

Wages

In Q1 2025, the basic monthly wage (SMB¹) in the non-agricultural market sectors increased by 0.5% over the quarter: at the same pace recorded at the end of 2024 (► [Figure 1](#)). Year on year, the SMB slowed sharply in nominal terms (+2.1% in Q1 2025, after +2.7% in Q4 2024), in the wake of the drop in inflation. The SMB is once again following gross trends whose seasonality corresponds to the trends that prevailed before the health crisis and the inflationary episode, after 2023 and 2024, which were marked by a high concentration of SMB increases at the beginning of the year (► [Focus](#) on the seasonality of the basic monthly wage).

However, the average wage per capita (SMPT), has been more dynamic than the SMB: +0.8% over the quarter, after +0.6% at the end of 2024. On an annual basis, the SMPT accelerated slightly: +2.4%, after +2.3% at the end of 2024, when it was hampered by the year-on-year decline in value-sharing bonus (PPV²) payouts. At the beginning of 2025, PPV payments were once again slightly up (€520 million, after €490 million in Q1 2024).

Year on year, the increase in the SMPT has remained slightly greater than the increase in prices, with the result that the real SMPT continued to rise at the beginning of 2025 (+0.5%, after +0.4% in Q4 2024; ► [Figure 2](#)).

In 2025, against a backdrop of moderate inflation, nominal wage growth is expected to remain at around +0.4% per quarter for the SMB. In the business tendency surveys, the balances of the general outlook for wage increases have stabilised at a low level (► [Figure 3](#)). The SMPT is expected to slow in Q2 (+0.2%), before rising slightly faster than the SMB in H2 (+0.4% then +0.6%) due to a composition effect: the reduction in the amounts of subsidies for work-study programmes should lead to a reduction in the numbers of employees on these programmes at the start of the next academic year (► [box](#) on the expected trend for apprenticeships in 2025, in the Employment sheet), while their wages are, on average, significantly lower than those of other employees.

¹ The SMB is the underlying component of the average wage per capita (SMPT), alongside the cyclical component which is affected mainly by value-sharing bonus payouts and overtime. In this sheet, changes in the SMB are adjusted for seasonal variations.

² The PPV scheme allows employers, subject to certain conditions, to pay €6,000 in bonuses per employee per year, which are exempt from social security contributions (► [Focus](#) "Value-sharing bonus: massive payments at the end of 2022, with potential windfall effects" in the *Economic Outlook* of March 2023). From 1st January 2024, payouts of this bonus have been subject to a flat-rate social security contribution and income tax for some recipients.

► 1. Changes in the average wage per capita (SMPT) and the basic monthly wage (SMB)

(changes in %, seasonally adjusted data)

	Quarterly growth rates								Annual growth rates								Average annual change		
	2024				2025				2024				2025				2023	2024	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Average wage per capita (SMPT)																			
in non-agricultural market branches	0.7	0.7	0.4	0.6	0.8	0.2	0.4	0.6	2.9	2.7	2.6	2.3	2.4	2.0	2.0	2.0	4.1	2.6	2.1
SMPT adjusted for short-time working* in non-agricultural market sectors	0.7	0.7	0.4	0.6	0.8	0.2	0.4	0.6	2.9	2.7	2.6	2.3	2.4	2.0	2.0	2.0	4.0	2.6	2.1
Basic monthly wage (SMB)	1.1	0.6	0.5	0.5	0.5	0.4	0.4	0.4	3.3	2.9	2.7	2.7	2.1	1.9	1.8	1.6	4.3	2.9	1.8
SMPT in general government																	4.1	3.0	1.2
Real SMPT** in the non-agricultural market branches	0.2	0.3	0.1	0.4	0.5	0.1	-0.1	0.4	0.1	0.5	0.8	1.0	1.3	1.2	1.0	0.9	-0.7	0.6	1.1
SMPT** adjusted for real short-time working* in non-agricultural market sectors	0.2	0.3	0.1	0.4	0.5	0.1	-0.1	0.4	0.1	0.5	0.8	1.0	1.3	1.2	1.0	0.9	-0.8	0.6	1.1
Real SMB**	0.6	0.2	0.2	0.4	0.3	0.3	-0.1	0.2	0.5	0.7	0.9	1.4	1.0	1.1	0.8	0.6	-0.6	0.9	0.9
Real SMPT** in general government																	-0.8	1.0	0.2

■ Forecast

* including the compensation paid under short-time work schemes, which is not considered as wages and therefore led to sharp fluctuations in SMPT during the health crisis.

** in the sense of the CPI - household consumption price index.

How to read it: in Q2 2025, the basic monthly wage (SMB) would grow by 0.4% compared to the previous quarter.

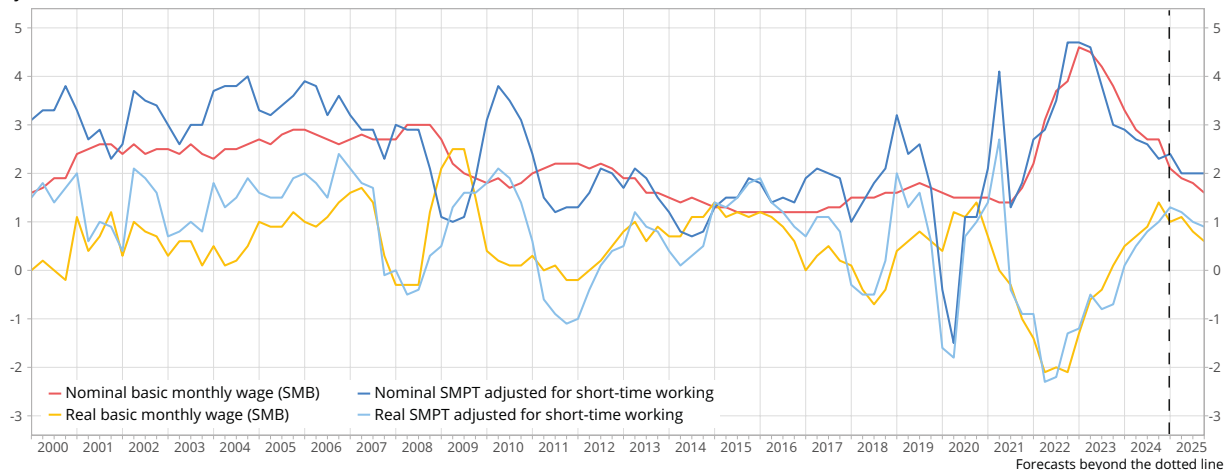
Source: DARES, INSEE.

French economic outlook

On an annual average basis, nominal wages are set to keep slowing in 2025: +2.1% for the SMPT (after +2.6% in 2024) and +1.8% for the SMB (after +2.9%). This slowdown in nominal wages in 2025 is expected to be slightly less pronounced than the slowdown in prices, with the result that real SMPT should increase by +1.1% as an annual average (+0.9% for the SMB). Cumulatively over 2024 and 2025, real wages in the non-agricultural market sectors would seem to have recovered around three quarters of the losses incurred in 2022 and 2023 (+1.8% recovery, after a loss of -2.4% for the SMB, and +1.7%, after -2.5% for the SMPT).

In general government (APU), the nominal SMPT rose by 3.0% in 2024, driven by various measures (increase in the index point for all civil servants at the beginning of the year, increase for teachers from September 2023, bonuses paid in connection with the Olympic and Paralympic Games), but burdened by the lack of one-off purchasing power guarantee (GIPA) payments at the end of the year. As a result, the real SMPT in the general government sector rose by an average of 1.0% in 2024, after falling by 0.8% in 2023. In nominal terms, salaries in general government should slow significantly in 2025. No general measures have been announced and fewer statutory measures are expected. As a result, nominal SMPT growth in general government is expected to be much lower in 2025 than in previous years (+1.2%), i.e. up slightly in real terms (+0.2%). All in all, cumulatively over 2024 and 2025, real wages in general government would appear to have recovered around three quarters of the losses incurred in 2022 and 2023. ●

► 2. Nominal and real changes* in average wage per capita (SMPT) adjusted for the effect of short-term working, and in basic monthly wage (SMB) (year-on-year, in %)



* in the sense of the CPI - household consumption price index.

Note: here, the SMPT is adjusted for short-term working: these payments are not counted as wages and therefore led to some very wide variations when the SMPT was not adjusted during the health crisis ► [blog post on wage indicator \(in French\)](#).

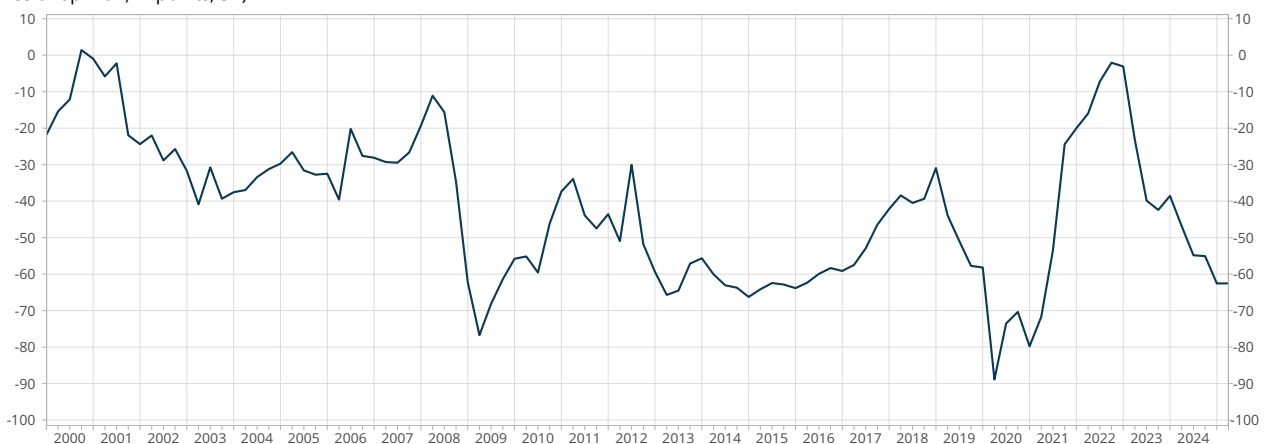
How to read it: in Q4 2025, year-on-year growth in nominal SMPT would be 1.6%.

Scope: non-agricultural market sector.

Source: DARES, INSEE.

► 3. Balance of opinion on general expectations for wages in industry since 2000

(balance of opinion, in points, SA)



Last point: Q2 2025 (April).

Note: industrial companies have been surveyed every quarter since 1991 on probable change in wages in their sector over the coming three months.

How to read it: in Q2 2024, the balance of opinion on the general outlook for wages in industry rises to -62.5 points.

Source: quarterly business survey in industry, INSEE.