

Informations *Rapides*

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■ Basic monthly wage –France-Germany comparison in 2013

In 2013, the basic monthly wage continues to increase slightly more in Germany than in France in real terms

• Comparison of the evolution of the basic monthly wage index

In 2013, in France, the basic monthly wage* (SMB) for the business economy (excluding agriculture) increased by 1.7% in nominal terms and in annual variation at a lower rate than the year before (+2.1%). In Germany, the evolution of the SMB is stronger : +2.6% in annual variation after +2.8% in 2012.

In France, the high unemployment rate limited the workers' bargaining power and the minimum wage increased less in 2013 than in 2012 (+1.3% in annual variation in 2013 after +3.3%). Moreover, the fall of consumption prices in 2013 induced a slowdown of wages in nominal terms, particularly at the end of the year. However, the SMB in nominal terms being set according to the past evolution of consumption prices, it kept on benefitting from the favorable evolution of consumption prices observed in 2012, in annual variation.

In Germany, the slight deterioration of the economic situation at the beginning of 2013 limited the bargaining power of the workers concerned by the wage agreements negotiations at the industry level which were held around the second quarter of 2013 : the salary claims were lower than the year before. However, the unemployment rate - much lower than the French rate - sustained the rise of salary claims. As a result, the basic monthly wages slightly slowed down in 2013.

In 2013 consumption prices rose more rapidly in Germany than in France (+1.6% and +1.0% in France). In real terms, the basic monthly wage recovered in France (+0.7% after -0.1% in 2012) and slightly accelerated in Germany (+1.0% after +0.7% in 2012).

* This index is computed by keeping the structure constant. It includes neither bonuses nor overtime work.

German basic monthly wage

	SA – annual variation (%)		
	2011	2012	2013
Mining and quarrying	2.4	2.1	2.6
Manufacturing	2.2	3.2	2.9
Electricity, gas, steam and air conditioning supply	2.4	2.5	2.6
Water supply; sewerage, waste management and remediation activities	1.1	3.2	2.6
Construction	2.0	2.4	2.7
Wholesale and retail trade; repair of motor vehicles and motorcycles	2.3	2.6	2.3
Transportation and storage	1.2	3.0	2.2
Accommodation and food service activities	1.9	1.8	1.8
Information and communication	1.7	2.2	2.2
Financial and insurance activities	1.5	1.8	2.7
Real estate activities	3.0	1.5	3.3
Professional, scientific and technical activities	1.7	3.1	2.6
Administrative and support service activities	3.4	2.1	1.5
TOTAL	2.0	2.8	2.6
Harmonized consumer prices	2.5	2.1	1.6
TOTAL deflated	-0.5	0.7	1.0

Sources: Germany: Destatis

French basic monthly wage

	SA – annual variation (%)		
	2011	2012	2013
Mining and quarrying	2.0	2.3	1.8
Manufacturing	2.5	2.4	1.9
Electricity, gas, steam and air conditioning supply	1.3	2.1	1.1
Water supply; sewerage, waste management and remediation activities	2.1	2.2	1.6
Construction	2.1	2.0	1.7
Wholesale and retail trade; repair of motor vehicles and motorcycles	2.1	2.2	1.7
Transportation and storage	2.1	1.9	1.8
Accommodation and food service activities	2.5	2.4	1.7
Information and communication	2.0	2.0	1.6
Financial and insurance activities	2.2	2.0	1.5
Real estate activities	2.2	2.1	1.8
Professional, scientific and technical activities	2.5	2.0	1.7
Administrative and support service activities	2.0	2.1	1.8
TOTAL	2.2	2.1	1.7
Harmonized consumer prices	2.3	2.2	1.0
TOTAL deflated	-0.1	-0.1	0.7

Sources: France: Acemo, Dares and harmonized consumption prices, Insee

• Analysis by sector

In France

In *manufacturing*, basic wages increased by 1.9% in nominal terms, a lower rate than in 2012 (+2.4%). This slowdown applied to all sub-sectors. The nominal SMB slightly slowed down in *manufacture of transport equipment* (+1.8% after +2.5%), and *fabrication of rubber and plastic products* (+1.9% after +2.6%) as well as in *metallurgy* (+2.0% after +2.6% in 2012).

The basic monthly wages slowed down also in *financial and insurance activities* (+1.5% after +2.0% in 2012). In this sector, the slowdown is more pronounced in *financial activities* (+1.3% after +1.8%).

In the sector of *electricity, gas, steam and air conditioning supply*, basic wages significantly slowed down after the great acceleration in 2012. Thereby, they increased by 1.1% in 2013 after +2.1% in 2012.

Basic wages in *construction* slightly slowed down in 2013 (+1.7% after +2.0%) while the activity in this sector continued to decline (-4.2%).

Basic wages slowed down very slightly in *administrative and support services activities* in 2013 (+1.8% after +2.1%).

In the *commerce* sector, basic wages slowed down in 2013 (+1.7% after +2.2%). In particular, they slowed down significantly in the *retail trade* (+1.7% after +2.3%) and in the *wholesale trade* (+1.7% after +2.2%). As in 2012, the basic wages increased slowly in the *trade and repair of motor vehicles* (+1.5% in 2013 after +1.9%) as in the other sub-sectors.

The basic wages in *accommodation and food service activities* slowed down significantly (+1.7% in current euros in 2013 after +2.4% in 2012). Contrary to previous years, basic wages increased a little more in *accommodation* (+1.9%) than in *food service* (+1.7%).

The only sector in which the nominal basic wage didn't slow down in 2013 is *transportation and storage* (+1.8% after +1.9%).

In Germany

Basic wages continued to increase significantly in 2013 in *manufacturing* despite of a slight slow down (+2.9% after +3.2%). They remained dynamic in electricity, gas, steam and air conditioning supply (+2.6%).

In *financial and insurance activities*, the basic monthly wage sped up significantly in 2013 (+2.7% after +1.8%), following increases agreed by unions and employers in various sub-sectors. Thereby, in the private banking sector, the national collective agreement resulted in an increase of 2.9% on 1st July 2012 and 2.5% on 1st July 2013. An increase of the basic monthly wage of 3.3% was negotiated in the sector of *insurance*.

The basic monthly wage of the sector of *water supply; sewerage, waste management and remediation activities* slowed down in 2013 (+2.6%) after a high increase in 2012 (+3.2% in 2012).


In the *construction* sector, basic wages sped up again in 2013 (+2.7% after +2.4% in 2012). The persistence of low interest rates supported the demand for housing. The labor demand also increased in construction in 2013.

After a slight speed up observed in 2012 in the sector of *commerce*, the basic monthly wages slowed down in this sector and the increase is the same as in 2011 (+2.3% after +2.6% in 2012).

The basic monthly wages slowed down for the second consecutive year in the sector of *administrative and support services activities* (+1.5% after +2.1% in 2012 and +3.4% in 2011).

The basic monthly wages slowed down in *transportation and storage* (+2.2% after +3.0% in 2012) but remained dynamic because there was wages increases in public services (+1,4% on 1st January 2013 and of 1,4% on 1st August 2013).

Learn more:

- Supplementary data (methodology) are available on the HTML web page : <http://www.insee.fr/fr/themes/info-rapide.asp?id=109>
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