

# Informations *Rapides*

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## ■ Labor cost index in industry, construction and tertiary – 2<sup>nd</sup> quarter of 2013

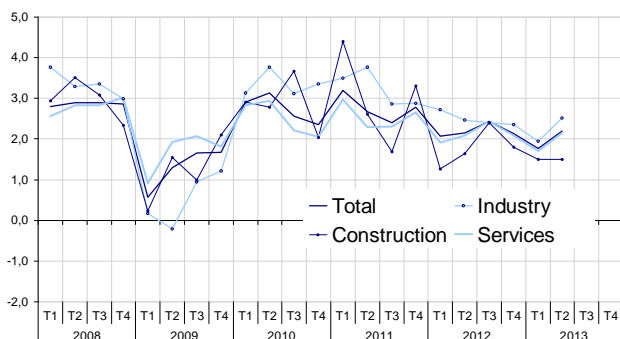
*Warning: Since the Q1 2013, the tax credit for encouraging competitiveness and jobs (CICE) was included in the calculation of the labor cost index as a subsidy received by the employer. In Q2 2013, for business economy (excluding agriculture), the year-on-year changes of the labor cost index – total labor cost (+0.5%) is 1.8 points lower than what it would have been without CICE (+2.3%). The LCI – wages & salaries is not impacted.*

### In Q2 2013, the labor cost index-total labor costs increased by 1.1%

#### • The labor cost index - wages & salaries

In the second quarter of 2013, the **labor cost index (LCI) - wages & salaries** for the business economy accelerated (+1.0%) in seasonally adjusted data. In the first quarter of 2013 the index had increased by 0.1%. In year-on-year changes, the **LCI - wages & salaries** increased by 2.2%. Hours worked remained stable (0.0% in year-on-year changes).

#### LCI - wages & salaries: Year-on-year changes



Sources : Acoiss, Dares, Insee

#### Wages accelerated in industry and slightly increased in construction

Wages increased by 1.2% in industry after +0.4% in the first quarter 2013. Particularly, they recovered in the manufacturing sector (+1.2% after +0.2%). In year-on-year changes, wages rose by 2.5% in industry. In the construction sector, they slightly increased in the second quarter 2013 (+0.3%). In year-on-year changes, they improved at the same pace than the previous quarter (+1.5%).

#### Wages recovered in services

Wages increased by 1.0% in services in the second quarter 2013 after +0.1%. They accelerated especially in retail trade (+0.9% after +0.1%), administrative activities (+2.2% after +0.2%) and mainly in financial activities (+1.7% after -1.2%). However, they slowed down in transportation and storage (+0.3% after +0.7%). In year-on-year changes, wages slightly accelerated in services (+2.2% after +1.8%).

#### LCI - wages & salaries

SA - base 100 in 2008

	Quarterly changes (%)		Annual changes (%)	
	Q1-13	Q2-13	Q1-13	Q2-13
<b>Industry</b>	<b>0.4</b>	<b>1.2</b>	<b>1.9</b>	<b>2.5</b>
Mining and quarrying	0.6	-0.1	3.3	1.8
Manufacturing	0.2	1.2	2.1	2.6
Electricity, gas, steam and air conditioning supply	1.9	2.4	0.1	1.0
Water supply; sewerage, waste management and remediation activities	0.1	0.8	1.1	1.8
<b>Services</b>	<b>0.1</b>	<b>1.0</b>	<b>1.7</b>	<b>2.1</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.1	0.9	1.5	1.9
Transportation and storage	0.7	0.3	1.6	1.6
Accommodation and food service activities	0.3	0.8	1.5	2.1
Information and communication	0.1	0.4	1.4	1.5
Financial and insurance activities	-1.2	1.7	1.9	2.0
Real estate activities	0.4	0.6	0.7	2.3
Professional, scientific and technical activities	0.2	0.6	1.4	1.8
Administrative and support service activities	0.2	2.2	1.6	3.1
<b>Construction</b>	<b>-0.3</b>	<b>0.3</b>	<b>1.5</b>	<b>1.5</b>
<b>TOTAL</b>	<b>0.1</b>	<b>1.0</b>	<b>1.8</b>	<b>2.2</b>

Sources : Acoiss, Dares, Insee

#### Small upward revision

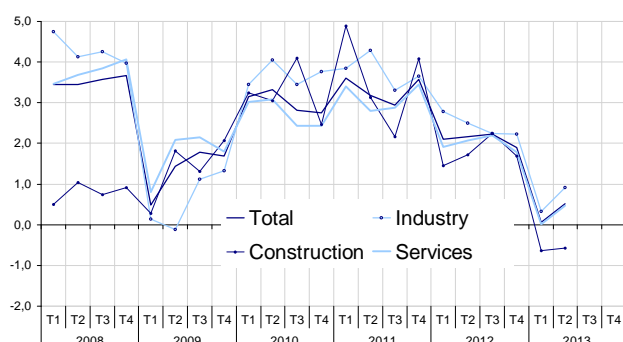
The evolution of wages in the first quarter of 2013 is revised upward by 0.1 point in quarterly changes and in year-on-year changes.

## • The labor cost index – total labor cost

From the 1<sup>st</sup> January of 2013, date where it was implemented, the tax credit for encouraging competitiveness and jobs (CICE) is taken into account in the calculation of the LCI – total labor cost as a subsidy received by the employer. In the second quarter of 2013, when incorporating the CICE, the **labor cost index (LCI) – total labor cost** for the business economy increased by 1.1% (seasonally adjusted data) after -1.9% in the first quarter of 2013.

In year-on-year changes, the **labor cost index (LCI) – total labor cost** slightly increased (+0.5%). Without the CICE, it would have increased by 2.3% in year-on-year changes.

**LCI - total labor cost: Year-on-year changes**



Sources : Acoss, Dares, Insee

### Small revision of the index of the first quarter 2013

The evolution of the **labor cost index (LCI) – total labor cost** in the first quarter of 2013 is revised upward by 0.1 point in year-on-year changes and remained unchanged in quarterly changes.

## LCI - total labor cost

SA - base 100 in 2008

	Quarterly changes (%)		Annual changes (%)	
	Q1-13	Q2-13	Q1-13	Q2-13
<b>Industry</b>	<b>-1.7</b>	<b>1.4</b>	<b>0.3</b>	<b>0.9</b>
Mining and quarrying	-1.9	0.1	1.4	0.0
Manufacturing	-2.0	1.4	0.3	0.9
Electricity, gas, steam and air conditioning supply	0.8	2.4	-0.9	0.0
Water supply; sewerage, waste management and remediation activities	-2.7	0.9	-0.9	-0.2
<b>Services</b>	<b>-1.9</b>	<b>1.1</b>	<b>0.0</b>	<b>0.5</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	-2.6	1.1	-0.5	-0.1
Transportation and storage	-1.7	0.4	-0.4	-0.5
Accommodation and food service activities	-3.0	1.1	-1.1	-0.4
Information and communication	-1.0	0.4	0.4	0.4
Financial and insurance activities	-2.3	1.7	0.9	1.1
Real estate activities	-2.1	0.8	-1.0	0.7
Professional, scientific and technical activities	-1.2	0.7	0.2	0.6
Administrative and support service activities	-2.4	2.5	-1.0	0.6
<b>Construction</b>	<b>-2.8</b>	<b>0.4</b>	<b>-0.6</b>	<b>-0.6</b>
<b>TOTAL</b>	<b>-1.9</b>	<b>1.1</b>	<b>0.1</b>	<b>0.5</b>

Sources: Acoss, Dares, Insee

## LCI - total labor cost without CICE

SA - base 100 in 2008

	Quarterly changes (%)		Annual changes (%)	
	Q1-13	Q2-13	Q1-13	Q2-13
<b>Industry</b>	<b>0.0</b>	<b>1.4</b>	<b>2.0</b>	<b>2.6</b>
Mining and quarrying	0.0	0.1	3.4	1.9
Manufacturing	-0.3	1.4	2.1	2.7
Electricity, Gas, steam and air conditioning supply	1.8	2.4	0.1	1.0
Water supply; sewerage, waste management and remediation activities	-0.7	0.9	1.1	1.8
<b>Services</b>	<b>-0.2</b>	<b>1.1</b>	<b>1.7</b>	<b>2.2</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	-0.6	1.1	1.5	2.0
Transportation and storage	0.4	0.4	1.6	1.6
Accommodation and food service activities	-0.3	1.1	1.6	2.3
Information and communication	0.0	0.4	1.5	1.5
Financial and insurance activities	-1.5	1.7	1.8	2.0
Real estate activities	-0.4	0.8	0.8	2.4
Professional, scientific and technical activities	0.1	0.7	1.5	1.8
Administrative and support service activities	0.1	2.5	1.5	3.1
<b>Construction</b>	<b>-0.6</b>	<b>0.4</b>	<b>1.6</b>	<b>1.7</b>
<b>TOTAL</b>	<b>-0.2</b>	<b>1.1</b>	<b>1.8</b>	<b>2.3</b>

Sources: Acoss, Dares, Insee