

Informations *Rapides*

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■ Labour cost index in industry, construction and services– 3rd quarter of 2014

Warning: Since the Q1 2013, the tax credit for encouraging competitiveness and jobs (CICE) was included in the calculation of the labour cost index as a subsidy received by the employer. The rate of the CICE has increased from 4% to 6% from the 1st January of 2014. In Q3 2014, for business economy (excluding agriculture), the year-on-year changes of the labour cost index – total labour cost (+0.6%) is 0.9 points lower than what it would have been without CICE (+1.5%). The CICE has no impact on Q3 2014 quarterly variation nor on LCI – wages & salaries.

In Q3 2014, the labour cost index - wages and salaries remained stable and the labour cost index - total labour cost increased by 0.1%

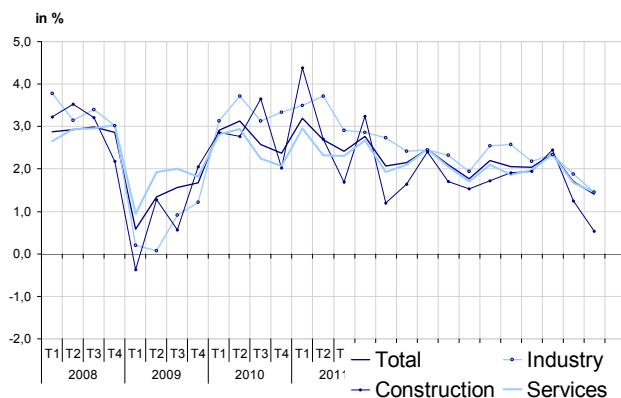
• The labour cost index - wages & salaries remained stable

In the third quarter of 2014, the **labour cost index (LCI) - wages & salaries** for the business economy (excluding agriculture) slowed down (+0.0% after +0.3%) in seasonally adjusted data. In year-on-year changes, the **LCI - wages & salaries** increased by 1.4% after +1.7%. Work hours improved (+0.1% year-on-year).

Wages slowed down in services but increased in construction

Wages stalled in services (+0.1% after +0.3% in the first second of 2014). Wages decreased in accommodation and food service, in information and communication and in real estate activities. In year-on-year changes, wages decelerated (1.4% after 1.7%). On the contrary, in construction, wages sped up slowly (+0.1% after –0.5%), but slowed down slightly in year-on-year changes (+0.5% after 1.2%).

LCI - wages and salaries: year-on-year changes



Sources: Acoess, Dares, Insee

Field: non-agricultural market sector excluding household services

Wages decreased by 0.2% in industrial activities

Wages decreased by 0.2% in industrial activities in Q3 2014 (after +0.7%). In electricity and gas, wages declined (-2.4% after +3.3%). Wages remained stable in manufacturing. Wages increased in mining and quarrying industry (+0.6% after -1.7%).

In year-on-year changes, wages in industrial activities slowed down slightly (+1.5% after +1.9%).

LCI - wages & salaries

SA - base 100 in 2008

	Quarterly variations (%)		Annual variations (%)	
	Q2-14	Q3-14	Q2-14	Q3-14
Industry	0,7	-0,2	1,9	1,5
Mining and quarrying	-1,7	0,6	1,1	0,6
Manufacturing	0,5	0,0	2,0	1,4
Electricity, gas, steam and air conditioning supply	3,3	-2,4	1,2	1,6
Water supply; sewerage, waste management and remediation activities	0,0	0,7	0,3	0,9
Services	0,3	0,1	1,7	1,4
Wholesale and retail trade; repair of motor vehicles and motorcycles	0,6	0,0	1,8	1,5
Transportation and storage	0,4	0,1	1,4	1,2
Accommodation and food service activities	0,7	-0,5	2,5	1,2
Information and communication	0,6	-0,1	2,2	1,1
Financial and insurance activities	-0,5	0,6	1,7	2,0
Real estate activities	0,8	-0,9	2,8	1,8
Professional, scientific and technical activities	0,1	0,2	1,7	1,6
Administrative and support service activities	-0,3	0,2	0,7	1,1
Construction	-0,5	0,1	1,2	0,5
TOTAL	0,3	0,0	1,7	1,4

Sources: Acoess, Dares, Insee

Field: non-agricultural market sector excluding household services

The evolution of wages and salaries during the second quarter of 2014 is revised by +0.1 point in quarter-to-quarter changes.

• The labour cost index - total labour cost increased by 0.1%

In the third quarter of 2014, the **labour cost index (LCI) - total labour cost** for the business economy increased by 0.1% in seasonally adjusted data, after a rise by 0.3% in the second quarter.

In year-on-year changes, the LCI - total labour cost has slowed down in the third quarter (+0.6% after +1.0%). Without the tax credit for encouraging competitiveness and jobs (CICE), the LCI - total labour cost would have also slowed down (+1.5% after +1.9% in year-on-year changes).

LCI - total labour cost: year-on-year changes



Sources: Acoess, Dares, Insee
Field: non-agricultural market sector excluding household services

No revision of Q1 2014 LCI – total labour cost

The change of **labour cost index (LCI) – total labour cost** in the second quarter of 2014 is not revised neither in quarterly variations nor in year-on-year changes.

LCI - total labour cost

SA - base 100 in 2008

	Quarterly variations (%)		Annual variations (%)	
	Q2-14	Q3-14	Q2-14	Q3-14
Industry	0,7	-0,1	1,2	0,7
Mining and quarrying	-1,7	0,6	0,4	-0,2
Manufacturing	0,5	0,0	1,3	0,7
Electricity, gas, steam and air conditioning supply	3,3	-2,4	0,8	1,1
Water supply; sewerage, waste management and remediation activities	0,0	0,8	-0,6	0,1
Services	0,3	0,1	0,9	0,6
Wholesale and retail trade; repair of motor vehicles and motorcycles	0,6	0,1	1,0	0,6
Transportation and storage	0,5	0,2	0,4	0,2
Accommodation and food service activities	0,8	-0,5	1,2	-0,4
Information and communication	0,6	-0,1	1,8	0,6
Financial and insurance activities	-0,5	0,6	1,3	1,6
Real estate activities	0,9	-0,9	2,1	1,1
Professional, scientific and technical activities	0,1	0,2	1,3	1,1
Administrative and support service activities	-0,3	0,2	-0,5	0,0
Construction	-0,4	0,3	0,4	-0,3
TOTAL	0,3	0,1	1,0	0,6

Sources: Acoess, Dares, Insee
Field: non-agricultural market sector excluding household services


LCI - total labour cost (without CICE)

SA - base 100 in 2008

	Quarterly variations (%)		Annual variations (%)	
	Q2-14	Q3-14	Q2-14	Q3-14
Industry	0,7	-0,1	2,1	1,6
Mining and quarrying	-1,7	0,6	1,4	0,8
Manufacturing	0,5	0,0	2,2	1,6
Electricity, gas, steam and air conditioning supply	3,3	-2,4	1,4	1,7
Water supply; sewerage, waste management and remediation activities	0,0	0,8	0,4	1,1
Services	0,3	0,1	1,8	1,5
Wholesale and retail trade; repair of motor vehicles and motorcycles	0,6	0,1	2,1	1,7
Transportation and storage	0,5	0,2	1,5	1,2
Accommodation and food service activities	0,8	-0,5	2,6	1,0
Information and communication	0,6	-0,1	2,3	1,2
Financial and insurance activities	-0,5	0,6	1,8	2,1
Real estate activities	0,9	-0,9	3,0	2,0
Professional, scientific and technical activities	0,1	0,2	1,9	1,7
Administrative and support service activities	-0,3	0,2	0,8	1,2
Construction	-0,4	0,3	1,5	0,8
TOTAL	0,3	0,1	1,9	1,5

Sources: Acoess, Dares, Insee
Field: non-agricultural market sector excluding household services

Learn more :

- Supplementary data (methodology, long run series, etc.) are available on the web page of the labour cost index: <http://www.insee.fr/fr/themes/indicateur.asp?id=101>
- The LCI – total labour cost was revised on the past between 2000 and 2008 after methodological changes. A file explaining the methodological changes made in the first quarter 2014 is available on the web page: <http://www.insee.fr/fr/indicateurs/ind101/20140616/note-modification-methodo.pdf>
- Historical data are available on the BDM : [G1161](#), [G1158](#)
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