

# Informations

## Rapides



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### ■ Labour cost index in industry, construction and services – 3<sup>rd</sup> quarter of 2017

#### Warnings

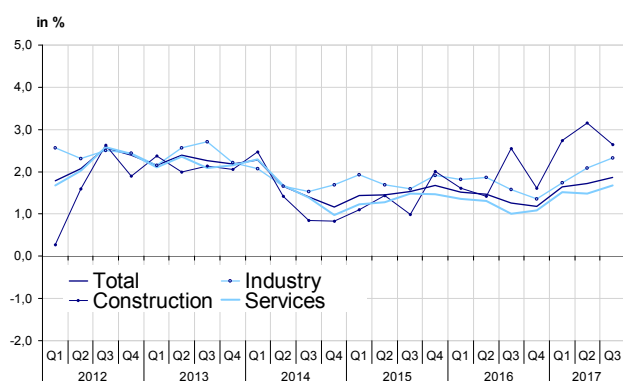
- Since 1<sup>st</sup> January 2017, the rate of the tax credit for encouraging competitiveness and jobs (CICE) in metropolitan France has increased from 6% to 7%. The rate remains at 9% in the overseas departments.  
- Hirings after the 1<sup>st</sup> July 2017 are no longer entitled to the hiring premium measure in SMEs.

## In Q3 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 third quarter of 2017, the **labour cost index (LCI) - wages and salaries** in the non-agricultural market sector hardly accelerated: +0.4% quarter on quarter after +0.3% in Q2 2017 (seasonally adjusted data). Year on year, it rose by 1.9%, a slightly larger increase than in the second quarter (+1.7%). The average working time increased as in the second 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

In Q3 2017, wages in industrial activities slowed slightly quarter on quarter (+0.4% after +0.5% in Q2 2017). However, year on year, they accelerated a bit: +2.3% after 2.1% in the second quarter.

Wages in services activities, grew slightly faster on the quarter (+0.3% after +0.2%) and on the year (+1.7% after +1.5%). In comparison to the previous quarter, wages rose again in real estate, professional, scientific and technical activities, and information and

communication industries. Conversely, wages shrank sharply in transportation and storage activities.

In construction, wages accelerated on the quarter (+0.6% after +0.3%) but slowed down year on year (+2.6% after +3.1%).

#### LCI - wages & salaries

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q2-2017	Q3-2017	Q2-2017	Q3-2017
<b>Industry</b>	<b>0.5</b>	<b>0.4</b>	<b>2.1</b>	<b>2.3</b>
Mining and quarrying	1.0	-0.4	3.4	1.4
Manufacturing	0.6	0.4	2.1	2.3
Electricity, gas, steam and air conditioning supply	0.4	1.1	2.3	3.6
Water supply; sewerage, waste management and remediation activities	0.8	0.3	2.4	2.2
<b>Services</b>	<b>0.2</b>	<b>0.3</b>	<b>1.5</b>	<b>1.7</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.5	0.5	1.9	2.3
Transportation and storage	0.9	-0.3	1.4	0.8
Accommodation and food service activities	0.1	0.4	1.0	1.2
Information and communication	-0.3	0.5	2.0	2.0
Financial and insurance activities	0.3	0.2	2.0	2.4
Real estate activities	0.0	0.9	3.8	4.0
Professional, scientific and technical activities	-0.1	0.5	1.8	2.4
Administrative and support service activities	0.5	0.4	1.0	1.1
<b>Construction</b>	<b>0.3</b>	<b>0.6</b>	<b>3.1</b>	<b>2.6</b>
<b>TOTAL</b>	<b>0.3</b>	<b>0.4</b>	<b>1.7</b>	<b>1.9</b>

Scope: non-agricultural market sector excluding services to households

Sources: ACOSS, DARES, INSEE

#### Slight downward revision of LCI – wages and salaries in Q2 2017

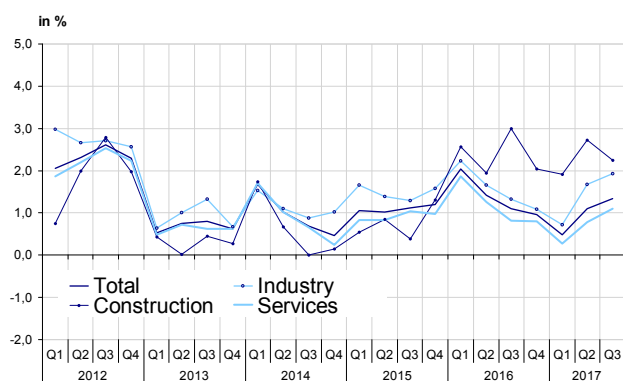
The Q2 2017 quarterly variation in LCI - wages and salaries in the non-agricultural market sector has been revised downward by 0.1 percentage points. The year-over-year variation is unchanged.

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

In the third quarter of 2017, the **labour cost index (LCI) - total labour cost** in the non-agricultural market sector slightly accelerated on the quarter: +0.4%, after +0.2% (seasonally adjusted data), as well as on the year (+1.3 % after 1.1 %).

Without tax credit for encouraging competitiveness and jobs (CICE), the rise would have been stronger: +1.8%. The rate of CICE has indeed been raised by 1 percentage point in metropolitan France since 1<sup>st</sup> January 2017, which is neutral on the Q3 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

### Downward revision of LCI – total labour cost in Q2 2017

The Q2 quarter-over-quarter variation in LCI – total labour in the non-agricultural market sector has been revised downward by 0.2 percentage points. The year-over-year variation is unchanged.

## LCI - total labor cost

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q2-2017	Q3-2017	Q2-2017	Q3-2017
<b>Industry</b>	<b>0.5</b>	<b>0.4</b>	<b>1.7</b>	<b>1.9</b>
Mining and quarrying	1.0	-0.4	3.3	1.4
Manufacturing	0.6	0.4	1.7	1.9
Electricity, gas, steam and air conditioning supply	0.4	1.0	2.2	3.4
Water supply; sewerage, waste management and remediation activities	0.7	0.3	1.8	1.7
<b>Services</b>	<b>0.2</b>	<b>0.3</b>	<b>0.8</b>	<b>1.1</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.5	0.6	1.1	1.6
Transportation and storage	0.9	-0.4	0.6	0.1
Accommodation and food service activities	0.0	0.4	0.0	0.5
Information and communication	-0.3	0.5	1.7	1.7
Financial and insurance activities	0.3	0.2	1.8	2.2
Real estate activities	0.0	1.0	3.6	3.9
Professional, scientific and technical activities	-0.2	0.5	1.5	2.1
Administrative and support service activities	0.4	0.5	-0.3	0.2
<b>Construction</b>	<b>0.3</b>	<b>0.7</b>	<b>2.7</b>	<b>2.3</b>
<b>TOTAL</b>	<b>0.2</b>	<b>0.4</b>	<b>1.1</b>	<b>1.3</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 (%)	
	Q2-2017	Q3-2017	Q2-2017	Q3-2017
<b>Industry</b>	<b>0.5</b>	<b>0.4</b>	<b>2.1</b>	<b>2.3</b>
Mining and quarrying	1.0	-0.4	3.8	1.8
Manufacturing	0.6	0.4	2.1	2.4
Electricity, gas, steam and air conditioning supply	0.4	1.0	2.4	3.6
Water supply; sewerage, waste management and remediation activities	0.7	0.3	2.3	2.2
<b>Services</b>	<b>0.2</b>	<b>0.4</b>	<b>1.2</b>	<b>1.5</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.5	0.6	1.6	2.1
Transportation and storage	0.9	-0.4	1.2	0.6
Accommodation and food service activities	0.0	0.4	0.7	1.1
Information and communication	-0.3	0.5	1.9	2.0
Financial and insurance activities	0.3	0.2	2.0	2.4
Real estate activities	0.0	1.0	4.0	4.2
Professional, scientific and technical activities	-0.2	0.5	1.8	2.4
Administrative and support service activities	0.4	0.5	0.3	0.8
<b>Construction</b>	<b>0.3</b>	<b>0.7</b>	<b>3.3</b>	<b>2.8</b>
<b>TOTAL</b>	<b>0.2</b>	<b>0.4</b>	<b>1.5</b>	<b>1.8</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>
- 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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