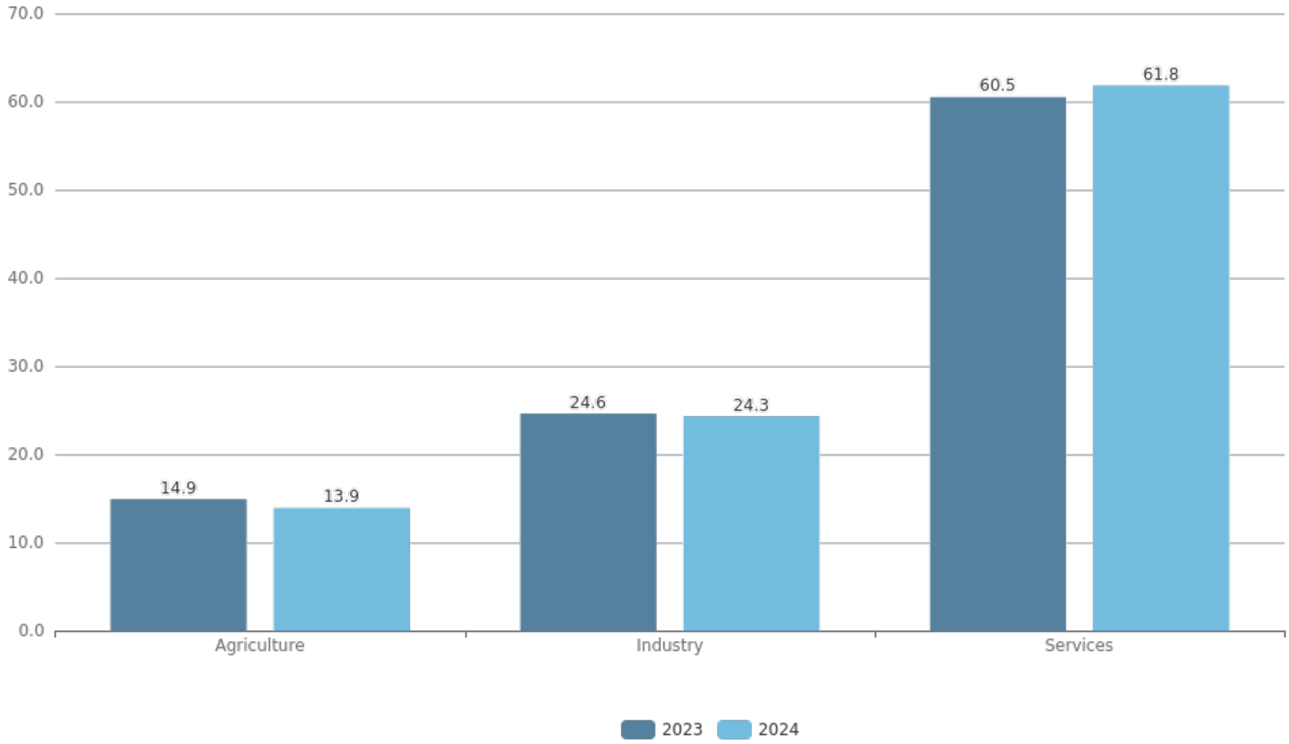
LABOR PRODUCTIVITY, EMPLOYMENT AND HOURS WORKED - 2024 - UPDATED DATA

According to the updated data the GDP per person employed increased in real terms by 2.3% in 2024 compared to the previous year.

The data for labour productivity for the period 2018 - 2023 were revised as a result of a methodological revision to improve the methods for calculating GDP components using the three methods.

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 was 58 234.1 BGN and GDP per hour worked was 35.8 BGN.

The gross value added per person employed increased in 2024 in real terms by 1.8% and per hour worked increased in real terms by 4.0% compared to the previous year.

The GVA per person employed in the service sector was 55 150.9 BGN and the GVA per hour worked was 33.3 BGN according to the final data for 2024. In the industrial sector the GVA per person employed was 50 592.4 BGN and the GVA per hour worked was 30.2 BGN. The lowest labour productivity was in the agricultural sector 9 853.6 BGN GVA per person employed and 7.1 BGN per hour worked.

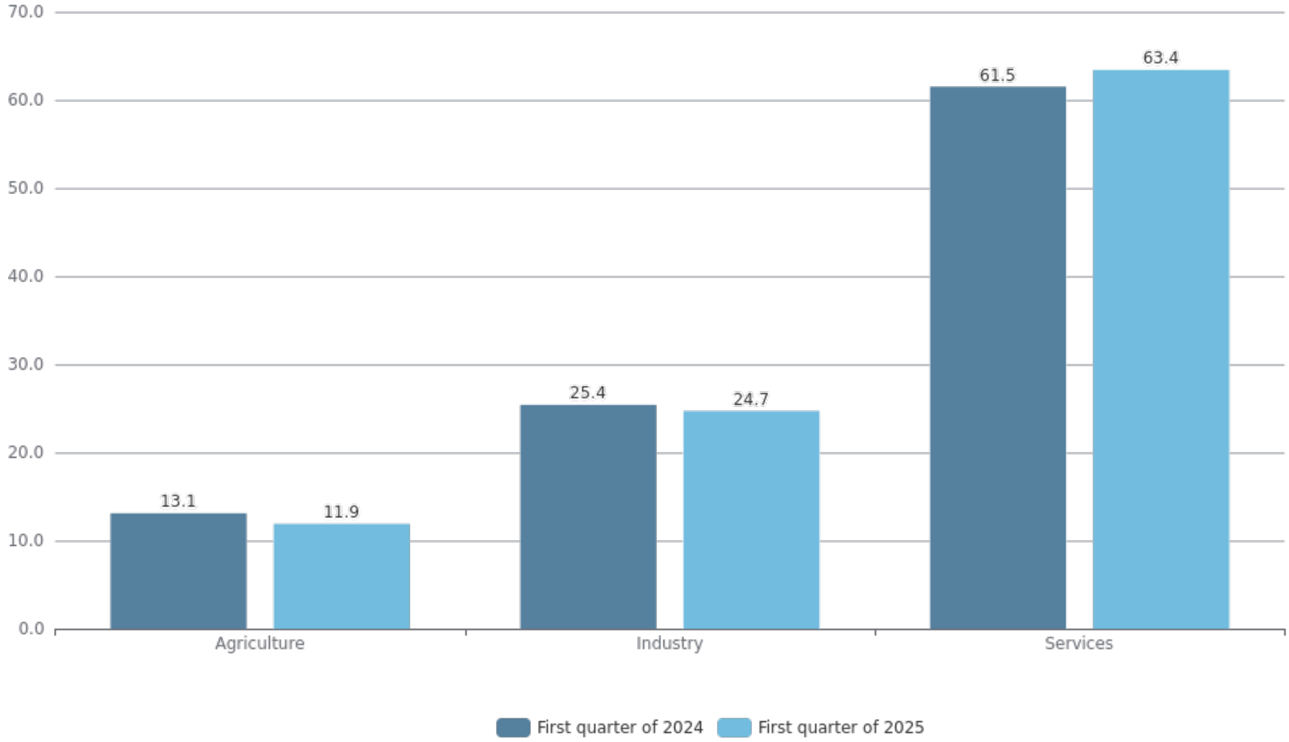
Quarterly changes in the first and in the second quarter of 2025

First quarter of 2025

According to the updated data, in the first quarter of 2025 GDP per person employed increased in real terms by 1.4% compared to the corresponding period of 2024.

The number of persons employed in the economy was 3 474.6 thousand and the total number of hours worked was 1 430.3 million in the first quarter of 2025. Compared with the first quarter of 2024 the structure of employment by economic sector in the first quarter of 2025 showed an increase in the relative share of the service sector and a decrease in the relative share in the agricultural sector and the industry sector.

Figure 2. Structure of the persons employed by economic sector in the first quarters of 2024 and 2025, %



The GDP per person employed was 13 110.2 BGN and the GDP per hour worked was 31.9 BGN in the first quarter of 2025.

The gross value added per person employed increased in real terms by 1.3% in the first quarter of 2025 compared to the first quarter of 2024. The GVA per hour worked increased in real terms by 2.6%.

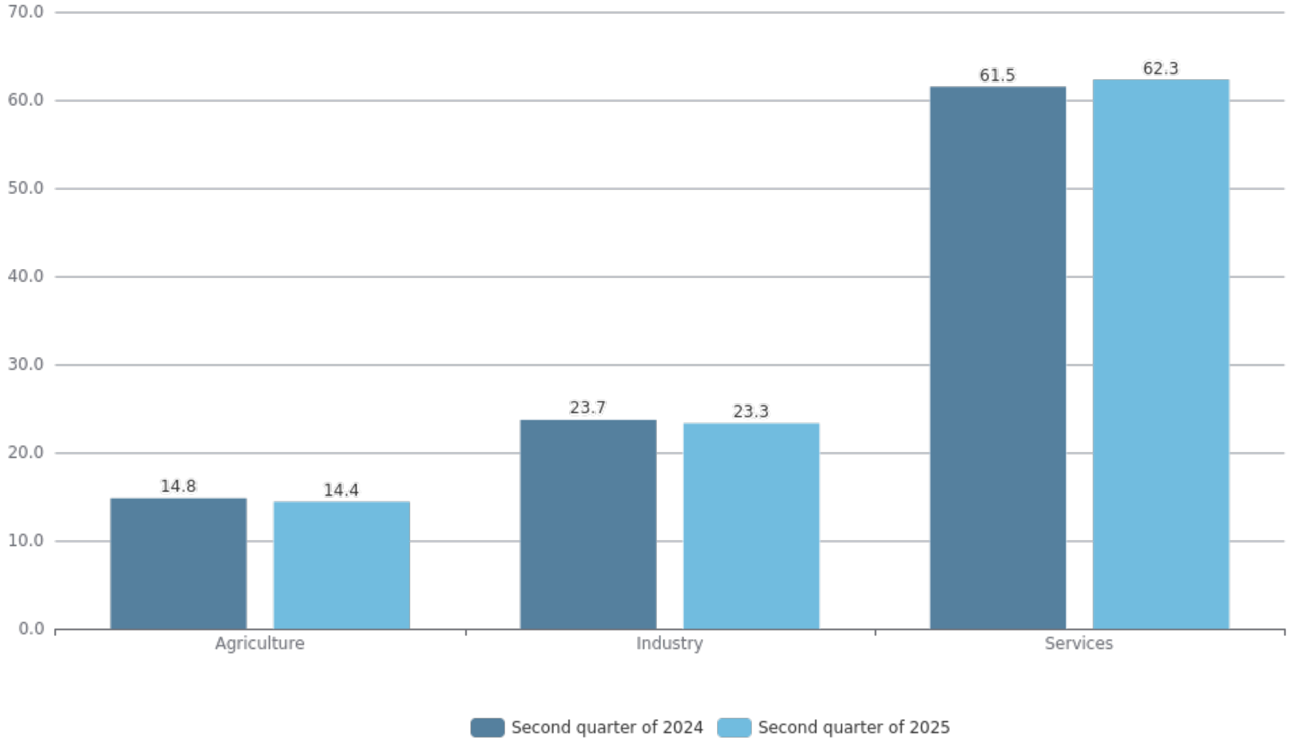
The GVA per person employed in the industrial sector was 11 586.4 BGN and the GVA per hour worked was 27.0 BGN according to updated data for the first quarter of 2025. In the service sector there was an average of 11 931.9 BGN. The gross value added was produced by person employed or an average of 28.1 BGN GVA per hour worked. The lowest labour productivity was in the agricultural sector 1 538.8 BGN GVA per person employed and 5.0 BGN per hour worked.

Second quarter of 2025

According to the updated data, in the second quarter of 2025 the GDP per person employed increased in real terms by 0.9% compared to the corresponding period of 2024.

The number of persons employed in the economy was 3 676.4 thousand and the total number of hours worked was 1 436.1 million in the second quarter of 2025. Compared to the second quarter of 2024 the structure of employment by economic sector in the second quarter of 2025 showed an increase in the relative share of service sector and a decrease in the relative share in the agricultural sector and the industry sector.

Figure 3. Structure of the persons employed by economic sector in the second quarters of 2024 and 2025, %



The GDP per person employed was 14 489.5 BGN and the GDP per hour worked was 37.1 BGN in the second quarter of 2025.

The gross value added per person employed increased in real terms by 0.1% in the second quarter of 2025 compared to the second quarter of 2024. The GVA per hour worked increased in real terms by 1.7%.

The GVA per person employed in the industrial sector was 13 510.4 BGN and the GVA per hour worked was 33.2 BGN according to updated data for the second quarter of 2025. In the service sector an average of 13 285.5 BGN Gross value added was produced by person employed or an average of 33.5 BGN GVA per hour worked. The lowest labour productivity was in the agricultural sector 2 653.8 BGN GVA per person employed and 7.8 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[1] 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 KID[2] - 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 labor 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 the ESA 2010 are defined in terms of resident production units that can hire labor both from the country and abroad;

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

10. The preferred indicator for the assessment of the labor factor in the composition of the labor productivity is man hours worked - this indicator represents more accurately actual work input in the production process - the Eurostat website - http://ec.europa.eu/eurostat.
11. Comparison of indicators of labor 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 labor productivity are published on the NSI website and INFOSTAT - quarterly and annual time series.

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[1] ESA 2010 - European System of National and Regional Accounts 2010.

[2] NACE - 2008 - Classification of Economic Activities.

Annex

Table 1. Gross Domestic Product, BGN					
Year	**2020**	**2021**	**2022**	**2023**	**2024**
GDP per person employed - current prices, BGN	35 518.0	40 939.0	48 878.0	53 103.0	58 234.0
GDP per hour worked - current prices, BGN	22.1	25.3	30.2	32.0	35.8
Volume index2 of GVA per person employed - previous year = 100, %	98.6	107.8	103.0	100.6	102.3
Volume index2 of GDP per hour worked - previous year = 100, %	101.0	107.0	103.1	98.2	104.4

Table 2. GDP per person employed - current prices, BGN				
Year	**First quarter**	**Second quarter**	**Third quarter**	**Fourth quarter**
2020	7766	8128.8	9258.4	10398.2
2021	8727.7	9363.7	10648.7	12188.4
2022	10179.6	11295.8	12611.3	14776.8
2023	11704.5	12306.3	13452.4	15674.9
2024	12699.9	13723.7	14952.9	16875.8
2025*	13110.2	14489.5		

Table 3. GDP per hour worked - current prices, BGN				
Year	**First quarter**	**Second quarter**	**Third quarter**	**Fourth quarter**
2020	19.1	20.9	23.1	25.3
2021	21.4	23.4	26.8	29.2
2022	24.9	28.2	32	35.6
2023	27.2	30.4	33.6	36.9
2024	30.5	34.6	38	40.3
2025*	31.9	37.1		

Table 4. GDP per person employed - volume index** compared to the corresponding quarter of previous year, %				
Year	**First quarter**	**Second quarter**	**Third quarter**	**Fourth quarter**
2020	101.7	94.6	100.3	98.1
2021	105.6	107	107.7	109.7
2022	103.4	104.4	102.7	101.9
2023	99.4	100.1	101.8	101
2024	100.8	101.8	102.5	103.6
2025*	101.4	100.9		

Table 5. GDP per hour worked - volume index compared to the corresponding quarter of previous year, %**

Year	First quarter	Second quarter	Third quarter	Fourth quarter
2020	101.5	101.8	100.3	100.3
2021	105.7	104.1	108.6	108.3
2022	102.7	104.1	103.7	102.2
2023	94.8	99.1	100.1	98.7
2024	103.8	103.9	104.2	105.3
2025*	102.7	102.6		

* Preliminary data.

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