

Informations

Rapides

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■ Labour cost index in industry, construction and services – 1st quarter of 2018

Warnings

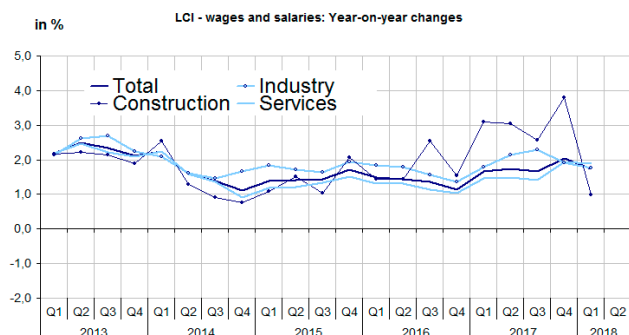
- Since 1st January 2018, the rate of the tax credit for encouraging competitiveness and jobs (CICE) in metropolitan France has decreased from 7% to 6%. The rate remains at 9% in the overseas departments.
- Hirings after 1st July 2017 are no longer entitled to the hiring premium measure in SMEs.

In Q1 2018, the the labour cost index - wages and salaries increased by 0.5%, the total labour cost index increased by 1.0%

• The wages and salary costs increased by 0.5%

In the first quarter of 2018, the **labour cost index (LCI) - wages and salaries** in the non-farm business sector slowed down hardly (+0.5% quarter on quarter, after +0.6% in Q4 2017 – seasonally adjusted data). Year on year, it rose by 1.7%, a slightly softer increase than in the fourth quarter (+2.0%). The average working time remained stable in the first quarter (0.0% y-o-y after +0.1% in Q4 2017).

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



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

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Wages accelerated in industry and kept on rising firmly in services

In Q1 2018, wages in industry accelerated quarter on quarter (+0.7% after +0.2% in Q4 2017). Year on year, they were a bit less dynamic: +1.8% after +1.9% in the fourth quarter.

Wages in services continued to increase at the same pace in Q1 2018 as in Q4 2017: +0.7% over the quarter and +1.9% over the year. In comparison to the previous quarter, wages slowed down in accommodation and food service activities, in financial and insurance activities and in administrative and support service

activities. Conversely, they grew faster in transportation and storage.

Wages in construction declined sharply over the quarter (-1.0% after +1.3%) and slowed down markedly over the year (+1.0% after +3.8% in Q4 2017, the stronger rise for 7 years).

LCI - wages & salaries

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q4-2017	Q1-2018	Q4-2017	Q1-2018
Industry	0,2	0,7	1,9	1,8
Mining and quarrying	1,4	0,6	2,5	2,8
Manufacturing	0,2	0,5	1,9	1,6
Electricity, gas, steam and air conditioning supply	0,2	2,8	2,7	4,4
Water supply; sewerage, waste management and remediation activities	0,4	0,2	2,1	1,7
Services	0,7	0,7	1,9	1,9
Wholesale and retail trade; repair of motor vehicles and motorcycles	0,5	0,5	2,0	1,9
Transportation and storage	0,4	0,7	1,0	1,9
Accommodation and food service activities	0,8	0,3	1,6	2,0
Information and communication	1,1	1,2	3,5	2,9
Financial and insurance activities	1,0	0,5	2,6	2,2
Real estate activities	1,0	0,8	3,8	2,6
Professional, scientific and technical activities	0,5	0,7	2,7	1,7
Administrative and support service activities	1,1	0,7	1,4	1,9
Construction	1,3	-1,0	3,8	1,0
TOTAL	0,6	0,5	2,0	1,7

Scope: non-agricultural market sector excluding services to households

Sources: ACOSS, DARES, INSEE

Slight upward revision of LCI – wages and salary in Q4 2017

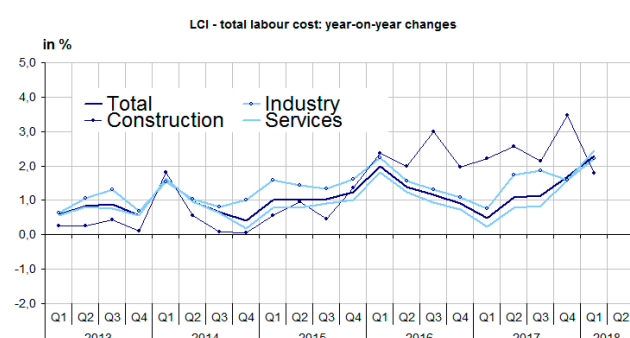
The Q4 2017 quarterly variation in LCI - wages and salaries in the non-farm business sector has been revised upward by 0.1 percentage points. The year over year variation remained unchanged.

• The total labour cost index increased by 1.0%

In the first quarter of 2018, the **total labour cost index** in the non-farm business sector accelerated over the quarter (+1.0%, after +0.7% – seasonally adjusted data) as well as over the year (+2.3 % after +1.7 %).

Without tax credit for encouraging competitiveness and jobs (CICE), the rise would have been smaller (+1.9%). The rate of CICE has indeed been lowered by 1 percentage point (from 7% to 6%) in metropolitan France since 1st January 2018.

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



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

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Upward revision of LCI – total labour cost in Q1 2018

The Q4 2017 quarter-on-quarter variation in total labour cost index in the non-farm business sector has been revised upward by 0.1 percentage points. The year-over-year variation remained unchanged.

LCI - total labour cost

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q4-2017	Q1-2018	Q4-2017	Q1-2018
Industry	0,3	1,1	1,6	2,2
Mining and quarrying	1,5	1,1	2,3	3,4
Manufacturing	0,2	1,0	1,6	2,1
Electricity, gas, steam and air conditioning supply	0,2	3,0	2,5	4,7
Water supply; sewerage, waste management and remediation activities	0,5	0,6	1,8	2,1
Services	0,8	1,2	1,6	2,5
Wholesale and retail trade; repair of motor vehicles and motorcycles	0,6	1,1	1,6	2,7
Transportation and storage	0,5	1,3	0,4	2,4
Accommodation and food service activities	1,1	1,0	1,3	3,1
Information and communication	1,1	1,6	3,3	3,2
Financial and insurance activities	1,0	0,8	2,5	2,5
Real estate activities	1,2	1,2	3,8	3,2
Professional, scientific and technical activities	0,5	1,1	2,4	2,2
Administrative and support service activities	1,3	1,4	1,0	2,6
Construction	1,4	-0,4	3,5	1,8
TOTAL	0,7	1,0	1,7	2,3

Scope: non-agricultural market sector excluding services to households

Sources: ACOSS, DARES, INSEE

LCI - total labour cost (without CICE)

SA - base 100 in 2012

	Quarterly variations (%)		Annual variations (%)	
	Q4-2017	Q1-2018	Q4-2017	Q1-2018
Industry	0,3	0,7	2,0	1,8
Mining and quarrying	1,5	0,6	2,7	2,9
Manufacturing	0,2	0,5	2,0	1,6
Electricity, gas, steam and air conditioning supply	0,2	2,8	2,7	4,5
Water supply; sewerage, waste management and remediation activities	0,5	0,1	2,3	1,7
Services	0,8	0,8	2,0	2,0
Wholesale and retail trade; repair of motor vehicles and motorcycles	0,6	0,5	2,1	2,2
Transportation and storage	0,5	0,8	1,0	1,8
Accommodation and food service activities	1,1	0,4	1,9	2,4
Information and communication	1,1	1,3	3,5	3,0
Financial and insurance activities	1,0	0,6	2,7	2,3
Real estate activities	1,2	0,9	4,1	2,9
Professional, scientific and technical activities	0,5	0,8	2,7	1,9
Administrative and support service activities	1,3	0,8	1,6	2,0
Construction	1,4	-0,9	4,0	1,2
TOTAL	0,7	0,6	2,1	1,9

Scope: non-agricultural market sector excluding services to households

Sources: ACOSS, DARES, INSEE

For more information

- Extra 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>
- Historical data are available on the BDM : <https://www.insee.fr/en/statistiques/series/102726584>
- Press contact: bureau-de-presse@insee.fr
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