



# Weekly Briefing

**Poland Social briefing:**  
**Live conditions and costs of living**  
**Dominik Mierzejewski**

## China-CEE Institute

Kiadó: Kína-KKE Intézet Nonprofit Kft.  
Szerkesztésért felelős személy: Chen Xin  
Kiadásért felelős személy: Huang Ping

 1052 Budapest Petőfi Sándor utca 11.  
 +36 1 5858 690  
 [office@china-cee.eu](mailto:office@china-cee.eu)  
 [china-cee.eu](http://china-cee.eu)

## **Live conditions and costs of living**

The briefing discusses the latest development in society and the social assessments of the common life. According to a study carried out by Kantar Millward Brown for the needs of the report "Polish statistical wallet", every month a statistical household has to pay liabilities for the amount of PLN 1572 (app. 400 Euro). The situation was different three years ago when every month's spending on PLN 976 (app. 220 Euro).

Over 70 percent Poles think that the costs of living in Poland are high or very high. In turn, almost every fourth person assesses them as normal. Only four percent people are of the opinion that the cost of living in Poland is low or very low. The common inhabitants pay PLN 93 (app. 20 Euro) for electricity, PLN 102 (app. 25 Euro) for telephone, PLN 108 (app. 26 Euro) for water, PLN 52 (app. 14 Euro) for waste disposal PLN 68 (app. 17 Euro), for internet PLN 83 (app. 20 Euro) for cable or satellite television PLN 116 (app. 27 Euro) for gas, PLN 514 (app. 120 Euro) for rent an apartment and PLN 336 (app. 75 Euro) for heating. In total, the costs of living per months are 1572 PLN (app. 365 Euro) According to 25 percent of the respondent the costs of living in Poland are perceived as normal. Only four percent of the Polish citizens think that life in Poland is cheap. Interestingly, while 65 percent of men consider the costs of living in Poland are high or very high, among women it is as much as 77 percent. The most painful amount of monthly fees is experienced by people with primary education 82 percent.

According to the respondents' declarations, all the charges and fees they make each month have increased over the past three years. Starting from 20-percent growth in the price of cable TV, up to 188percent for charges for heating. Moreover, the gas bills increased by 73 percent, as well as electricity bills (an increase of 65 percent), water (an increase of 56 percent) or telephone (increase by 24 percent). Over the last three years, the monthly bills to be paid increased

by 61 percent. For comparison, the minimum wage in this period increased by only 20percent, and the average monthly wage in the enterprise sector, according to the Central Statistical Office increased by 23percent. A typical household must pay PLN 1572 (app. 365 Euro) monthly fees for nine bills, but if all possible liabilities are considered, including the largest one, which is a mortgage installment, which already pays 19percent. respondents, these costs can reach PLN 4663 (app. 1084 Euro). The Polish citizens usually pay for electricity, telephone, water, and waste disposal. The average indebtedness to power suppliers quoted in the National Debt Register amounts to PLN 1046 (app. 244 Euro), and debt due to telephone bills are counted on an average of PLN 2,416 (app. 562 Euro).

The largest average debts listed in the National Debt Registration, related to monthly bills and fees, concern heat energy (PLN 12,178, pp. 2832 Euro) and rent (PLN 12,093, app. 2530 PLN). As is clear that after paying all the monthly liabilities, on average the Polish citizens have nearly PLN 1679 (app. 390 Euro) in the portfolio. According to 30percent of respondents, it is a sufficient amount of money to cover the cost of entertainment and savings, but not sufficient to buy food, clothes, chemical products, and cosmetics.

The largest amount of money available after payment of all permanent obligations remains for people aged 25 to 34 and people with higher education. This is on average more than PLN 2,600 (app. 560 Euro), and this amount is nearly PLN 1000 above average. Among people with the highest earnings, over PLN 6,000 (app. 1390 Euro) and more, an average is PLN 3686 (app. 857 Euro). The inhabitants of the largest cities also have definitely more money - PLN 2099 (app. 481 Euro), while in the villages it is over PLN 700 less, and counts for PLN 1,322 (app. 307 Euro).

The latest the Central Statistical Office data wages in poviats on average did not change the overall wage picture in Poland. At the head of the ranking, there are still regions where the mining industry reigns. However, there are places in Poland where earnings have increased by almost one-fifth. The leader

of the voivodship ranking was the province of Mazowieckie with the capital of Poland – Warsaw. In 2017, the average salary in the capital and its vicinity amounted to over PLN 5500 (app. 1300 Euro) and was 122 percent of the average for the whole country.

The average wage above the national average was only recorded in the province Dolnośląskie (Lower Silesia, southern Poland), where the average salary was 2.8 percent higher from the national average. It is in Lower Silesia is an absolute leader in the earnings rankings not only in this region but also in the whole of Poland. In the Lubin county, average wages before tax were at a level exceeding PLN 7500 (app. 1745 Euro) and was 66 percent more than the average for the whole country. In the wage rank, the Lubin county owes its high position mainly to the KGHM Polska Miedź concern, in which employees' earnings far exceed the level of the national average. The second place is occupied by a representative of another voivodship, in which the heavy and mining industries dominate. In 2017, employees employed in Jastrzębie-Zdrój in the Silesia voivodeship earned over PLN 6600 (app. 1534 Euro) or 146 percent of the average for Poland. The Jastrzębska Spółka Węglowa (Jastrzebska Mining Company) is the largest producer of coking coal in the European Union.

In the third place in the national ranking of earnings in counties and cities with counties rights, with remuneration at PLN 6059 (app. 1409 Euro and 133,8 percent of the national average) is Warsaw. In total, in 380 districts, only in 31 salaries were in 2017 higher than the national average. The poorest region in Poland is in the North – East Poland in Warmia-Mazury voivodship and this situation has not changed also in 2017. Last year in Warmia and Mazury, the average wage was at the level of PLN 3800 (app. 883 Euro, and 84 percent of the national average). However, the lowest wage in all of Poland is in Wielkopolska region in Kępiński county where the average gross salary corresponded to 65,4 percent of the national average.

According to the Central Statistical Office data seems to confirm that the fall in wages (and this is insignificant) was recorded only in four regions of 380 regions. During the year in Piaseczno in Mazovia, the average gross salary fell by less than PLN 48 (app. 12 Euro) to PLN 4102 (app. 953 Euro), in Biała Podlaska in the Lubelskie Voivodeship by PLN 18.4 (app. 4 Euro) to PLN 3763 (app. 875 Euro), in the Płock county by PLN 3.3 (app. 0,75 Euro) to PLN 3506 (app. 815 Euro), and in the Zamość country by PLN 1 (0,4 Euro) to PLN 3242 (app. 753 Euro).

In other counties, the wages have increased. The most impressive increase in earnings was visible in the Starachowice county (Southern Poland). In the region, which once was famous for the production of Star trucks, the average wage increased by almost 20percent. The Star brand is no longer available, but MAN vehicles are produced at the factory which is being modernized and expanded. To Starachowice MAN Bus moved the assembly line of the bus factory. But not only MAN Bus is present in the region. LSC Communications (printing services), Animex, Cerrad, PKC GROUP, and Odlewnie Polskie also have their contribution to dynamic wage growth.

## **Conclusions**

Also in the long-term perspective, there is a significant increase in wages in Poland. As calculated by The Economist on the basis of OECD data, since 2008, that is from the outbreak of the global financial crisis, the increase in real wages in Poland (including all economic factors) amounted to around 25 percent. In the period between 2008-2017, the increase in the average salary in Poland was 43,4 percent. In 2008, the average wage in Poland was PLN 3158,48 (app. 770 Euro), while last year it was PLN 4527, 89 (app. 1052 Euro). During this period, the greatest jump was observed in Piekary Śląskie and in Starachowice county (75,4 percent and 71,4 percent respectively). At the same time, in the region at the head of the wages ranking Lubin county average nominal gross wages increased by 38, 4 percent (PLN 2083,57), and in Warsaw by 34,5 percent. (PLN 1564,19).

However, when analyzing the Central Statistical Office data, it should be remembered that the average very often does not reflect the real wage situation of Poles. This should be placed in the context of the growing costs of living. The costs of gas increased by 73 percent, electricity bills increased by 65 percent, water an increase of 56 percent or telephone an increase of 24 percent. For comparison, the minimum wage in this period increased by only 20 percent and the average monthly wage in the enterprise sector by 23 percent.