

17 March 2014

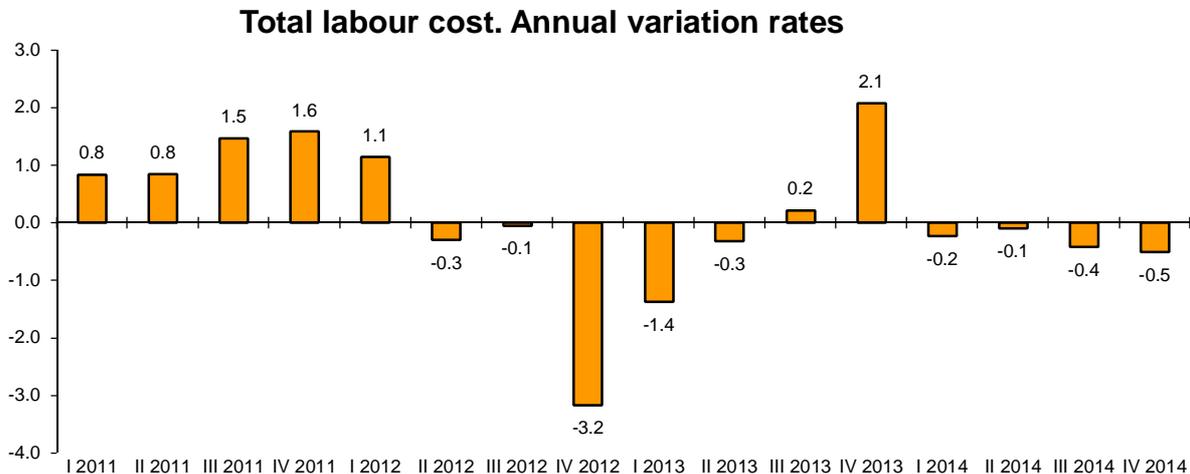
**Quarterly Labour Cost Survey (QLCS)**  
Fourth quarter of 2014

**Main results**

- The labour cost of companies decreases 0.5% in the fourth quarter of 2014, as compared to the same period of the previous year, standing at 2,638.80 euros per worker per month.
- The wage cost per worker per month decreases by 0.2%, standing at an average of 1,991.84 euros. In turn, other costs decrease 1.5%, standing at an average of 646.96 euros per worker and per month.
- During the fourth quarter of 2014, the average agreed working day is 34.3 hours, considering together full-time and part-time. Among them, an average of 4.6 hours per week are lost, of which two are due to holiday periods.
- The labour cost per effective hour worked decreases 1.2% in the annual rate, more than the wage cost per worker, as a consequence of the greater number of hours worked.
- In the quarterly rate, and considering the results adjusted for seasonal and calendar effects, the wage cost per worker decreased by 0.2% and the wage cost per effective hour worked does so by 0.1%.
- Regarding the seasonally and calendar adjusted data, the wage cost per worker decreases 0.5% in the fourth quarter, as compared to the same period of 2013, and the cost per effective hour worked decreased 0.2%.
- In the fourth quarter of 2014, the number of vacancies was 56,269. 88.3% were registered in the *Services* sector.

## Labour cost by component

The labour cost per worker per month reached 2,638.80 euros for the fourth quarter of 2014, indicating a decrease of 0.5% as compared to the same period of the previous year.



Of the total cost per worker per month incurred by an employer in use of the work factor, 1,991.84 euros corresponded to wages, and 584.52 to compulsory Social Security contributions. The remainder corresponded to compensation for dismissal, social benefits, etc.

The wage cost (comprising base salary, wage supplements, overtime payments, extraordinary payments and delayed payments, measured in gross terms) decreased by 0.2% in its annual rate, passing from 1,995.68 to 1,991.84 euros per worker per month. Excluding the variable factor in wages (extraordinary and delayed payments), which decreased by 1.3%, ordinary wage costs are obtained, which increased by 0.1%.

Other costs (non-wage costs) decreased 1.5%. Their main component, compulsory Social Security contributions, increased its rate by 1.8%, whereas non-wage payments decreased 18.3%, due to the decrease in compensations for dismissals and other non-wage payments (compensations for termination of a contract, compensation payments, small tools, work clothes, staff selection, etc.)

The labour cost per hour decreased 1.2%. This decrease, greater than the cost per worker, is due to an increase in the number of effective working hours. After adjusting this and the calendar effect, the estimated decrease of the cost per hour is 0.2%.

### Labour cost per worker

	Euros	Rate <sup>1</sup>
Total labour cost	2,638.80	-0.5
Wage cost	1,991.84	-0.2
Other costs	646.96	-1.5

### Other costs (non-labour costs)

	Euros	Rate <sup>1</sup>
Total (other costs)	646.96	-1.5
Compulsory contributions	584.52	1.8
Non-wage payments	77.87	-18.3
Subsidies and allowances <sup>2</sup>	15.42	18.3

### Wage cost

	Euros	Rate <sup>1</sup>
Total wage cost	1,991.84	-0.2
Ordinary wage cost	1,628.75	0.1

### Cost per hour

	Euros	Rate <sup>1</sup>
Cost per effective hour	20.34	-1.2
Cost per paid hour	17.64	-0.2

<sup>1</sup> As compared to the same quarter of the previous year

<sup>2</sup> Subsidies are taken out of the Other costs

### Labour cost according to economic sectors

*Industry* was the sector with the greatest increase in total labour cost and its main components. It is also worth noting the growth in this sector of ordinary wage costs and other costs, in particular that of compensations for dismissals and that of other direct social benefits.

*Construction* presented the greatest increase in the wage cost and the greatest drops in the remaining costs, due to the decrease in compensations for dismissals and other direct social benefits.

The *Services* sector registered the greatest decrease of labour cost as a consequence of the decrease of both the wage cost and other costs.

### Labour cost by economic sector

	Total labour cost		Total wage cost		Ordinary wage costs		Other costs	
	Euros	Rate <sup>1</sup>	Euros	Rate <sup>1</sup>	Euros	Rate <sup>1</sup>	Euros	Rate <sup>1</sup>
TOTAL	2,638.80	-0.5	1,991.84	-0.2	1,628.75	0.1	646.96	-1.5
Industry	3,202.56	1.4	2,400.78	0.9	1,894.35	1.7	801.78	3.0
Construction	2,849.36	-0.2	2,058.25	1.1	1,624.93	1.8	791.11	-3.5
Services	2,518.01	-0.9	1,909.90	-0.5	1,578.62	-0.4	608.11	-2.2

<sup>1</sup> As compared to the same quarter of the previous year

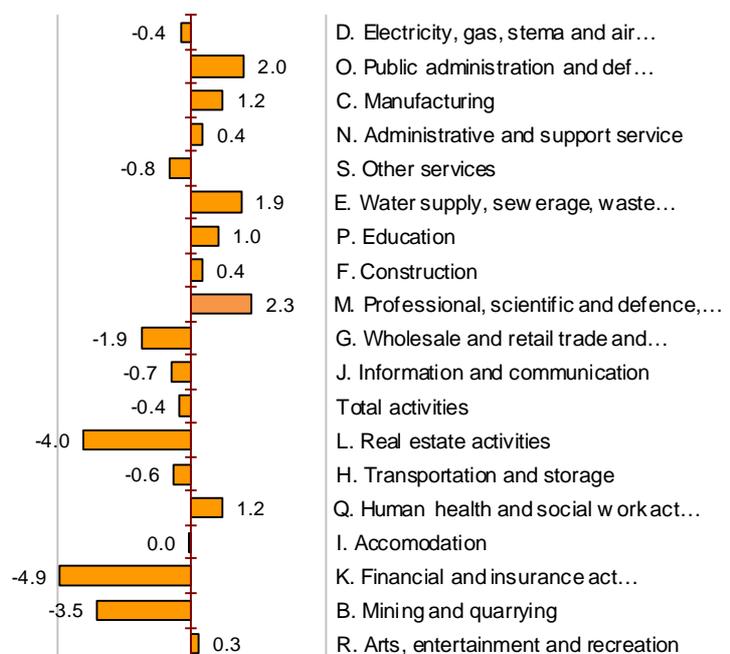
By activity sectors, it was observed that the highest increases of the labour cost were registered in *Electricity, gas steam and air conditioning supply*, in *Public administration and Defence*; *compulsory social security* and in the *Manufacturing industry*.

In turn, *Arts, entertainment and recreation activities*, *Mining and quarrying* and *Financial and insurance activities* registered the greatest decreases.

### Labour cost per worker and month

	Euros
D. Electricity, gas, steam and air...	6,057.23
K. Financial and insurance act...	4,778.11
B. Mining and quarrying	4,080.84
J. Information and communication	3,734.27
O. Public administration and def..	3,223.03
C. Manufacturing	3,151.49
M. Professional, scientific and de	3,064.99
F. Construction	2,849.36
E. Water supply, sewerage, waste...	2,840.97
H. Transportation and storage	2,787.26
Q. Human health and social work	2,752.39
Total activities	2,638.80
P. Education	2,407.02
L. Real estate activities	2,303.74
G. Wholesale and retail trade and	2,235.51
R. Arts, entertainment and recrea	1,945.33
S. Other services	1,896.19
N. Administrative and support ser	1,799.47
I. Accommodation	1,581.51

### Annual variations



## Labour cost by Autonomous Community

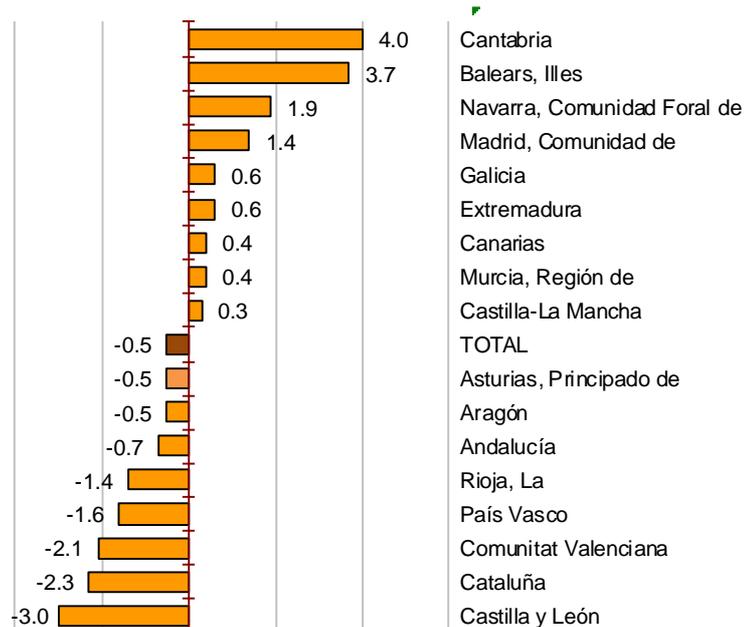
The labour cost in País Vasco and Comunidad de Madrid surpassed the national average by more than 400 euros. In Canarias and Extremadura this labour cost was lower than the national average by the same quantity.

Considering the annual growth of this cost, Cantabria, Illes Balears and Comunidad Foral de Navarra registered the highest growth rates, whereas Castilla y León, Cataluña and Comunitat Valenciana registered the highest decreases.

### Labour cost per worker and month

	Euros
País Vasco	3,132.31
Madrid, Comunidad de	3,088.80
Navarra, Comunidad Foral de	2,837.51
Cataluña	2,753.93
Asturias, Principado de	2,645.93
<b>TOTAL</b>	<b>2,638.80</b>
Balears, Illes	2,627.49
Aragón	2,601.02
Cantabria	2,509.46
Rioja, La	2,490.24
Castilla-La Mancha	2,464.93
Murcia, Región de	2,393.92
Galicia	2,378.74
Andalucía	2,377.28
Castilla y León	2,375.72
Comunitat Valenciana	2,327.23
Extremadura	2,205.40
Canarias	2,194.84

### Annual variations

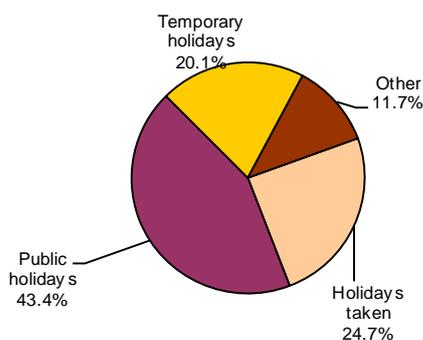


## Working time

During the fourth quarter of 2014, the average agreed working week, considering full-time and part-time together, was 34.3 hours. Among them, an average of 4.6 hours was lost per week, most of them due to holiday periods (2.0).

After adding overtime and subtracting lost hours, the working week was reduced to 29.8 effective hours worked this quarter.

### Non-worked hours



### Other non-worked hours (various reasons)

	Percentage
Maternity	5.0%
Compensated absences	2.3%
Overtime compensation	1.5%
Labour conflicts	1.3%
Hours lost at work	1.2%
Other hours not worked and not paid	0.2%
Hours lost at work due to economical or technical reasons	0.1%
Other hours not worked but paid	0.0%

According to the **type of working day**, the wage difference between full and part-time workers was 5.43 euros per hour (16.11 euros/hour for full-time and 10.68 euros/hour for part-time).

Regarding the time worked, full-time workers almost doubled the effective hours worked by part-time workers (33.6 hours per week as compared to 17.7 hours).

	Weekly hours <sup>1</sup>		Labour cost per hour	
	Effective hours	Hours lost	Euros	Rate <sup>2</sup>
Total workers	29.8	4.6	15.35	-0.8
Full time	33.6	5.3	16.11	-0.6
Part time	17.7	2.3	10.68	-1.2

<sup>1</sup> For calculation purposes, a month is considered to have 4.35 weeks

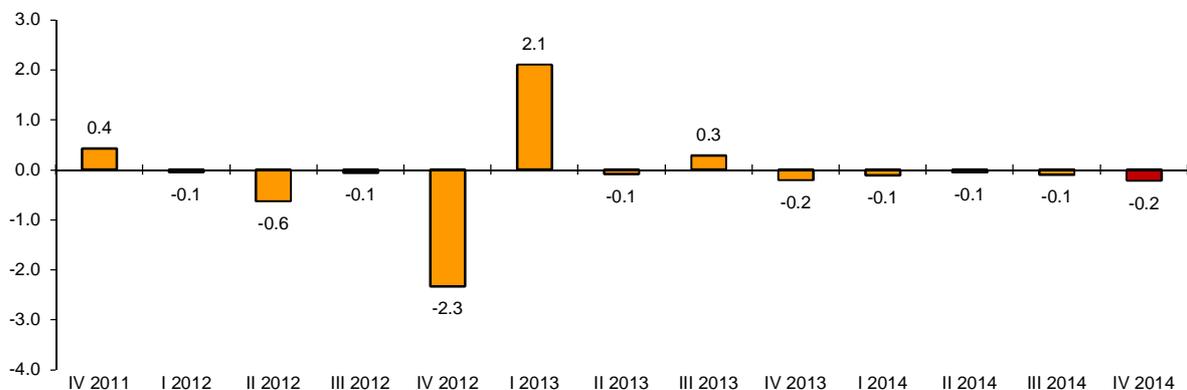
<sup>2</sup> Same quarter than last year

### Calendar and seasonally adjusted series

In order to contribute to the analysis and interpretation of the data, the main QLCS series are provided for the whole economy, adjusted for seasonal and calendar effects<sup>1</sup>.

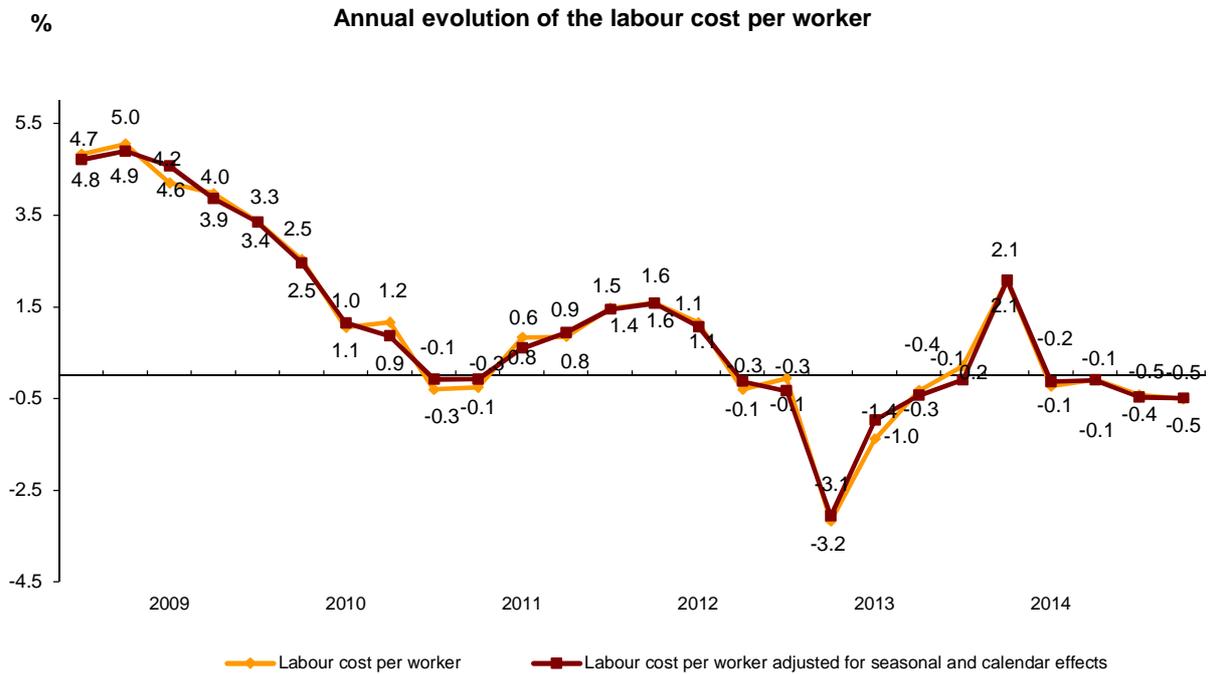
Between the fourth quarter of 2014 and the third one, the total labour costs changed  $-0.2\%$ , after adjusting for seasonal and calendar effects.

**Total labour cost per worker. Quarterly variation rates after adjusting for seasonal and calendar effects**



In turn, total labour cost per worker recorded an annual rate of  $-0.5\%$ , after adjusting for seasonal and calendar effects.

<sup>1</sup> Seasonal adjustment of these indicators was performed in accordance with the INE Standard for adjusting seasonal and calendar effects in short-term series, which is available in the Methods and standards section of the INE website.



## Vacancies

The number of vacancies stood at 56,269 in the fourth quarter 2014. Out of the total, 88.3% were registered in *Services* sector.

Most of the units inquired answered that they do not have vacancies to cover this quarter because they do not need additional workers.

## Vacancies by sector

Vacancies	% of the total vacancies in each sector	Reasons why vacancies do not exist (percent distribution)				
		Total	No more workers needed	High hiring cost	Other	
TOTAL	56,269	100.0	100.0	92.8	5.1	2.0
Industry	4,172	7.4	100.0	94.9	3.6	1.4
Construction	2,432	4.3	100.0	94.6	3.8	1.6
Services	49,665	88.3	100.0	92.3	5.5	2.2

## Vacancies by Autonomous Community

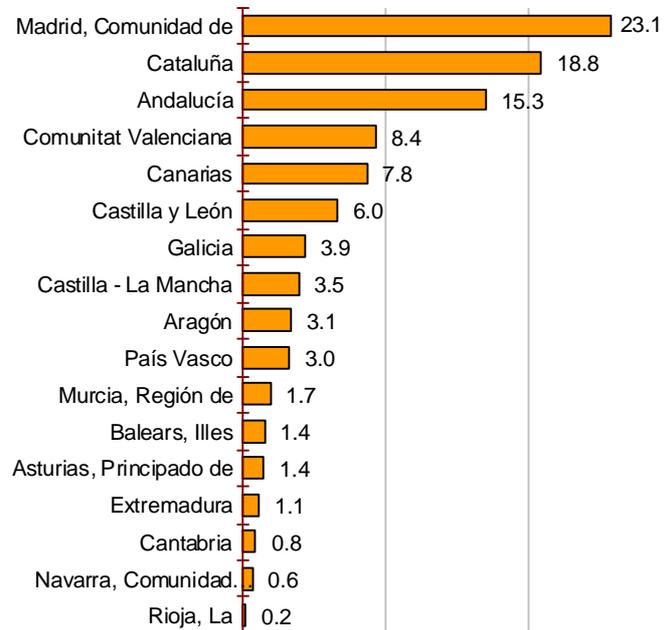
The Autonomous Communities registering the greatest number of vacancies in the fourth quarter of 2014 were Comunidad de Madrid, Cataluña and Andalucía. In turn, those recording the lowest number were La Rioja, Comunidad Foral de Navarra and Cantabria.

Considering the percent distribution, Comunidad de Madrid, Cataluña and Andalucía covered more than half of the total vacancies in this quarter.

### Vacancies by Autonomous Community

	Vacancies
TOTAL	56,269
Madrid, Comunidad de	13,005
Cataluña	10,568
Andalucía	8,599
Comunitat Valenciana	4,704
Canarias	4,393
Castilla y León	3,359
Galicia	2,202
Castilla - La Mancha	1,988
Aragón	1,723
País Vasco	1,671
Murcia, Región de	976
Balears, Illes	773
Asturias, Principado de	762
Extremadura	599
Cantabria	478
Navarra, Comunidad Foral de	353
Rioja, La	117

### Percent distribution



For further information see [INEbase-www.ine.es/en/](http://www.ine.es/en/)

All press releases at: [www.ine.es/en/prensa/prensa\\_en.htm](http://www.ine.es/en/prensa/prensa_en.htm)

**Press Office:** Telephone numbers: 91 583 93 63 / 94 08 – Fax: 91 583 90 87 - [gprensa@ine.es](mailto:gprensa@ine.es)

**Information Area:** Telephone number: 91 583 91 00 – Fax: 91 583 91 58 – [www.ine.es/infoine/?L=1](http://www.ine.es/infoine/?L=1)