

Informations *Rapides*

17 juin 2016 - n° 155



■ Labour cost index in industry, construction and services– 1st quarter of 2016

Warnings:

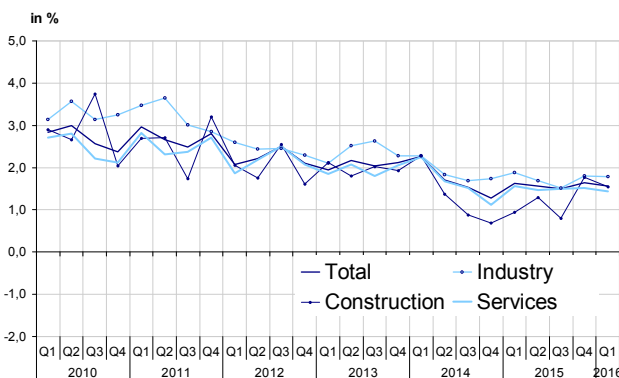
- Seasonal adjustment method has been improved moreover, indices released here are now working-day adjusted.
- Since 1st January 2016, employers have to offer a complementary health insurance to their employees, paying half contribution at least. The measure effect is estimated at +0.5 points on average on the whole LCI – total labour cost for Q1 2016.
- Since 1st January 2016, the rate of the tax credit for encouraging competitiveness and jobs (CICE) has increased from 7.5% to 9.0% in overseas departments only.

In Q1 2016, the labour cost index - wages and salaries increased by 0.6% and the labour cost index - total labour cost increased by 1.2%

• The labour cost index - wages & salaries increased by 0.6%

In the first quarter of 2016, the **labour cost index (LCI) - wages & salaries** in the non-agricultural market sector increased almost at the same pace than in the previous quarter: +0.6% after +0.5% quarter-on-quarter, in seasonally adjusted data. Year-on-year, it rose by +1.6% as in Q4 2015. Average working hours increased slightly (+0.1% in y-o-y after being stable in Q4 2015).

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



Scope: non-agricultural market sector excluding household services Sources: Acoiss, Dares, Insee

Wages slowed down in construction

In Q1 2016, wages in industrial activities rose at almost the same pace than in the previous quarter (+0.5% q-o-q after +0.6% in Q4 2015). Year-on-year, the increase was stable (+1.8%, as in Q4 2015).

In construction, wages slowed down: +0.4% q-o-q after 1.0% in Q4 2015. Year-on-year, wages decelerated slightly (+1.6% after +1.8%).

Wages accelerated in services

In services, wages sped up in the beginning of 2016 (+0.6% q-o-q after +0.3% in Q4 2015). Nevertheless, year-on-year, wages rose at about the same pace than in the previous quarter (+1.4% after +1.5%).

LCI - wages & salaries

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q4-15	Q1-16	Q4-15	Q1-16
Industry	0.6	0.5	1.8	1.8
Mining and quarrying	0.3	0.2	0.8	0.6
Manufacturing	0.7	0.6	1.8	1.9
Electricity, gas, steam and air conditioning supply	0.1	0.0	1.6	1.2
Water supply; sewerage, waste management and remediation activities	0.3	0.2	1.4	0.9
Services	0.3	0.6	1.5	1.4
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.3	0.4	1.5	1.5
Transportation and storage	0.2	0.4	1.0	1.3
Accommodation and food service activities	0.5	0.9	1.0	1.7
Information and communication	0.3	0.6	1.6	1.4
Financial and insurance activities	0.8	0.9	2.5	3.3
Real estate activities	1.1	0.7	3.6	3.8
Professional, scientific and technical activities	0.7	1.5	2.0	2.0
Administrative and support service activities	-0.2	0.3	1.0	0.0
Construction	1.0	0.4	1.8	1.6
TOTAL	0.5	0.6	1.6	1.6

Scope: non-agricultural market sector excluding household services Sources: ACOSS, DARES, INSEE

Total quarterly variation confirmed for the Q4 2015

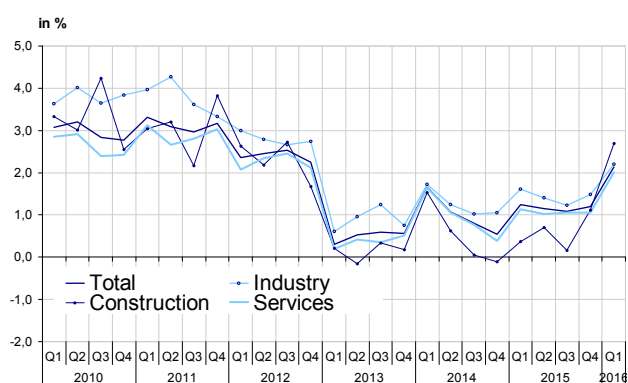
The LCI - wages and salaries in the fourth quarter of 2015 in the non-agricultural market sector excluding household services is unchanged quarter-on-quarter. It has been reviewed by +0.1 points year-on-year.

• The labour cost index - total labour cost increased by 1.2%

In the first quarter of 2016, the **labour cost index (LCI) - total labour cost** in the non-agricultural market sector sped up sharply quarter-on-quarter (+1.2% in seasonally adjusted data, after +0.5% in Q4 2015). This acceleration is mainly due to a new measure, which was launched on the January 1st 2016. Employers in the private sector have to offer a complementary health insurance to their employees. The measure effect on the whole index has been estimated at +0.5 points for Q1 2016.

Year-on-year, the **LCI - total labour cost** also accelerated strongly (+2.1% after +1.2%). Without the tax credit for encouraging competitiveness and jobs (CICE), the growth would have been the same.

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



Scope: non-agricultural market sector excluding household services Sources: ACOSS, DARES, INSEE

Slight upward revision of Q4 2015 LCI – total labour cost

The variation of LCI – total labour cost in the fourth quarter of 2015, in the non-agricultural market sector excluding household services has been revised upwards by 0.1 percentage points, year-on-year as well as quarter-on-quarter. The updated CICE data led to revise slightly some of the y-o-y sector variations.

LCI - total labor cost

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q4-15	Q1-16	Q4-15	Q1-16
Industry	0.6	0.9	1.5	2.2
Mining and quarrying	0.4	0.7	0.0	1.2
Manufacturing	0.7	1.0	1.5	2.3
Electricity, gas, steam and air conditioning supply	0.1	0.3	1.5	1.5
Water supply; sewerage, waste management and remediation act.	0.2	0.4	0.8	1.0
Services	0.3	1.2	1.0	2.0
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.4	1.1	1.0	2.3
Transportation and storage	0.2	0.6	0.4	1.5
Accommodation and food service activities	0.5	1.6	0.1	2.4
Information and communication	0.3	1.0	1.7	1.7
Financial and insurance activities	0.8	1.1	2.5	3.6
Real estate activities	1.2	1.2	3.4	4.5
Professional, scientific and technical activities	0.7	2.0	1.9	2.5
Administrative and support service activities	-0.4	1.4	-0.2	0.8
Construction	1.0	1.5	1.1	2.7
TOTAL	0.5	1.2	1.2	2.1

Scope: non-agricultural market sector excluding household services Sources: ACOSS, DARES, INSEE

LCI - total labor cost (without CICE)

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q4-15	Q1-16	Q4-15	Q1-16
Industry	0.6	0.9	1.5	2.2
Mining and quarrying	0.4	1.1	0.4	1.6
Manufacturing	0.7	1.0	1.5	2.3
Electricity, gas, steam and air conditioning supply	0.1	0.3	1.6	1.5
Water supply; sewerage, waste management and remediation act.	0.2	0.4	0.8	1.1
Services	0.3	1.2	1.0	2.0
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.4	1.1	1.0	2.3
Transportation and storage	0.2	0.6	0.3	1.5
Accommodation and food service activities	0.5	1.6	0.0	2.4
Information and communication	0.3	1.0	1.6	1.7
Financial and insurance activities	0.8	1.1	2.4	3.6
Real estate activities	1.2	1.2	3.4	4.5
Professional, scientific and technical activities	0.7	2.0	1.9	2.4
Administrative and support service activities	-0.4	1.4	-0.1	0.8
Construction	1.0	1.5	1.2	2.7
TOTAL	0.5	1.1	1.2	2.1

Scope: non-agricultural market sector excluding household services Sources: ACOSS, DARES, INSEE

For more information:

- 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 – wages and salaries and the LCI – total labour cost were reviewed following a change in seasonal adjustment method. Hence, they are also working days adjusted: [http://www.insee.fr/en/indicateurs/ind101/20160617/Note modification methodologique CJO-CVS.pdf](http://www.insee.fr/en/indicateurs/ind101/20160617/Note%20modification%20methodologique%20CJO-CVS.pdf) (in French)
- Besides the change in social contribution rates, two new measures have been influencing the labour cost since Q1 2016: the obligation for private employers to offer a complementary health insurance to their employees and new hirings premium in firms with less than 250 employees. Effects have been estimated and integrated in the LCI – total labour cost: [http://www.insee.fr/en/indicateurs/ind101/20160617/Note impact mesures législatives.pdf](http://www.insee.fr/en/indicateurs/ind101/20160617/Note%20impact%20mesures%20legislatives.pdf) (in French)
- Historical data are available on the BDM : [G1161](#), [G1158](#)
- Press contact: bureau-de-presse@insee.fr
- Follow us on [Twitter](#) @InseeFr_News

Next publication: Mid-September 2016