

Skills shortages and real wages under pressure

CEE perspective

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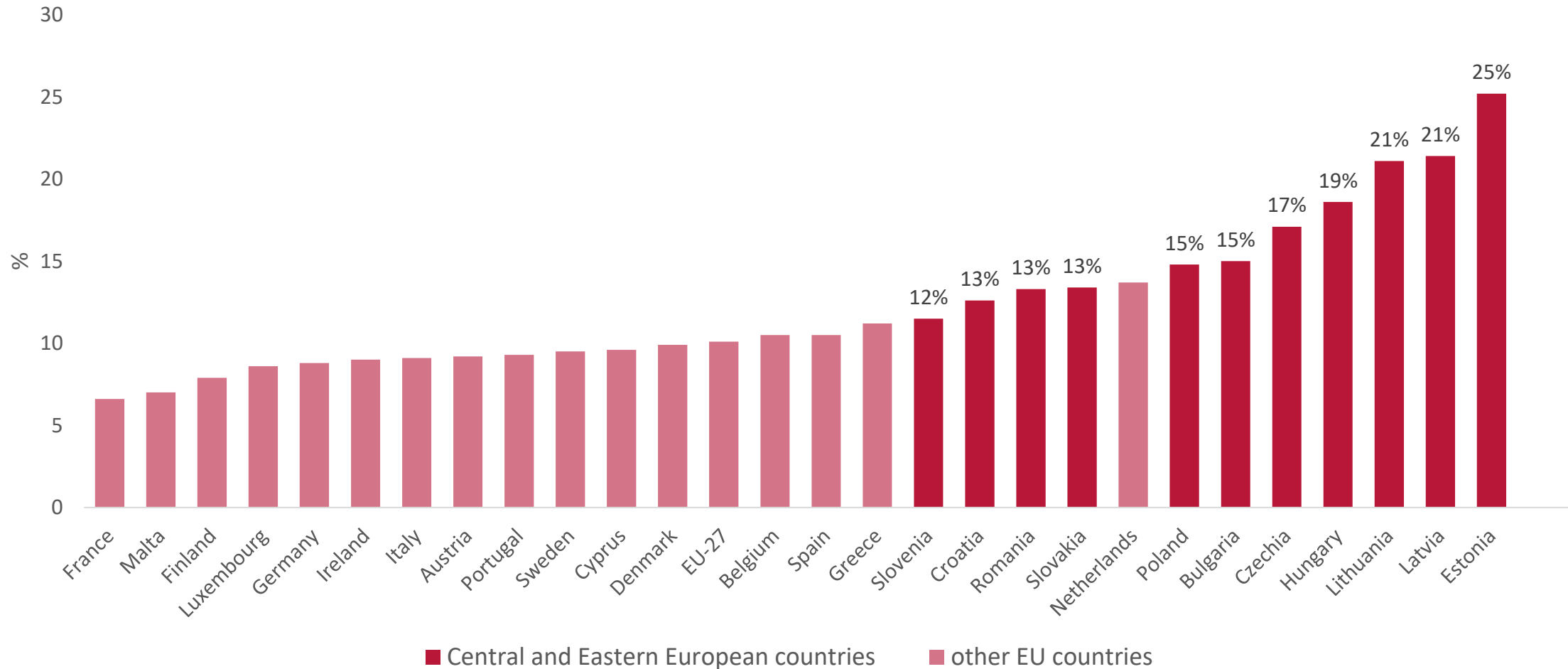
30th September 2022

Agenda



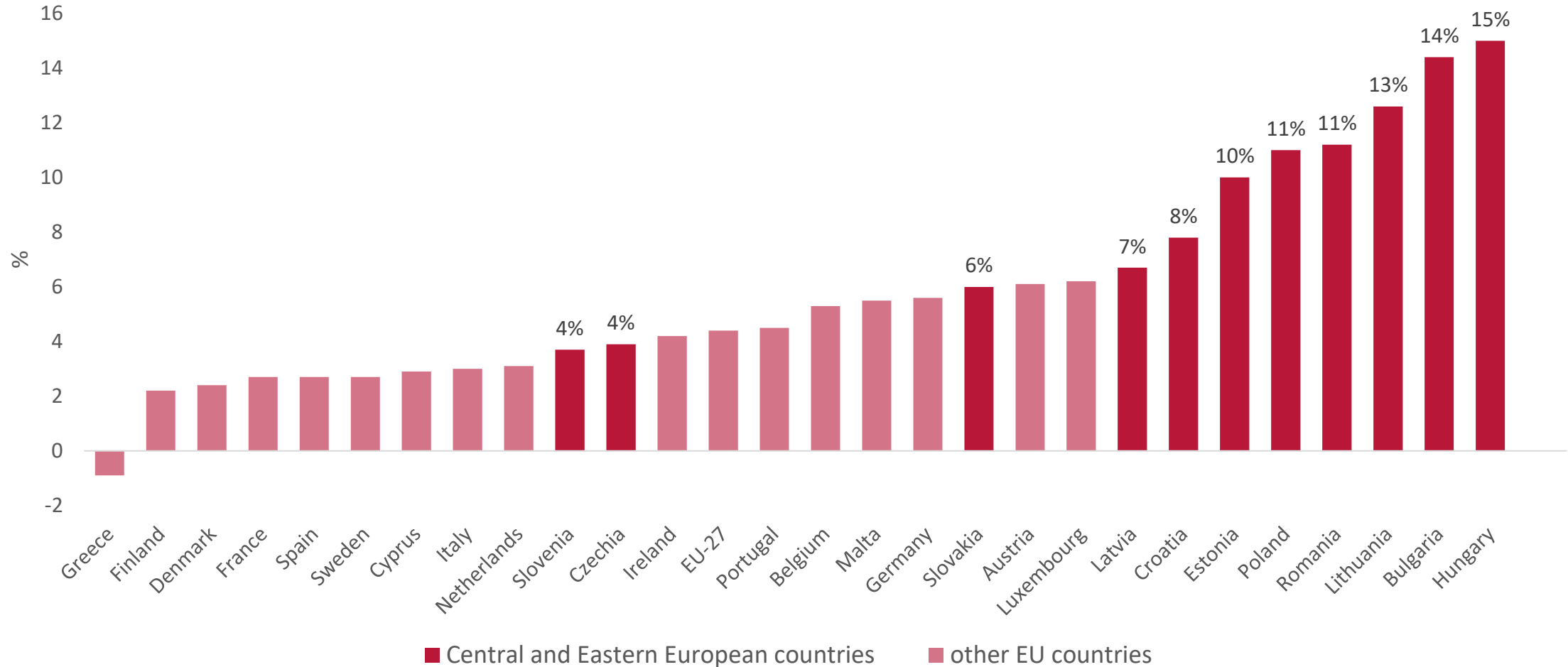
- Inflation
- Nominal and real wage growth
- Skills shortages
- Working time flexibility

Harmonised index of consumer prices (HICP), annual rate of change, August 2022



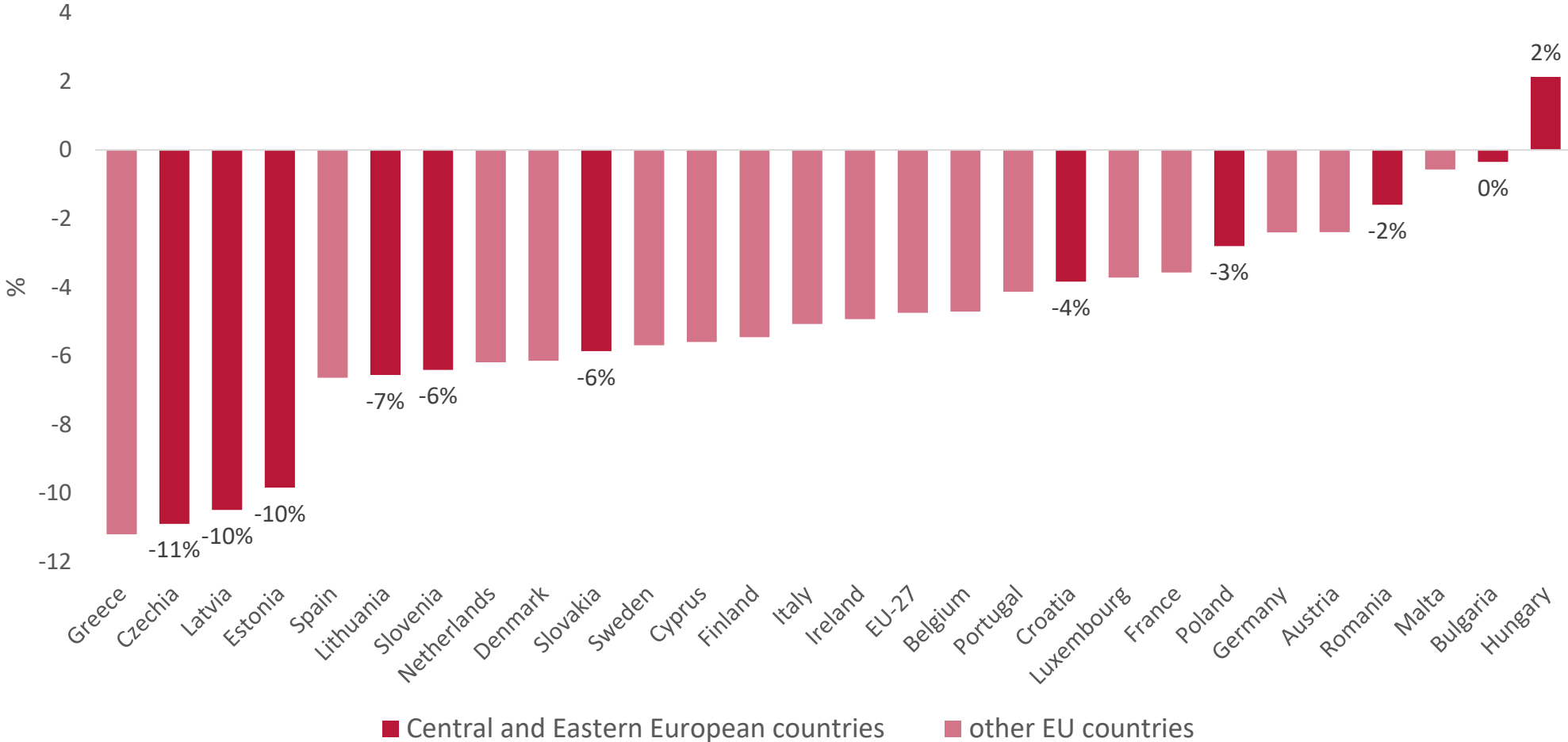
Source: Own elaboration based on Eurostat data [PRC_HICP_MANR]

Nominal wage growth, annual rate of change, second quarter of 2022 . | :



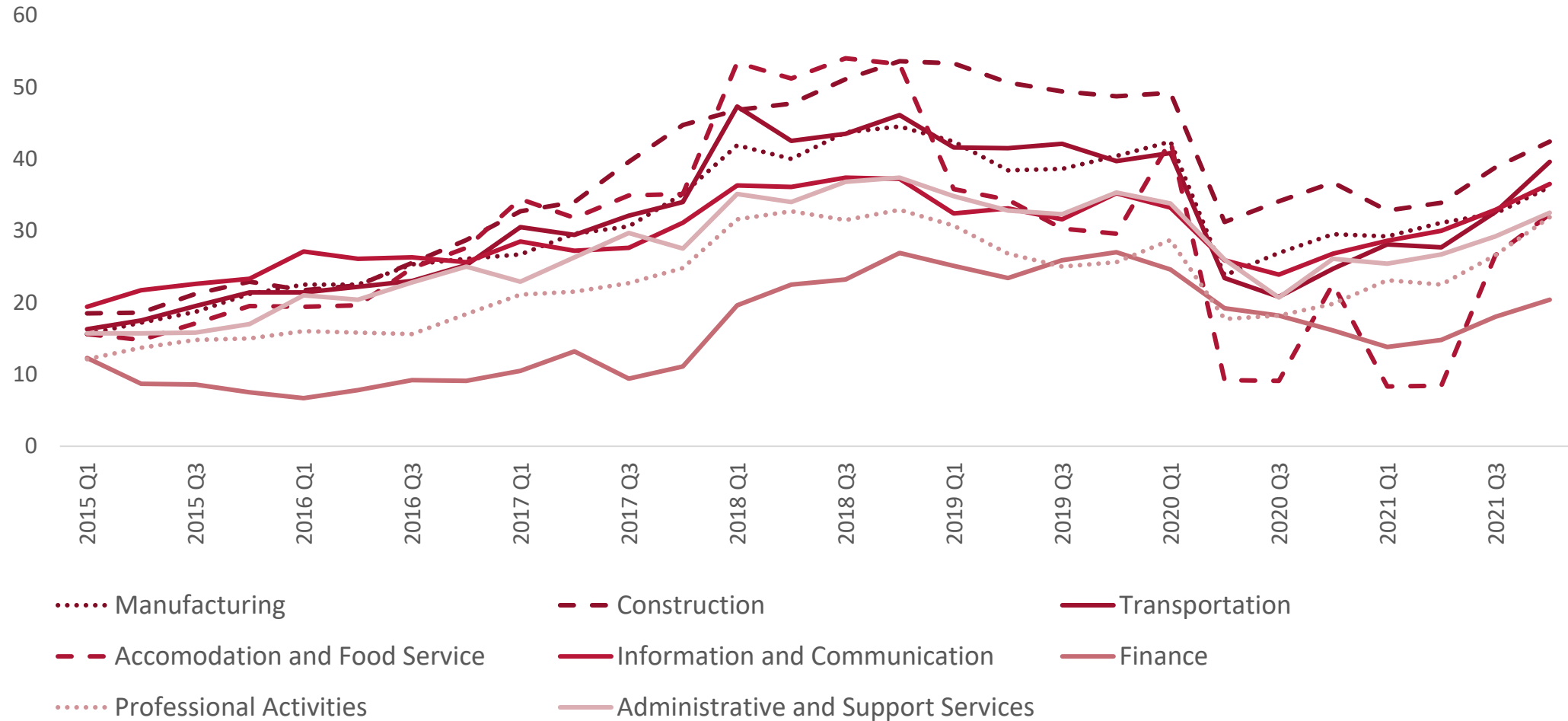
Source: Own elaboration based on Eurostat data [LC_LCI_R2_Q]

Real wage growth, annual rate of change, second quarter of 2022



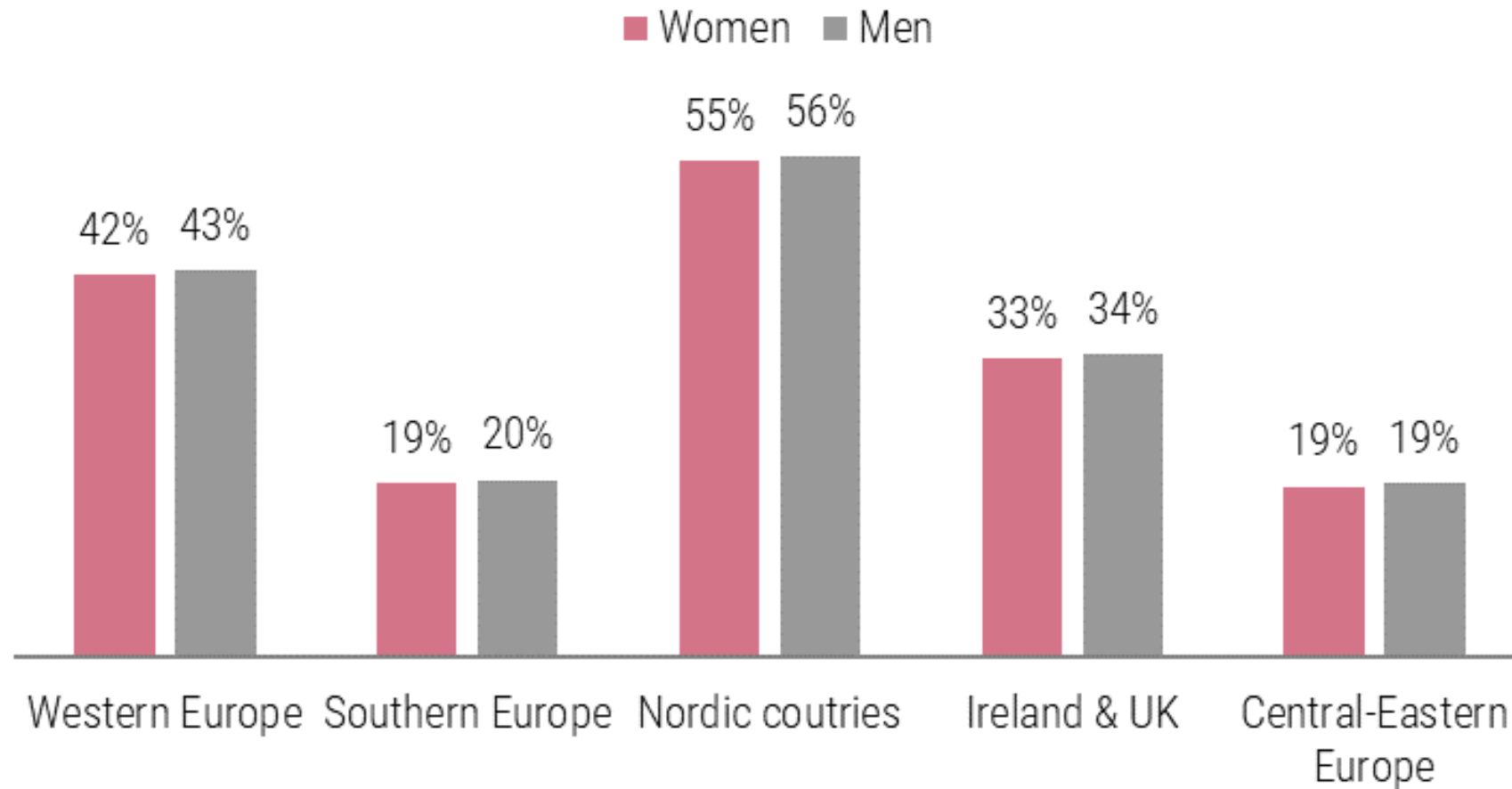
Note: Nominal wage growth deflated by the Harmonised Index of Consumer Prices (HICP)
Source: Own elaboration based on Eurostat data [LC_LCI_R2_Q] and [PRC_HICP_MANR]

Share of firms indicating a shortage of skilled labour as a factor limiting activity in Poland, 2015-2021



Source: Own elaboration based on Statistics Poland

Working time flexibility in Europe



Source: own calculations on the basis of LFS 2019 data.

Working from home will probably stick after the COVID-19 pandemic. How important it will be as a job amenity?



WFH WILL STICK BUT PREFERENCES OF WORKERS AND MANAGERS DIVERGE.

- Most workers prefer to work from home, especially for 2-3 days per week with other days in the office
- Managers demand much larger wage cuts for WfH than workers want to sacrifice

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