LABOUR PRODUCTIVITY, PERSONS EMPLOYED AND HOURS WORKED FOR 2024
## (PRELIMINARY DATA)

According to the preliminary data, the Gross domestic product (GDP) per person employed increased in real terms by 1.7% in 2024 compared to the previous year.

The number of persons employed in the economy was 3 518.7 thousand and the total number of hours worked was 5 718.8 million. Compared to the previous year the structure of employment by economic sector in 2024 showed an increase in the relative share of the Service sector and a decrease in the Agriculture and Industrial sectors.

Figure 1. Structure of the persons employed by economic sector in 2023 and 2024
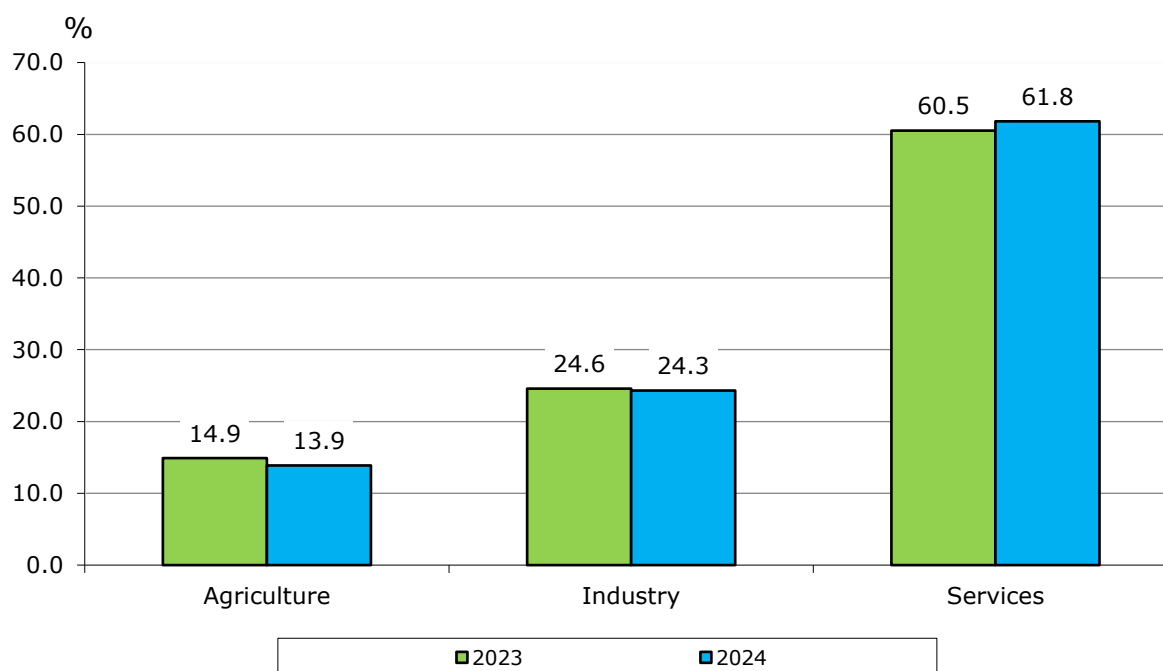
The GDP per person employed is 57 652.8 BGN and the GDP per hour worked is 35.5 BGN.

The Gross value added (GVA) per person employed in 2024 increased by 2.9 % compared to 2023. The GVA per hour worked increased in real terms by 5.1%.

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The GVA per person employed in the Service sector was 54 371.4 BGN and GVA per hour worked was 32.8 BGN according to the preliminary data for 2024. In the Industrial sector an average of 53 296.5 BGN GVA was produced by person employed or an average of 31.8 BGN GVA per hour worked. The lowest labor productivity was in the Agricultural sector - 8 570.0 BGN GVA per person employed and 6.1 BGN per hour worked.

Methodological Notes

1. Labour productivity is a compound economic indicator that compares the achieved result (created product) with the input labour factor when performing an economic activity on a given economic territory for a given period.

2. The main elements of labour productivity are indicators that measure the result of the underlying economic activity (numerator) and indicators for input labour in the production process (denominator).

3. At national level the result of production activity is measured with the Gross domestic product (GDP) and the Gross value added (GVA), created by all sectors of the national economy. GDP is the main indicator in the system of national economic accounts (ESA 2010) and it represents the final result of the production activity of all resident production units. The link between GDP and GVA is defined by the method of valuating the end product. GDP is valued at market prices including taxes on products and imports, net of subsidies on products. GVA measures the result of production activity using basic prices before taxation, including subsidies on products.

4. For the purposes of international comparisons of labour productivity between national economies the GDP per person employed (hour worked) is used: see http://ec.europa.eu/eurostat - General Economic Background. Labour productivity per person employed.

5. GVA per person employed (hour worked) is an indicator that is applicable for calculation of labour productivity on both national level and the level of the production activity.

6. The use of this indicator in national practice is in compliance with the specific methodological range of the sector 'Renting and operating of own or leased real estate' - activity type 68.2 of NACE.BG - 2008 - GVA includes an estimate of the imputed rent on real estates used by the owners which in Bulgaria has a dominating share - close to 90% of the population lives in their own houses. The value added

from imputed rent of own real estate is classified entirely as operating surplus in the compilation of 'Generation of income' account and is not directly related to labour participation. Because of this, the value added due to imputed housing rent has to be excluded when calculating labour productivity both for the services sector and for the economy as a whole.

7. The labour production factor in the labour productivity indicator is measured by the number of person employed in resident production units of the national economy and the time that they were employed - hours worked.

8. The measurement of number of persons employed and hours worked is according to the definitions and concepts of ESA 2010 as they are applied in estimation of the indicators for economic activities.

9. When comparing the data with the results of the labour force survey it is necessary to consider differences in definitions and methodological characteristics. The main conceptual differences are:

   - Object of the Labour Force Survey is the permanent population of the country, including temporary workers abroad, while the employment data in ESA 2010 are defined in terms of resident production units that can hire labour both from the country and abroad.

   - Persons on temporary military service are part of the employees under ESA 2010, but are not recorded by the Labour Force Survey.

10. The preferred indicator for the assessment of the labour factor in the composition of the labour productivity is man hours worked - this indicator represents more accurately the actual work input in the production process - the Eurostat website - http://ec.europa.eu/eurostat.

11. Comparison of indicators of labour productivity over time requires the elimination of the influence of prices in the value of indicators for the results from the economic activity. For this purpose, GDP and GVA of the current period are presented at constant prices of the base period.

12. Data for labour productivity are published on the website of NSI and in INFOSTAT - quarterly and annual time series.

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Annex

Table 1

LABOUR PRODUCTIVITY

Year	2019	2020	2021	2022	2023	2024*
GDP per employed - current prices, BGN	34578	35550	40958	48879	53206	57653
GDP per hour worked - current prices, BGN	20.99	22.09	25.27	30.19	32.06	35.47
Volume indices** of GDP per employed at previous year = 100 (%)	105.4	98.5	107.7	103.0	100.8	101.7
Volume indices** of GDP per hour worked, corresponding quarter of previous year = 100, (%)	105.2	100.9	107.0	103.0	98.4	103.8

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* Preliminary data.
** The volume indices are calculated based on the values of the corresponding indicator at constant prices of 2020.