

THE PERSPECTIVE OF THE EVOLUTION OF THE EARNINGS ON THE ECONOMY IN THE CONDITIONS OF THE PANDEMIC AND ECONOMIC-FINANCIAL CRISIS

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Abstract

The main objective of this study is to highlight the way in which the earnings evolved in 2020 in the conditions of the current health and financial-economic crisis. We used databases of the National Institute of Statistics and we used the appropriate statistical-econometric methods. Thus, the dynamic indices and series method was used and a regression model was constructed, based on which future evolutions were estimated.

The results obtained reveal the prospect of reducing the total income and especially wages of the population, which causes deterioration in living standards. Below are some significant aspects in this area.

Romania's economic and financial situation had an upward evolution until December 2019, even March 2020, after which, as a result of the effects of the pandemic crisis, and in the field of earnings on the economy, the negative aspects appeared.

On the whole national economy, it is found that the number of employees is reduced by the suspension of contracts or by the entry into technical unemployment of a significant number of people. Romania is still at the bottom of the ranking of European Union member states in terms of minimum wage income and even average, gross and net wage income.

In the future, the trend is for these revenues to decrease and especially to appear impossible to increase them due to the lower activity of companies in the business environment and the poor collection that is being achieved at the moment.

Keywords: *earnings, crises, national economy, fields of activity, unemployment, employees*

JEL classification: *J31, J32, J50*

1. Introduction

Starting from the fact that salary incomes are the main source of income for the population, the authors set out to conduct this study to highlight the perspective of the evolution of salary incomes, in the context of the pandemic and financial-economic crisis.

The analysis also took into account the effect that the evolution of inflation has on the real level of wage income, in particular, and of general income. At the same time, the prospect of reducing the income of the population as a result of the transition of many employees among the unemployed population was correlated.

The study was conducted based on data published by the National Institute of Statistics, using appropriate statistical and econometric methods and models. In this regard, we used simple linear regression methods to estimate future data.

We consider that the study contributes to the clarification of the effects that the world economy has had and will have on the health economy on the quality of life. Of course, this study can be deepened by considering other economic and social factors, which influence the gross and net wage income.

In the article Perspective on the evolution of earnings per economy in the conditions of the pandemic and economic-financial crisis, the authors emphasized the use of data provided by the National Institute of Statistics / Eurostat regarding this statistical variable.

The evolutions of the salary values are presented starting with the year 2018, 2019 and reaching the year 2020, in which there is a more accentuated fall of the earnings. A comparative study was also carried out in connection with the parallel evolution of consumer price indices and net average earnings indices. It is found that this analysis also represented graphically, the fact that the consumer price index had a somewhat smooth evolution compared to the average net earnings index. In 2020, it is found that in January, April and August the consumer price index had a rate of almost equal to 1-2%, while in those months the average net wage index fell between 3% and 5%. The study covers a period of time that shows that in 2020 the prospect of increasing average gross and net average wages is increasingly reduced.

Insufficient resources obtained from the collection influence the structure of the consolidated budget, which does not offer the possibility to increase salaries in education, health and other areas of national interest, which were provided for in previous and legislated budgets.

From the data presented and represented graphically, this trend of maintaining the average gross and net salaries at this level with an effect on the quality of life of the Romanian population results.

2. Literature review

The issue of salary incomes, especially in the context of the pandemic and financial-economic crisis, acquires a special importance. This is all the more so as wage income has a direct effect on the standard of living and quality of life of the population. In this context, the works should be mentioned, based on studies and analyses of some researchers. Thus, Ales L., Kurnaz M., Sleet C. (2015) referred to salaries and taxes unfairly distributed in society. Anghel MG, Anghelache C. (2017) performed an analysis on the labour market in Romania and other Member States of the European Union, and Anghelache C. (2017) published an extensive paper on the economic situation of Romania ten years after accession to the European Union. Anghelache C., Anghel M.G., Burea D. (2017) performs an analysis on the wage system and labor cost in the Member States of the European Union. The analyses regarding the wage system and the labour cost were approached in their works by Anghelache, C. and collaborators (2006), Baron, T., Biji, E.M., Tövissi, L. et al. (1996), Capanu, I., Anghelache, C. (2001) and Tövissi, L., Scarlat, E., Taşnadi, Al. (1979). Also, Atanassov J., Kim E.H. (2009) study the labor market and pay in government or private corporations, and Chen H.J., Kacperczyk M., Hernn O.M. (2011) studied the role of trade unions in regulating labor income. Dube A., Lester W., Reich M. (2010) studied the minimum wage. Hilli A., Lahmandi-Ayed R., Lasram H. (2016) and Leka S., Jain A., Zwetsloot G., Cox T (2010) perform a complex analysis on the investment and consumption policies of the population, and Rogerson R (2008) raises the alarm about the deterioration of the labor market in the European Union. Silva J., Toedo M. (2009) conducts a study on the European unemployment and employment outlook.

3. Methodological aspects

The study and data analysis was performed based on data published by the National Institute of Statistics, using statistical-econometric methods and models, such as: methods of

indices, dynamic statistical series, graphical and tabular representations, as well as the linear regression model. Below are presented some methodological aspects based on which the National Institute of Statistics calculates the indicators used in this study.

According to the methodology presented by the National Institute of Statistics, the average monthly gross earnings are determined by reporting the gross amounts paid from the salary fund, net profit and other funds (excluding compensatory amounts, amounts paid retroactively as a result of winning court money previous years), to the average number of employees.

In the context of the situation caused by the pandemic crisis combined with the economic-financial crisis, the infra-annual, operational statistical data may present a lower degree of reliability, accuracy, completeness and comparability, as a result of the difficulties arising from the application of certain economic and social measures. the establishment of a state of emergency and alert, respectively on the entire territory of Romania. Thus, these difficulties were mainly determined by the difficult access to financial-accounting documents, caused by the most often sudden closure of certain economic and social units, by the non-finalization of these documents in time, by the relaxation of the legal submission deadlines of the fiscal documents at the institutions with attributions in the field, by the temporary suspension of the activity of a significant number of economic-social units or even by the cessation of the activity of some of them. The average monthly salary also includes the amounts paid to employees for technical unemployment, in accordance with the legal provisions in force.

4. Data, results and discussions

The average gross nominal earnings in September 2020 were 5,414 lei, by 77 lei, respectively 1.4%, higher than in August 2020. Also, the average net nominal earnings were 3,321 lei, registering an increase compared to from the previous month of 1.4%, respectively by 46 lei.

Regarding the highest values of the average net nominal earnings, they were registered in the manufacture of coke oven products and products obtained from crude oil processing of 7,879 lei, and the lowest in hotels and restaurants of 1,753 lei.

September 2020 compared to September 2019, the average net nominal earnings increased by 7.8%.

Regarding the real earnings index, it was 105.2% for September 2020 compared to September 2019. Also, the real earnings index was 101.5% for September 2020 compared to the previous month. Compared to October 1990, the real earnings index was 223.8%.

The evolution of the indices of consumer prices and of the indices of average net earnings, in the period September 2018 - September 2020 is presented in figure number 1.

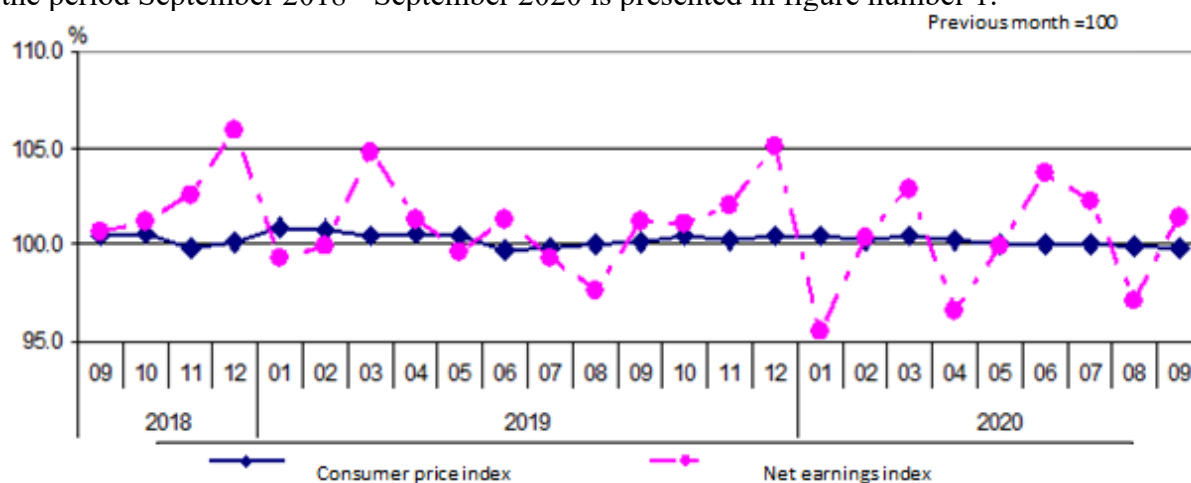


Figure no. 1. Evolution of consumer price indices and net average earnings indices, during September 2018 - September 2020

In September 2020, the level of average net earnings increased compared to the previous month in most activities in the economic sector, due to the granting of occasional bonuses, rights in kind and cash, amounts of net profit and other funds (including securities). Also, the increases in the average net earnings were due to the resumption of the activity of certain economic agents, by continuing to apply relaxation measures, production achievements or higher incomes, as well as redundancies with lower than average earnings in some economic activities.

The most significant increases of the average net earnings at the level of CANE Rev.2 sections / divisions were registered in the extraction of crude oil and natural gas (18.8%); in the manufacture of coke oven products and products obtained from crude oil processing (18%); in air transport, storage and ancillary activities for transport, other extractive activities, manufacture of basic pharmaceutical products and pharmaceutical preparations, manufacture of textiles, printing and reproduction on recordings of media (between 5.0% and 9.0%); in the manufacture of tobacco products, auxiliary activities for financial intermediation, insurance and pension funding, water capture, treatment and distribution, information technology service activities, film, video and television production activities, audio recordings and activities music publishing, manufacture of other means of transport, postal and courier activities, other industrial activities, extractive service activities, metal construction and metal products industry, manufacture of clothing (between 3% and 5%), and in hotels and restaurants, research and development, tanning and finishing of leather, manufacture of electrical equipment, real estate transactions (between 2.5% and 3%).

The decreases in the average net earnings compared to the previous month were determined by the granting in August 2020 of occasional bonuses, rights in kind and cash benefits, amounts from the net profit and other funds (including securities). Also, the decreases in the average net earnings were caused by non-production or lower earnings, as well as by hiring staff with lower than average earnings in some economic activities. Thus, the most significant decreases of the average net earnings at the level of CANE Rev.2 sections / divisions were registered in the extraction of metalliferous ores (7.1%) and in the manufacture of paper and paper products, beverage manufacturing, telecommunications, financial intermediation, wastewater collection and treatment (between 1.5% and 3%).

In the same vein, in the budgetary sector there were increases in average net earnings compared to the previous month in education, respectively 5.2%, as a result of the resumption of the payment of salary rights that are not granted during the rest leave, including the amounts representing the hourly payment of teachers.

In other words, the average net earnings registered a slight decrease compared to the previous month in health and social assistance, respectively 2.1%, and in the public administration the decrease was 1.1%.

Analysing the earnings by CANE Rev. divisions 2, in the first nine months of 2020 we find that, both at gross and net level, we record some slight salary increases, compared in September with August, these being mainly due to the fact that a number of employees with a minimum level on the economy were either technically unemployed or terminated their employment contracts and it is normal that the average calculated on a smaller number of employees, but with higher wages to show a growth trend, but on the total active population and especially to that salary it turns out that the level of income is lower and lower.

Table no. 1. Earnings by CANE divisions Rev.2

	DIVISION	AVERAGE EARNINGS PER MONTH SEPTEMBER 2020

	CAEN Rev.2	CRUDE		NET	
		LEI	% compared to August 2020	LEI	% compared to August 2020
TOTAL ECONOMY		5414	101,4	3321	101,4
Agriculture, forestry and fishing	01-03	4282	101,5	2575	101,5
Total industry	05-39	4901	102,0	3003	102,3
Extractive industry	05-09	8127	110,0	4998	109,8
Manufacturing industry	10-33	4638	101,4	2848	101,8
Production and supply of electricity and heat, gas, hot water and air conditioning	35	7990	101,5	4810	101,5
Water distribution; sanitation waste management, decontamination activities	36-39	4454	102,2	2705	102,8
Construction	41-43	4231	101,1	3177	100,9
Wholesale and retail trade; repair of motor vehicles and motorcycles	45-47	4562	101,0	2744	101,2
Transport and storage	49-53	5241	103,7	3148	103,9
Hotels and restaurants	55-56	2885	102,4	1753	102,9
Information and communications	58-63	10289	102,8	6405	102,8
Financial intermediation and insurance	64-66	8928	98,5	5321	98,8
Real estate transactions	68	4687	102,0	2871	102,5
Professional, scientific and technical activities	69-75	7136	101,5	4407	101,7
Administrative and support service activities	77-82	4161	100,7	2508	100,9
Public administration and defence; social insurance in the public system	84	8530	99,4	5054	98,9
Education	85	5982	105,7	3524	105,2
Health and social work	86-88	6784	98,3	4024	97,9
Entertainment, cultural and recreational activities	90-93	4913	99,1	2933	98,6
Other service activities	94-96	3612	100,7	2175	100,8

Source: National Institute of Statistics release number 292 / 10 November 2020

Table number 1 on the main economic activities shows the way in which the gross salary as well as the net salary on the national economy evolved both in absolute and relative figures, in September compared to August 2020. It is found that, for example in agriculture, the net salary is 2,575 lei, in the manufacturing industry 2,848 lei, in furniture manufacturing 2,179 lei, water distribution, sanitation, waste management and settling activities 2,705 lei, in wholesale trade 2,744 lei and hotels, restaurants 1,753 lei (this being the lowest), for real estate transactions 2,871 lei, for administrative services and service activities 2,508 lei and other activities and services 2,175 lei.

We would like to point out once again that this average level looks somewhat reasonable and slightly rising, starting from the fact that those with a minimum wage in the economy, were technically unemployed and then were no longer taken into account and were transferred to another category, and those who ceased their activities, such as HoReCa, were generally those with the minimum wages in the economy. The data we presented are summarized in table number 1, gross and net earnings, by CANE divisions Rev.2.

In table number 2 we performed an analysis on the average gross earnings in September, compared to September 2019.

Table no. 2. Evolution of average gross earnings (September 2019 - 2020), lei / employee

	Cod CAEN Rev.2	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mart.	Apr.	Mai	Jun.	Jul.	Aug.	Sept.
		2019				2020								
TOTAL ECONOMY		5041	5090	5196	5465	5225	5243	5386	5201	5188	5369	5468	5337	5414
Agriculture, forestry and fishing	01-03	3989	4032	4006	4284	4004	4065	4051	4000	3968	4085	4218	4219	4282
Total industry	05-39	4533	4558	4719	5040	4647	4631	4760	4457	4487	4792	4879	4805	4901
Extractive industry	05-09	7594	6836	6841	8005	7384	6490	6951	6958	7447	7401	7765	7389	8127

Manufacturing industry	10-33	4317	4376	4568	4772	4424	4456	4574	4175	4205	4539	4609	4572	4638
Production and supply of electricity and heat, gas, hot water and air conditioning	35	7205	7209	7069	8611	7499	7257	7208	8154	7823	8193	8313	7869	7990
Water distribution; sanitation waste management, decontamination activities	36-39	4006	4049	4096	4606	4229	4232	4386	4192	4242	4391	4477	4357	4454
Construction	41-43	4035	4062	4057	4270	4027	4068	4120	4049	4064	4184	4229	4184	4231
Wholesale and retail trade; repair of motor vehicles and motorcycles	45-47	4240	4293	4374	4733	4489	4529	4752	4378	4358	4588	4645	4515	4562
Transport and storage	49-53	4839	4860	4956	5406	5060	4938	4967	4803	4848	4935	5171	5052	5241
Hotels and restaurants	55-56	3028	3078	3106	3190	2968	2941	2631	2180	2302	2865	2779	2817	2885
Information and communications	58-63	9386	9291	9906	10098	9873	9965	10711	10482	10025	10210	10360	10010	10289
Financial intermediation and insurance	64-66	8126	8356	8700	10621	8724	8653	9855	10671	8880	9179	9688	9060	8928
Real estate transactions	68	4502	4418	4527	5312	4473	4608	4722	4455	4478	4682	4740	4595	4687
Professional, scientific and technical activities	69-75	6981	6920	7100	7691	6732	7069	7540	6971	6940	7060	7168	7033	7136
Administrative and support service activities	77-82	3855	3908	3983	4152	4123	4064	4268	4140	4011	4182	4176	4133	4161
Public administration and defence; social security in the public system	84	8069	8178	8254	8254	8402	8474	8437	8355	8433	8602	8738	8581	8530
Education	85	5642	5881	5871	5717	5927	6058	5919	5765	6076	5973	6167	5660	5982
Health and social work	86-88	6272	6315	6347	6427	6567	6525	6543	6716	6907	6830	6987	6901	6784
Entertainment, cultural and recreational activities	90-93	4535	4520	4508	4737	4876	4858	4676	4089	4146	4667	4798	4960	4913
Other service activities	94-96	3434	3398	3480	3644	3443	3481	3515	3440	3442	3616	3602	3588	3612

Source: National Institute of Statistics release number 292 / 10 November 2020

Normally we presented this evolution every month, starting with September 2019, until September 2020. On the main groups of activities we find the same situation, i.e. increases, sometimes decreases as it was in May, in June 2020, when the pandemic it began to take effect. However, the decreases are not proportional to how they manifested themselves in the previous period. It is found that starting from April, for example, in the manufacturing industry there is a decrease of the salary to 4,175 lei, being the gross one, which normally leads to a net salary of 2,100-2,200 lei per month. We can also see that in the field of wholesale and retail trade, repair of motor vehicles and motorcycles, wages have been lower and lower. Precisely, most strongly, we find that the HoReCa field effect is much greater and this is due to the fact that the state of pandemic crisis, as well as the economic-financial one imposed either the reduction of salaries or the passage of a significant number of people in the category of technical unemployment. In HoReCa, contracts were abandoned and from here came especially those with minimum wages in the economy, and those with higher wages in the economy were no longer part of the database based on which the average gross salary in the economy was calculated.

Returning to the HoReCa situation, we find that an average gross salary of 3,028 lei in September 2019, reached 2,180 lei in April 2020 and hence slight increases, but totally insignificant. In other words, we find that in the field of income and salaries of employees, the effects began to appear in July 2020, during the period of emergency, when the effects began to appear very strongly. This is the case, for example, for financial intermediation and insurance, where from 10,671 lei it reached 8,880 lei in just one month, namely in May. The examples can go on, but the conclusion is that the state of pandemic crisis has forced the reduction of gross and net income of staff working in these fields, according to the Caen Rev.2 classification. All data are summarized in table number 2.

Going further, we will present an analysis of the average net salaries obtained between September 2019 and September 2020. We do this with the intention of specifying what was the trend and evolution in the national economy in terms of jobs, jobs work and so on. And in this situation of the average net salary we find that May was the beginning of special salary reductions.

Thus, in agriculture this salary reached 2,397 lei, in the production and supply of electricity decreased to 4,725 lei, in water distribution, sanitation, waste management and decontamination activities to 2,553 lei, in terms of transport reached 2,909 lei, at hotels and restaurants at 1,394 lei net average in May. Also, during May-September, wages had a slight increase, but at the same time we emphasize that due to the fact that those with the minimum wage in the economy left the field of work and in this way the decrease is the one we mentioned.

In real estate transactions, the salary decreased to 2,743 lei in May and from here it still remained in balance, but at a minimum level. Also affected were the activities in the administrative services 2,413 lei net average and especially the activities of shows, cultural and recreational which reached 2,459 lei per month.

Of course, this analysis would have been much more edifying if we could have compared the number of employees who were in the workforce, employees who were technically unemployed, employees who lost their jobs.

The data regarding these average monthly gross salaries are included in table number 3.

Table no. 3. Evolution of the average net earnings (September 2019 - 2020), lei / employee

	Cod CAEN Rev.2	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mart.	Apr.	Mai	Jun.	Jul.	Aug.	Sept.
		2019					2020							
TOTAL ECONOMY		3082	3116	3179	3340	3189	3202	3294	3182	3179	3298	3372	3275	3321
Agriculture, forestry and fishing	01-03	2393	2425	2406	2568	2397	2441	2431	2398	2379	2455	2541	2538	2575
Total industry	05-39	2767	2789	2882	3074	2835	2827	2912	2725	2748	2934	2991	2936	3003
Extractive industry	05-09	4619	4189	4184	4946	4494	3963	4258	4321	4632	4554	4824	4552	4998
Manufacturing industry	10-33	2643	2684	2797	2915	2707	2728	2807	2556	2579	2786	2829	2799	2848
Production and supply of electricity and heat, gas, hot water and air conditioning	35	4319	4334	4239	5178	4486	4357	4318	4913	4725	4906	5032	4737	4810
Water distribution; sanitation waste management, decontamination activities	36-39	2410	2443	2465	2765	2540	2544	2640	2523	2553	2657	2714	2632	2705
Construction	41-43	2992	3036	3031	3195	3002	3036	3071	3008	3027	3136	3181	3149	3177
Wholesale and retail trade; repair of motor vehicles and motorcycles	45-47	2549	2583	2629	2841	2693	2718	2854	2632	2629	2763	2791	2711	2744
Transport and storage	49-53	2901	2913	2972	3243	3030	2954	2979	2878	2909	2962	3105	3030	3148
Hotels and restaurants	55-56	1832	1862	1879	1928	1803	1781	1605	1340	1394	1773	1687	1704	1753
Information and communications	58-63	5851	5784	6179	6285	6136	6205	6679	6548	6254	6365	6463	6232	6405
Financial intermediation and insurance	64-66	4826	4965	5169	6310	5192	5146	5859	6347	5294	5466	5786	5387	5321
Real estate transactions	68	2702	2657	2721	3177	2680	2768	2844	2726	2743	2863	2898	2802	2871
Professional, scientific and technical activities	69-75	4281	4260	4361	4724	4126	4344	4628	4283	4280	4359	4424	4335	4407
Administrative and support service activities	77-82	2320	2354	2398	2496	2477	2443	2570	2486	2413	2517	2516	2486	2508
Public administration and defense; social security in the public system	84	4769	4833	4883	4877	4959	5004	4984	4935	4982	5126	5245	5109	5054
Education	85	3337	3465	3458	3369	3489	3566	3489	3393	3577	3539	3813	3351	3524
Health and social work	86-88	3705	3736	3756	3796	3871	3848	3862	3987	4114	4070	4158	4110	4024
Entertainment, cultural and recreational activities	90-93	2709	2697	2685	2817	2899	2890	2784	2441	2459	2822	2894	2974	2933
Other service activities	94-96	2058	2039	2088	2186	2067	2092	2113	2078	2083	2185	2171	2157	2175

Source: National Institute of Statistics release number 292 / 10 November 2020

Given all the arguments, we have set out above, it follows that the evolution of average gross and net wages in the economy has also been influenced by inflation. This is the general theory that shows that real incomes can be obtained from nominal incomes obtained relative to the inflation rate in that period. Here are two clarifications: this correlation is manifested in an undisputed percentage in the national economy, but in the conditions of normal evolution of the economy, unaffected by the crisis, such as the pandemic and financial-economic that the Romanian economy and the world economy currently.

Wages during this period did not increase as in the previous year, mainly due to non-compliance or change in the trend of the fundamental law of the market economy, i.e. the ratio

between supply and demand. When the incomes of the net salary population, but also the others, decreased it is clear that the demand for products other than agri-food products decreased. Against this background, producers and traders were faced with the situation of having stocks without sales and then only they did not increase prices, but also reduced them, as can be seen from the graph in which we presented the evolution of wages compared to consumer price index (inflation).

On the other hand, traders had to store goods, a context in which production also decreased. We come here with the argument that on average in 2020 the decrease in industrial production was 10-12% compared to the same period compared to 2019. At the same time, regulated prices were maintained which did not allow the increase in prices for gas, electricity and so on. further (we will see these effect after January 1, 2021 when we started to liberalize prices, for example in the distribution and consumption of electricity, probably the same trend will have the consumption of natural gas).

Against this background, although theoretically this report should be observed, influencing real incomes by deflation and compared with the consumer price index in the period we subjected to the analysis, it is no longer respected for the reasons we have above mentioned.

In order to highlight the aspects that we presented theoretically, we will perform an analysis based on a regression model, which will highlight in clear terms precisely this lack of correlation or influence of inflation on population incomes and population consumption.

Thus the statistical-econometric model used follows the relation:

$$ICSMN = a + b \cdot IPC + \varepsilon \quad (1)$$

where: *ICSMN* it is the dependent variable (average net earnings index);

IPC is the independent variable (consumer price index);

a and *b* are the regression parameters;

ε represents the residual variable.

Both for estimating parameters *a* and *b*, respectively \hat{a} și \hat{b} , using the least squares method, as well as to test the significance of the model, the statistical-econometric analysis program EViews was used, and the results are presented in table number 4.

Table no. 4. Dependence of the net earnings index on the consumer price index

Dependent Variable: ICSMN					
Method: Least Squares					
Sample: 2018:09 2020:09					
Included observations: 25					
Variable	Coefficient	Std. Error	t-Statistic	Prob.	
C	98.50045	179.3770	0.549125	0.5882	
IPC	0.023975	1.789210	0.013400	0.9894	
R-squared	0.000008	Mean dependent var	100.9040		
Adjusted R-squared	-0.043470	S.D. dependent var	2.568638		
S.E. of regression	2.623873	Akaike info criterion	4.843799		
Sum squared resid	158.3484	Schwarz criterion	4.941309		
Log likelihood	-58.54748	F-statistic	0.000180		
Durbin-Watson stat	2.297689	Prob(F-statistic)	0.989425		

According to the analysis presented in table number 1, we find that the coefficient related to the consumer price index is not significantly different from zero and also the value of the correlation ratio is close to zero, which confirms a weak influence of inflation on net earnings the period under analysis.

In the same vein, the situation is temporary, as in the hope that there will be a resumption of activity in the full possibility of production capacity inflation is likely to have an obvious effect on revenue growth.

But this is a theory because in reality undeniably in 2021 there will be an austerity budget that will block increases in salaries, pensions, income in general, in the context in which the budget is fed in much lower terms with income. Therefore, the problems facing Romania and the other member states of the European Union, but not only worldwide, is to find those possibilities to resume the activity, even if supported, to continue some income increases for the population, which should be reflected in maintaining at least at the current level the standard of living, the quality of life.

5. Conclusions

The study, which was the basis for this article, reveals some concrete conclusions that show that the outlook for the evolution of average gross and net earnings per economy will be seriously affected by the pandemic crisis and the current economic and financial crisis. Thus, the first conclusion resulting from studies on the evolution of the pandemic crisis and the worsening economic and financial crisis shows that macroeconomic results will erode even more, there is little chance to achieve earnings increases and consequently, maintaining macro stability fields of activity.

It is also found that in 2020 the income increases of the population, whether it is pensions, benefits or salaries were somewhat frozen, and will have the same trend in the next period, not excluding the possibility of even reductions.

Gross and net average earnings will stagnate they changed with insignificant values in the context of the winter holidays, when some bonuses were given up.

The study is an alarm signal regarding the perspective of the evolution of salary incomes, but also of others, which will have a negative effect on the average standard of living of the population.

The economic-financial crisis will influence the economic growth and as a consequence will affect the quality of life in Romania. The salary income of the population must be made on the basis of the final data that will result for the whole year 2020. Some correlative studies are also required to identify measures to be taken, with effect on living standards.

Also, other more complex models of analysis (multiple linear regressions) can be used to highlight and perspective the socio-economic situation of Romania in the next period, especially in the context in which the next budget will have strong austerity valences.

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