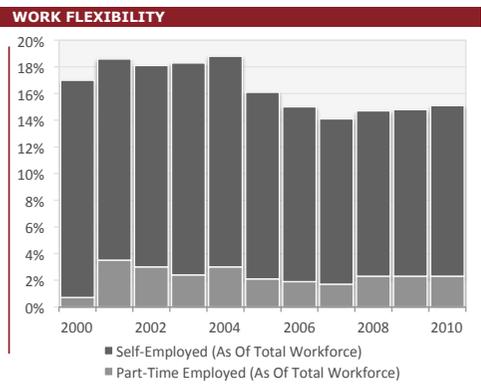
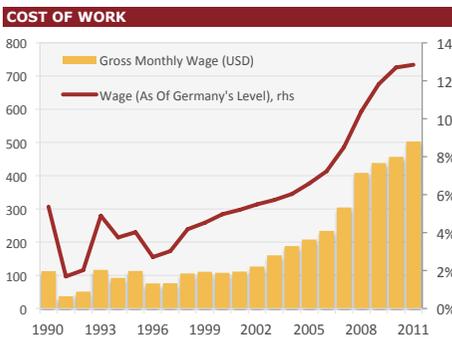
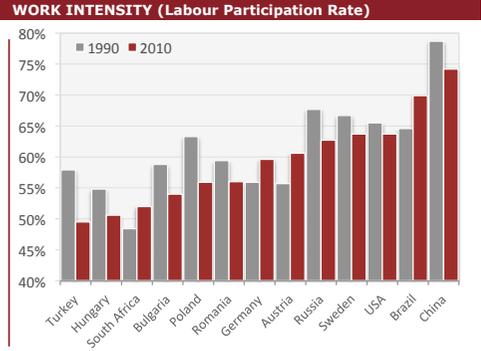
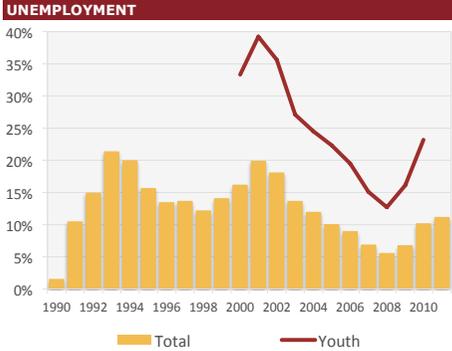
# EMPLOYMENT & LABOUR MARKET

Helgi's Pocket Guide

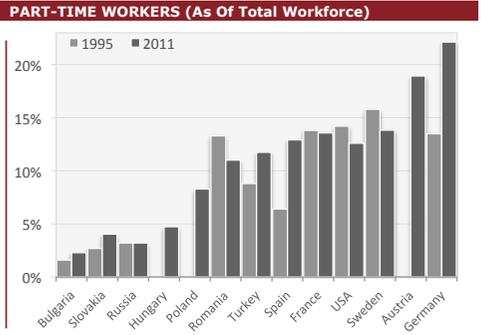
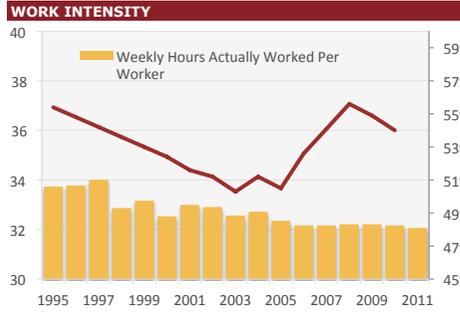
February 2013

Helgi Analytics  
Bulgaria

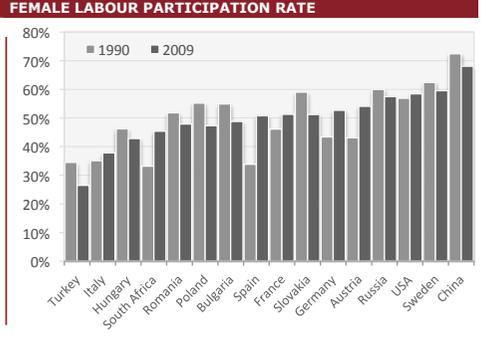
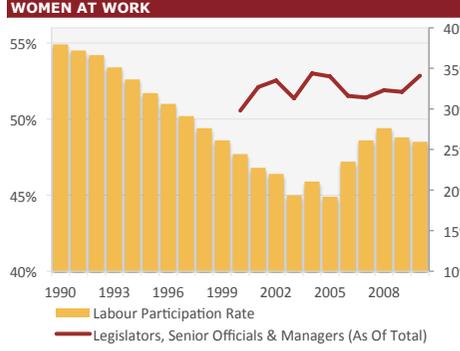
KEY FIGURES	1990	1995	2000	2005	2010
Unemployment Rate	1.6%	15.7%	16.2%	10.1%	10.2%
Long-Term Unemployed (As Of Unemployed)		64.1%	58.7%	59.8%	46.4%
Youth Unemployment (As Of Total Labour Force Ages 15-24)		33.3%	22.3%	23.2%	
Unemployment Rate, Female		15.8%	15.8%	9.8%	9.5%
Firing Costs (Weeks Of Wages)		9.0	9.0	9.0	9.0
Labour Force (mil)	4.08	3.82	3.61	3.37	3.51
Labour Participation Rate (As Of Total Population Ages 15+)	58.8%	55.4%	52.4%	50.5%	54.0%
Average Weekly Hours Actually Worked Per Worker	33.7	32.5	32.4	32.1	
Gross Average Monthly Wage (Current USD)	113	113	107	208	457
Gross Average Monthly Wage (As Of German Level)		4.0%	5.0%	6.6%	12.7%
Part-Time Employed (As Of Total Workforce)		0.8%	0.7%	2.1%	2.3%
Self-Employed (As Of Total Workforce)		16.3%	14.0%	12.8%	
Female Legislators, Senior Officials & Managers (Of Total)		29.8%	34.0%	34.1%	



The Bulgarian unemployment rate reached 11.4% at the end of 2011. Many jobs were lost as a result of the recession in 2009-2011 and according to some research, around 20% of Bulgarians of working age want to leave the country (following the 1 million people who have already emigrated over the last two decades). Similarly to other Southern Europeans, youth unemployment is the biggest problem, as virtually every fourth young Bulgarian is without a job now (and the rate has doubled in just the last three years).



Similarly to other Central and South-Eastern Europeans, few Bulgarians work compared to the more developed world, in spite of the pick-up seen in Bulgaria in the 2000s. Apart from the already-mentioned emigration of large numbers of youngsters to the richer Western Europe, part of the problem comes from the low level of flexibility of the labour market. Less than 2% of Bulgarians worked part-time (compared to 18% in the EU) and the share of temporary employees reached only 5% in 2008 (compared to 14% in the EU), to mention a few examples.



Another reason for the low labour participation rate in Bulgaria is the fact that female potential is still wasted. Only 48% of women older than 15 years worked in 2009, compared to 55% in 1990 and around 60% in Sweden in 2009. When employed, Bulgarian women work hard (only one hour less than men on average, i.e. 40 hours a week) and earn 13.8% less than men on average (which is a smaller gap than the average of nearly 18% in the EU).

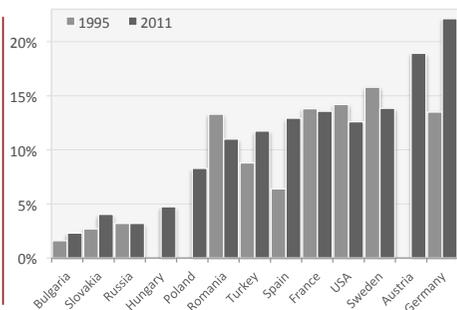
Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation

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**COST OF WORK**

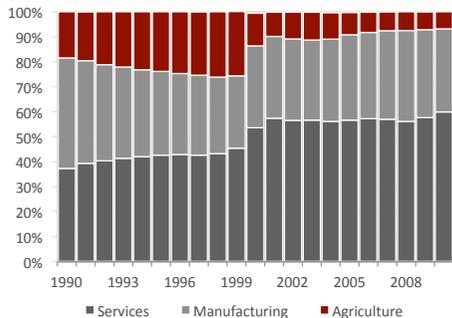


**GROSS MONTHLY WAGE (USD)**

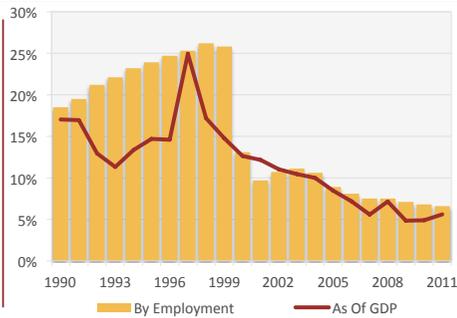


The average Bulgarian salary has increased twelve-fold since 1991 in USD terms, to nearly USD 500 in 2011. Although the catch-up to the German level is impressive (from less than 2% of the average German salary in 1991 to around 12% in 2010), the gap remains huge. The low cost should remain one of the key competitive advantages of Bulgaria's economy, not only compared to Western Europe, but also to the Central Europeans, as Czechs still earn nearly three times as much on average as Bulgarians do.

**STRUCTURE OF EMPLOYMENT**

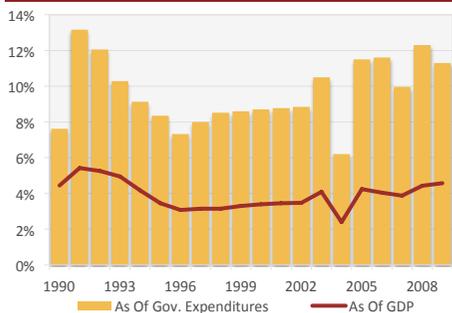


**AGRICULTURE**

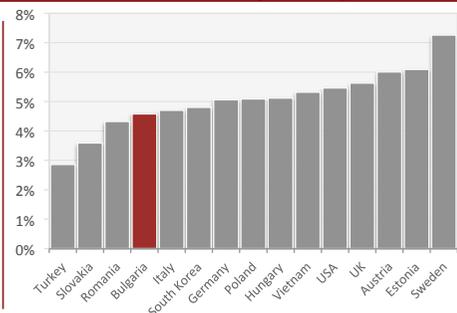


The service sector provides nearly 60% of the total number of jobs, a third more than two decades ago. Similarly to other Central and Southern European countries, the role of agriculture has been declining. While in 1990, agriculture formed 17% of Bulgaria's GDP and employed 18.5% of all its people, now it is less than 5% of the economy and less than 7% of employment.

**PUBLIC EDUCATION SPENDING**



**PUBLIC EDUCATION SPENDING (As Of GDP), 2009**



Bulgaria has traditionally had good standards of education, but the system suffered from the economic transition and a lack of resources, which had an impact on the morale of teachers and the reforms conducted. Despite the introduction of many private schools, education is mostly free of charge and continues to be highly valued by parents and the general public. A lack of resources remains the biggest issue, as the whole system is underfunded; Bulgarians spend less than 4.5% of GDP on education, one of the lowest shares within Europe.

Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation

**POPULATION**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Population	mil	7.82	7.78	7.74	7.70	7.66	7.62	7.59	7.53	7.48
Population (As % Of World Population)	%	0.12%	0.12%	0.12%	0.12%	0.12%	0.11%	0.11%	0.11%	0.11%
Persons Per Household	persons	2.70	2.70	2.69	2.68	2.67	2.64	2.62	2.65	2.62
Share Of Population (0-14 Years Of Age)	%	14%	14%	14%	14%	14%	14%	14%	14%	14%
Share Of Population (15-64 Years Of Age)	%	69%	69%	69%	69%	69%	69%	69%	69%	68%
Share Of Population (65+ Years Of Age)	%	17%	17%	17%	17%	17%	17%	17%	18%	18%
Median Age	years	40.4	40.6	40.8	41.0	41.1	41.3	41.4	41.6	41.8
Old Age Dependency Ratio	%	25%	25%	25%	25%	25%	25%	25%	26%	26%
Youth Dependency Ratio	%	21%	20%	20%	20%	20%	20%	20%	20%	20%
Life Expectancy, both sexes	years	72.1	72.6	72.6	72.6	72.7	73.0	73.4	73.5	
Life Expectancy At 65, both sexes	years	14.5	14.8	14.7	14.8	15.0	15.3	15.5	15.4	
Total Fertility Rate	children	1.23	1.29	1.32	1.38	1.42	1.48	1.57	1.49	
Urban Population	mil	5.5	5.4	5.4	5.4	5.5	5.5	5.5	5.5	5.5
Urban Population As Of Total	%	70%	70%	70%	71%	71%	72%	72%	73%	73%
Population In Largest City (As Of Total Population)	%	15%	15%	15%	15%	15%	16%	16%	16%	16%

**EMPLOYMENT**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Labour Force	mil	3.37	3.43	3.37	3.50	3.58	3.67	3.60	3.51	
Labour Force To Population	%	43%	44%	44%	45%	47%	48%	47%	47%	
Labour Participation Rate	%	50%	51%	51%	53%	54%	56%	55%	54%	
Labour Participation Rate (Female)	%	45%	46%	45%	47%	49%	49%	49%	49%	
Labour Participation Rate (Male)	%	56%	57%	57%	58%	60%	62%	62%	60%	
Female To Male Labour Participation Rate	%	80%	81%	80%	81%	81%	79%	79%	81%	
Unemployment Rate	%	13.7%	12.0%	10.1%	9.0%	6.9%	5.6%	6.8%	10.2%	11.2%
Long-Term Unemployed (As Of Total Unemployed)	%	67%	57%	60%	56%	59%	52%	43%	46%	
Unemployment Rate (Female)	%	13.2%	11.6%	9.8%	9.3%	7.3%	5.8%	6.6%	9.5%	10.0%
Unemployment Rate (Male)	%	14.2%	12.4%	10.3%	8.6%	6.5%	5.5%	7.0%	10.9%	
Unemployment (Youth Male)	%	29.4%	25.0%	23.4%	18.9%	14.5%	13.7%	17.7%	24.1%	
Unemployment (Youth Female)	%	24.1%	23.8%	21.0%	20.3%	16.0%	11.3%	13.8%	21.7%	
Average Duration Of Unemployment	months									
Gross Average Monthly Wage (Current USD)	USD	160	188	208	233	304	408	438	457	503
Monthly Minimum Wage (Current USD)	USD	64	76	95	103	126	165	171	162	
Minimum Wage (As % Of Gross Wage)	%	39.8%	40.6%	45.9%	44.0%	41.4%	40.4%	39.0%	35.6%	
Gender Pay Gap (As % Of Monthly Earnings)	%	19%	17%	18%	17%	17%				
Average Annual Hours Actually Worked Per Worker	hours	1,693	1,702	1,682	1,673	1,673	1,675	1,675	1,673	1,668
Self-Employed (As Of Total Workforce)	%	15.9%	15.8%	14.0%	13.1%	12.4%	12.4%	12.5%	12.8%	
Self-Employed, Female (As Of Female Workforce)	%	12.3%	12.6%	11.1%	10.0%	9.4%	9.8%	9.8%	10.3%	
Self-Employed, Male (As Of Male Workforce)	%	19.0%	18.7%	16.6%	15.9%	15.1%	14.7%	14.8%	15.0%	
Part-Time Employed (As % Of Total Workforce)	%	2.4%	3.0%	2.1%	1.9%	1.7%	2.3%	2.3%	2.3%	
Part-Time Employment, Female (As Of Total Female Employment)	%	2.8%	3.3%	2.5%	2.5%	2.1%	2.7%	2.7%	2.6%	
Part-Time Employment, Male (As Of Total Male Employment)	%	1.9%	2.6%	1.7%	1.4%	1.3%	1.9%	2.0%	2.1%	
Employment In Agriculture (As Of Total Workforce)	%	11.1%	10.6%	8.9%	8.1%	7.5%	7.5%	7.1%	6.8%	
Employment In Industry (As Of Total Workforce)	%	32%	33%	34%	35%	36%	36%	35%	33%	
Employment In Services (As % Of Total Workforce)	%	57%	56%	57%	57%	57%	56%	58%	60%	
Firing Costs (Weeks Of Wages)	weeks	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	
Managerial Positions (As Of Total Workforce)	%									
Female Legislators, Senior Officials & Managers (As Of Total)	%	31%	34%	34%	32%	31%	32%	32%	34%	
Proportion Of Seats Held By Women In National Parliament	%	26%	26%	22%	22%	22%	22%	21%	21%	21%
Vulnerable Employment, Total (As % Of Total Employment)	%	12.3%	12.0%	10.2%	9.2%	8.4%	8.7%	9.0%	9.0%	

Source: Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation. For more details, description and explanation of particular indicators, please, visit [www.helgilibrary.com](http://www.helgilibrary.com)

MACROECONOMIC ROUND-UP		2003	2004	2005	2006	2007	2008	2009	2010	2011
GDP	USD bil	20.7	25.3	28.9	33.2	42.1	51.8	48.6	47.7	53.5
GDP Growth	%	5.5%	6.7%	6.4%	6.5%	6.4%	6.2%	-5.5%	0.4%	1.7%
GDP Per Capita	USD	2,642	3,249	3,733	4,313	5,498	6,798	6,403	6,335	7,158
Industrial Production Growth	%	13.0%	12.8%	6.9%	6.0%	9.6%	0.6%	-17.4%	1.0%	4.9%
Retail Sales Growth	%									
Government Budget Balance (As % Of GDP)	%	-0.9%	2.2%	3.0%	2.2%	1.5%	0.8%	0.4%	-2.4%	
Public Debt (As % Of GDP)	%	46%	40%	29%	23%	19%	15%	16%	15%	15%
Unemployment Rate	%	13.7%	12.0%	10.1%	9.0%	6.9%	5.6%	6.8%	10.2%	11.2%
Gross Average Monthly Wage	USD	160	188	208	233	304	408	438	457	503
Foreign Debt (As % Of GDP)	%	65%	67%	62%	82%	101%	100%	114%	105%	
Imports (As % Of GDP)	%	59%	63%	56%	79%	79%	79%	56%	59%	66%
Exports (As % Of GDP)	%	49%	52%	41%	61%	60%	58%	48%	57%	67%
Current Account Balance (As % Of GDP)	%	-4.9%	-6.6%	-11.6%	-17.7%	-25.2%	-23.0%	-8.9%	-1.0%	0.9%
Foreign Exchange Reserves (Including Gold)	USD bil	6.8	9.3	8.7	11.8	17.5	17.9	18.5	17.2	17.2
Foreign Exchange Reserves (As % Of Imports)	%	56%	58%	54%	45%	53%	44%	68%	61%	49%
Foreign Direct Investments	USD bil	2.1	2.7	4.1	7.9	13.9	10.3	3.9	1.9	2.6
Foreign Direct Investments (As % Of GDP)	%	10.1%	10.5%	14.2%	23.7%	32.9%	19.9%	8.0%	3.9%	4.8%
Foreign Direct Investments (As % Of CA Deficit)	%	205%	159%	122%	134%	131%	86%	90%	375%	-515%
Workers' Remittances, Received (As % Of GDP)	%	8.3%	6.8%	5.6%	5.2%	4.0%	3.7%	3.3%	2.8%	2.8%
Portfolio Investments (As % Of GDP)	%	-1.0%	-2.1%	-4.5%	1.1%	-2.0%	-2.1%	-1.7%	-1.7%	-0.9%
Development Assistance (As % Of GDP)	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

INFLATION, FOREX & INTEREST RATES		2003	2004	2005	2006	2007	2008	2009	2010	2011
Inflation, CPI (Average)	%	2.2%	6.3%	5.0%	7.3%	8.4%	12.3%	2.5%	3.0%	3.4%
Long-Term Interest Rate (10-Year Gov. Bond Yield)	%	6.5%	5.4%	3.9%	4.2%	4.5%	5.4%	7.2%	6.0%	5.4%
Short-Term Interbank Interest Rate (3-Month)	%	3.7%	3.7%	3.6%	3.7%	4.9%	7.1%	5.7%	4.1%	
Interest Spread To US\$, 10-Year Gov. Bond	%	2.4%	1.1%	-0.4%	-0.6%	-0.1%	1.7%	4.0%	2.8%	2.6%
Interest Spread To US\$, 3M IBOR	%	2.5%	2.2%	0.1%	-1.5%	-0.4%	3.9%	4.8%	3.6%	-0.4%
FX Rate To USD (Average)	per USD	1.73	1.57	1.57	1.56	1.43	1.34	1.41	1.48	1.41
FX Rate To EUR (Average)	per EUR	1.95	1.95	1.96	1.96	1.96	1.96	1.96	1.96	1.96

Source: National Statistical Office, National Central Bank, World Bank, Eurostat, United Nations. For more details, description and explanation of particular indicators, please, visit [www.helgilibrary.com](http://www.helgilibrary.com)



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## ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 95% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit [www.helgilibrary.com](http://www.helgilibrary.com) or contact us at [info@helgianalytics.com](mailto:info@helgianalytics.com).

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