

# Informations

## Rapides



15 Septembre 2017 - n° 244

### ■ Labour cost index in industry, construction and services – 2<sup>nd</sup> quarter of 2017

#### Warnings:

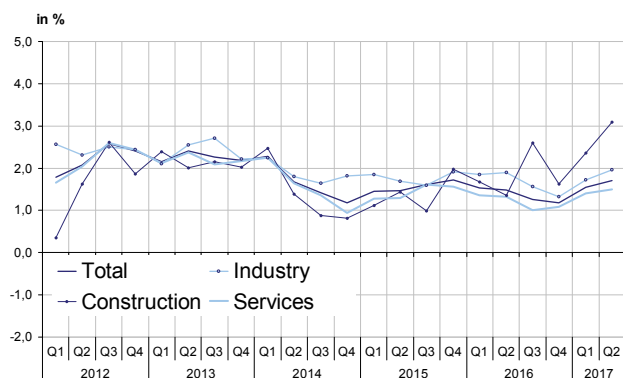
- Since 1<sup>st</sup> January 2017, the rate of the tax credit for encouraging competitiveness and jobs (CICE) in metropolitan France has increased from 6% to 7%. The rate remains at 9% in the overseas departments.
- The hiring premium measure has been extended to hirings until 30<sup>th</sup> June 2017.

## In Q2 2017, the labour cost index - wages and salaries as well as the labour cost index - total labour cost increased by 0.4%

### • The labour cost index - wages and salaries increased by 0.4%

In the second quarter of 2017, the **labour cost index (LCI) - wages and salaries** in the non-agricultural market sector slowed down: +0.4% quarter on quarter after +0.7% in Q1 2017 (seasonally adjusted data). Year on year, it rose by 1.7%, a slightly larger increase than in the first quarter (+1.5%). The average working time increased as in the first quarter (+0.2% y-o-y).

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



Scope: non-agricultural market sector excluding services to households

Sources: ACOSS, DARES, INSEE

### Wages slowed down in industrial activities, in services and in construction

In Q2 2017, wages in industrial activities slowed slightly quarter on quarter (+0.6% after +0.8% in Q1 2017). However, year on year, they accelerated: +2.0% after 1.7% in the first quarter.

In services also, wages were less dynamic on the quarter (+0.3% after +0.6%). Nevertheless, they grew at a slightly faster pace over the year (+1.5% after +1.4%). In comparison to the previous quarter, wages slowed down especially in finance and insurance

activities, real estate, and professional, scientific and technical activities. They stagnated in information and communication. Conversely, wages accelerated sharply in transportation and storage.

In construction, wages increased less markedly on the quarter (+0.4% after +1.0%) but accelerated year on year (+3.1% after +2.4%).

#### LCI - wages & salaries

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q1-17	Q2-17	Q1-17	Q2-17
<b>Industry</b>	<b>0.8</b>	<b>0.6</b>	<b>1.7</b>	<b>2.0</b>
Mining and quarrying	0.4	1.2	2.4	3.4
Manufacturing	0.8	0.6	1.5	2.0
Electricity, gas, steam and air conditioning supply	1.4	-0.1	4.3	1.9
Water supply; sewerage, waste management and remediation activities	0.4	0.9	1.9	2.5
<b>Services</b>	<b>0.6</b>	<b>0.3</b>	<b>1.4</b>	<b>1.5</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.5	0.5	1.6	1.8
Transportation and storage	0.2	1.1	0.8	1.5
Accommodation and food service activities	0.1	0.0	0.3	1.0
Information and communication	1.8	-0.1	2.9	2.0
Financial and insurance activities	1.0	0.2	1.9	1.8
Real estate activities	1.6	0.3	4.1	3.9
Professional, scientific and technical activities	1.2	0.3	2.1	1.9
Administrative and support service activities	0.0	0.5	0.5	1.0
<b>Construction</b>	<b>1.0</b>	<b>0.4</b>	<b>2.4</b>	<b>3.1</b>
<b>TOTAL</b>	<b>0.7</b>	<b>0.4</b>	<b>1.5</b>	<b>1.7</b>

Scope: non-agricultural market sector excluding services to households

Sources: ACOSS, DARES, INSEE

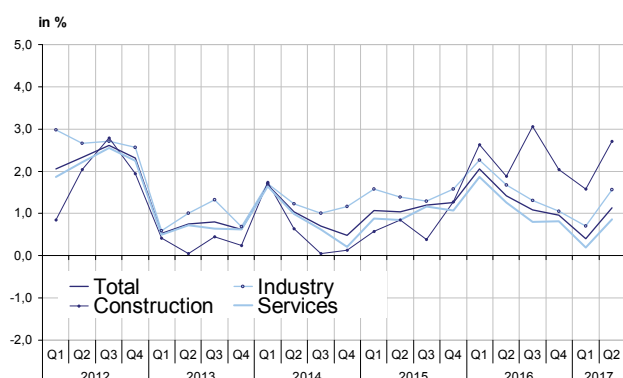
### LCI - wages and salaries for Q1 2017 is almost unchanged

The quarterly variation in LCI - wages and salaries in the first quarter of 2017 in the non-agricultural market sector is unchanged. The year-over-year variation has been revised downwards by 0.1 percentage points.

## • The labour cost index - total labour cost increased by 0.4%

In the second quarter of 2017, the **labour cost index (LCI) - total labour cost** in the non-agricultural market sector rose just slightly more than in the previous quarter: +0.4%, after +0.3% (seasonally adjusted data). Year on year, the **LCI - total labour cost** sped up (+1.1% after +0.4%). Without the tax credit for encouraging competitiveness and jobs (CICE), the rise would have been stronger: +1.6%. The rate of CICE has indeed been raised by 1 percentage point in metropolitan France since the 1<sup>st</sup> January 2017, which is neutral on the Q2 2017 quarter-over-quarter variation but curbed the rise over a year.

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



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

### Slight downward revision of LCI – total labour cost for Q1 2017

The variation in LCI – total labour cost in the first quarter of 2017 in the non-agricultural market sector has been revised downwards by 0.1 percentage points year over year and quarter over quarter.

## LCI - total labor cost

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q1-17	Q2-17	Q1-17	Q2-17
<b>Industry</b>	<b>0.4</b>	<b>0.6</b>	<b>0.7</b>	<b>1.6</b>
Mining and quarrying	0.1	1.2	1.8	3.3
Manufacturing	0.4	0.6	0.5	1.6
Electricity, gas, steam and air conditioning supply	1.2	-0.1	3.6	1.8
Water supply; sewerage, waste management and remediation activities	0.1	0.8	0.8	2.0
<b>Services</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>0.9</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	-0.1	0.5	0.2	1.0
Transportation and storage	-0.3	1.1	-0.3	0.8
Accommodation and food service activities	-0.5	0.3	-1.2	0.5
Information and communication	1.6	-0.2	1.9	1.7
Financial and insurance activities	0.9	0.2	1.1	1.6
Real estate activities	1.4	0.3	3.4	3.8
Professional, scientific and technical activities	1.0	0.3	1.1	1.6
Administrative and support service activities	-0.5	0.3	-1.2	-0.2
<b>Construction</b>	<b>0.7</b>	<b>0.4</b>	<b>1.6</b>	<b>2.7</b>
<b>TOTAL</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>	<b>1.1</b>

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


### LCI - total labor cost (without CICE)

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q1-17	Q2-17	Q1-17	Q2-17
<b>Industry</b>	<b>0.8</b>	<b>0.6</b>	<b>1.1</b>	<b>2.0</b>
Mining and quarrying	0.6	1.2	2.3	3.8
Manufacturing	0.8	0.6	0.9	2.0
Electricity, gas, steam and air conditioning supply	1.4	-0.1	3.8	2.0
Water supply; sewerage, waste management and remediation activities	0.5	0.8	1.2	2.4
<b>Services</b>	<b>0.6</b>	<b>0.3</b>	<b>0.6</b>	<b>1.3</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.4	0.5	0.7	1.5
Transportation and storage	0.2	1.1	0.3	1.3
Accommodation and food service activities	0.1	0.3	-0.5	1.1
Information and communication	1.9	-0.2	2.2	1.9
Financial and insurance activities	1.1	0.2	1.3	1.8
Real estate activities	1.7	0.3	3.7	4.1
Professional, scientific and technical activities	1.2	0.3	1.4	1.8
Administrative and support service activities	0.1	0.3	-0.6	0.4
<b>Construction</b>	<b>1.2</b>	<b>0.4</b>	<b>2.2</b>	<b>3.3</b>
<b>TOTAL</b>	<b>0.7</b>	<b>0.4</b>	<b>0.8</b>	<b>1.6</b>

Scope: non-agricultural market sector excluding services to households  
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: <https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=38>
- Besides the change in social contribution rates, new measures have been influencing the labour cost since Q1 2016: [https://www.insee.fr/fr/metadonnees/source/fichier/MET\\_ICTICT\\_EFFETS2\\_2016\\_EN.pdf](https://www.insee.fr/fr/metadonnees/source/fichier/MET_ICTICT_EFFETS2_2016_EN.pdf)
- Historical data are available on the BDM : <https://www.insee.fr/en/statistiques/series/102726584>
- Press contact: [bureau-de-presse@insee.fr](mailto:bureau-de-presse@insee.fr)
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