

12 March 2019

Harmonised Labour Cost Index (HLCI). Base 2012
Fourth quarter 2018. Provisional data

The quarterly variation of the cost per hour worked is 0.1%, after adjusting for seasonal and calendar effects

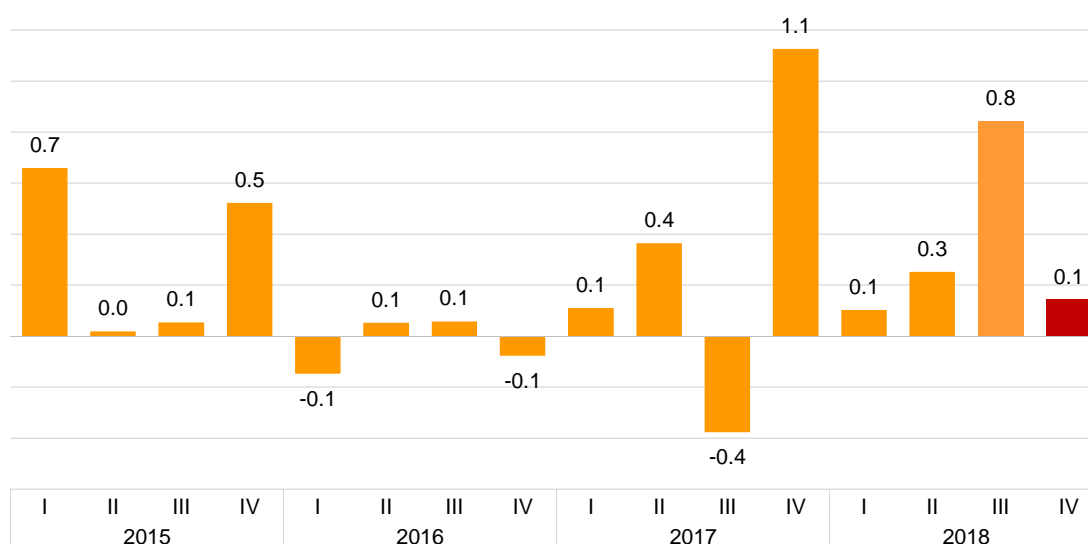
The cost per hour worked increases 1.3% in the annual rate in the series adjusted for calendar and seasonal effects, and 0.5% in the original series

Quarterly variation of the Index

The quarterly variation of the HLCI, which measures the labour cost per hour worked while maintaining the structure by activity branch constant, was 0.1% between the fourth and third quarters of 2018, after adjusting for seasonal and calendar effects.

Labour Cost Index adjusted for seasonal and calendar effects

Quarterly rate. Percentage



Excluding seasonal and calendar adjustment, the quarterly rate is 1.5%, mainly due to the higher weight of extraordinary payments in the fourth quarter of 2018 compared to the previous quarter.

By cost component, in seasonally and calendar adjusted data, wage costs showed a rate of 0.2%, while other costs did not change compared to the previous quarter.

Harmonised Labour Cost Index in the fourth quarter 2018

Index and quarterly rates by cost components

	General Index		Index adjusted for seasonal and calendar effects	
	Index	Rate	Index	Rate
Total labour cost	110.2	1.5	104.9	0.1
Wages	112.6	4.3	105.6	0.2
Other costs	103.2	-6.3	102.9	0.0
Labour costs excluding extraordinary and late payments	105.9	-4.9	104.7	0.5

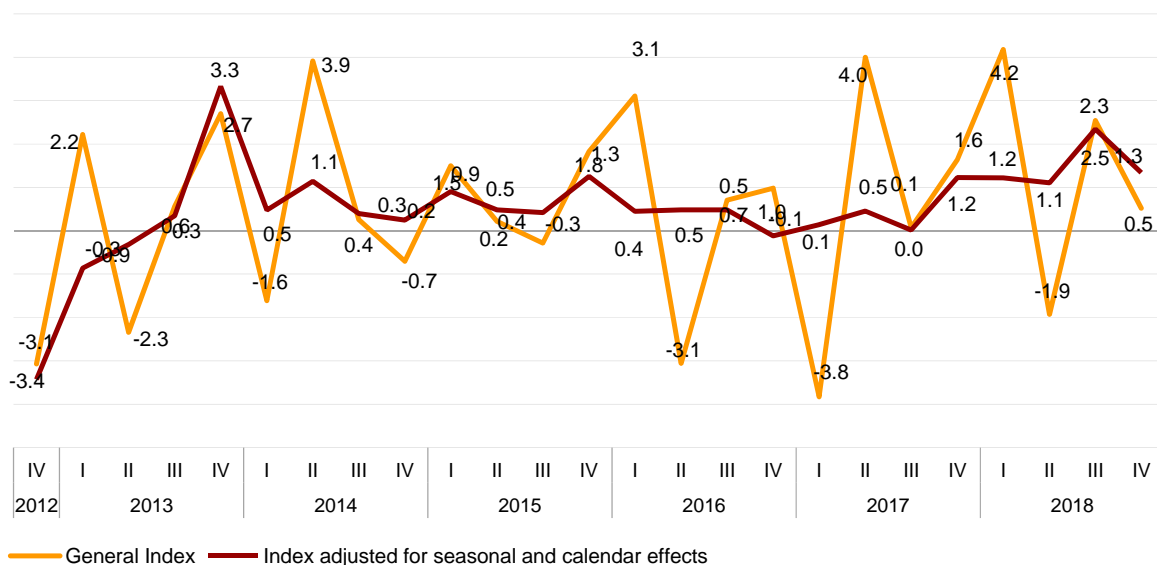
Annual variation of the Index

The cost per hour worked increased by 0.5% in the fourth quarter of 2018, as compared with the same period of the previous year.

The annual variation of the cost per hour was 1.3%, after adjusting for seasonal and calendar effects.

Variation of the general index and index adjusted for seasonal and calendar effects

Annual rate. Percentage



By cost component, in corrected data, wage costs showed an annual variation of 1.4%, while other costs increased by 1.1%.

Harmonised Labour Cost Index in the fourth quarter 2018

Index and annual rates by cost components

	General Index		Index adjusted for seasonal and calendar effects	
	Index	Rate	Index	Rate
Total labour cost	110.2	0.5	104.9	1.3
Wages	112.6	0.6	105.6	1.4
Other costs	103.2	0.4	102.9	1.1
Labour costs excluding extraordinary and late payments	105.9	1.1	104.7	1.8

Results by activity sections

The sections that registered the largest annual increases in the fourth quarter of 2018 were *Arts, recreational and entertainment activities* (5.9%), *Construction* (2.4%) and *Supply of electricity, gas, steam and air conditioning* (2.1%).

On the other hand, those that registered the most negative rates were *Extractive industries* (-5.0%), *Professional, scientific and technical activities* (-1.5%) and *Financial and insurance activities* (-0.9%).

Harmonised Labour Cost Index in the fourth quarter 2018 by activity sections

General index and index adjusted for seasonal and calendar effects

	General		Adjusted for calendar effects		Adjusted for seasonal and calendar effects	
	Index ²	Rate ¹	Index ²	Rate ¹	Index ²	Rate ¹
TOTAL	110.2	0.5	109.8	1.1	104.9	1.3
B. Mining and quarrying industries	100.0	-5.0	99.3	-4.5	100.7	-3.1
C. Manufacturing industries	109.8	-0.3	109.5	0.7	104.0	1.2
D. Electricity, gas, steam and air conditioning supply	104.0	2.1	103.4	2.3	102.7	3.2
E. Water supply, waste management and remediation activities	113.6	0.2	113.4	0.9	107.1	1.0
F. Construction	104.7	2.4	104.3	3.0	97.4	2.6
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	107.6	0.3	107.3	1.2	102.7	1.4
H. Transport and storage	108.8	1.1	108.7	2.6	105.2	2.6
I. Accommodation	112.0	0.8	111.6	1.0	105.3	1.2
J. Information and communications	108.8	1.8	108.1	2.3	105.0	2.3
K. Financial and insurance activities	103.6	-0.9	103.1	0.2	108.0	1.2
L. Real state activities	110.3	0.6	109.9	1.5	107.9	1.9
M. Professional, scientific and technical activities	110.4	-1.5	110.0	-1.0	106.6	-0.7
N. Administrative and support services activities	108.3	1.0	108.0	1.6	104.6	1.6
O. Public Administration and defence, compulsory Social Security	124.2	1.8	123.7	1.9	111.3	1.8
P. Education	100.3	-0.4	99.5	0.5	100.1	0.3
Q. Health and social services activities	110.3	0.5	110.0	0.6	105.0	0.5
R. Arts, entertainment and recreation	116.7	5.9	116.4	6.5	108.8	6.8
S. Other services	103.0	1.0	102.8	1.6	98.6	1.8

¹ As compared to the same quarter of the previous year

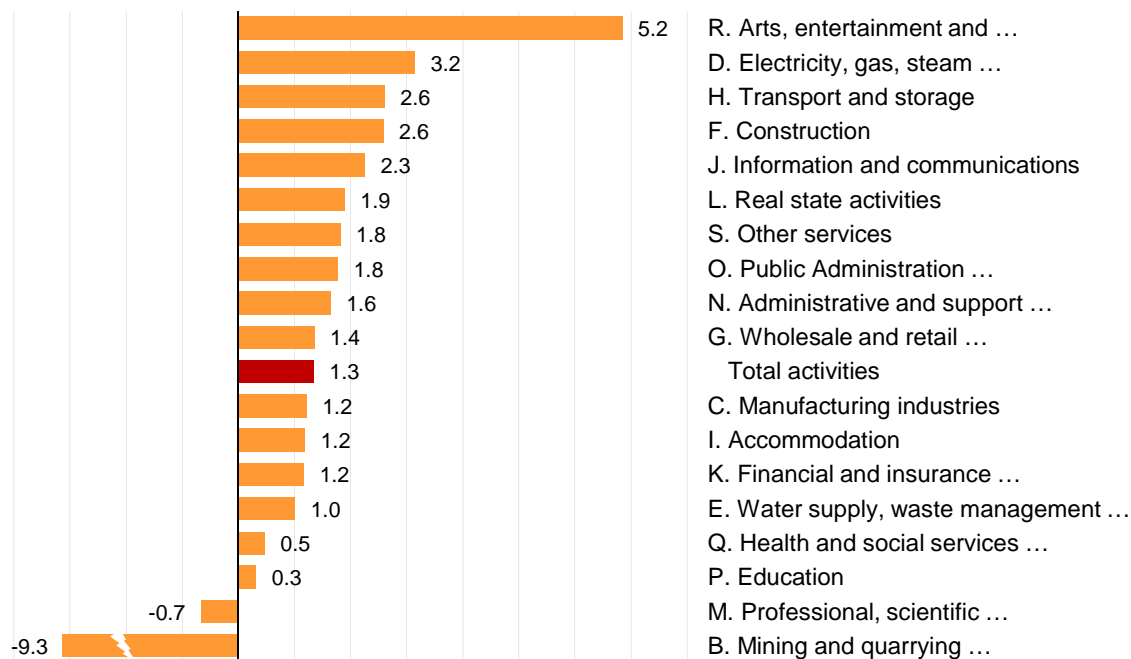
² Base year 2012

If seasonal and calendar effects are removed, the activities with the highest annual rates are *Arts, recreational and entertainment activities* (6.8%), *Supply of electricity, gas, steam and air conditioning* (3.2%) and *Transport and storage* (2.6%).

In contrast, *Extractive industries* (-3.1%), *Professional, scientific and technical activities* (-0.7%) and *Education* (0.3%) registered the lowest adjusted annual rates.

Index adjusted for seasonal and calendar effects. Activity sections

Fourth quarter 2018. Annual rate %



Results by activity sections and cost components. Original series

The sections that recorded the highest annual increases in *wage cost* during the fourth quarter of 2018 were *Arts, recreational and entertainment activities* (3.9%), *Construction* (3.2%) and *Information and communications* (3.0%).

On the other hand, the most negative rates were found in *Extractive industries* (-5.9%), *Real estate activities* (-1.6%) and *Manufacturing industry* (-0.9%).

Regarding *other costs*, the sections with the largest annual increases in the fourth quarter were *Arts, recreational and entertainment activities* (12.5%), *Supply of electricity, gas, steam and air conditioning* (8.9%) and *Real estate activities* (7.9%).

Meanwhile, the lowest rates are in *Financial and insurance activities* (-5.0%), *Professional, scientific and technical activities* (-3.5%) and *Education* (-2.9%).

Harmonised Labour Cost Index in the fourth quarter 2018 by activity sections
Index by cost components

	Wages		Other costs		Labour costs excluding extraordinary and late payments	
	Index ²	Rate ¹	Index ²	Rate ¹	Index ²	Rate ¹
TOTAL	112.6	0.6	103.2	0.4	105.9	1.1
B. Mining and quarrying industries	98.9	-5.9	103.5	-2.4	102.9	-4.4
C. Manufacturing industries	112.5	-0.9	102.2	1.8	104.1	0.7
D. Electricity, gas, steam and air conditioning supply	102.5	0.3	109.2	8.9	105.6	4.0
E. Water supply, waste management and remediation activities	115.2	0.4	109.6	-0.5	109.2	0.7
F. Construction	109.3	3.2	94.1	0.4	99.1	1.1
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	109.9	0.2	101.1	0.7	104.5	1.6
H. Transport and storage	108.9	0.6	108.7	2.2	103.6	0.8
I. Accommodation	114.1	1.2	106.3	-0.3	108.5	1.2
J. Information and communications	112.5	3.0	97.5	-2.4	106.5	3.9
K. Financial and insurance activities	103.5	0.3	104.1	-5.0	108.1	0.6
L. Real state activities	108.4	-1.6	116.2	7.9	108.8	3.6
M. Professional, scientific and technical activities	114.7	-0.9	97.5	-3.5	105.4	-0.2
N. Administrative and support services activities	110.7	1.0	102.1	1.0	106.8	0.8
O. Public Administration and defence, compulsory Social Security	128.5	2.0	111.4	0.9	119.4	2.3
P. Education	102.5	0.4	93.6	-2.9	95.5	0.0
Q. Health and social services activities	110.8	0.1	108.8	1.7	100.9	0.4
R. Arts, entertainment and recreation	120.1	3.9	107.3	12.5	109.9	5.4
S. Other services	105.2	1.2	96.8	0.5	100.1	0.7

¹ As compared to the same quarter of the previous year

² Base year 2012

Review and update of data

Coinciding with today's publication, the HLCI provisional data of the third quarter of 2018 have been updated. The final index stands at 108.5 points.

The quarterly variation of the original series for that quarter stood at 8.0%, while that of the adjusted index was 0.8%. On the other hand, the annual rate of the original series was 2.5% and that for the index adjusted for seasonal and calendar effects, 2.3%. The results are available at INEBase.

Methodological note

The Harmonised Labour Cost Index (HLCI) is a quarterly continuous statistical operation whose objective is to provide a common and comparable measure of labour cost per hour worked for the whole of the European Union, allowing the monitoring of the evolution of said labour costs.

Indices with base 2012 are provided for total labour costs, wages and salaries and other costs net of subsidies received for the use of labour factor (includes social contributions payable by employers and non-wage payments). The index for total labour cost is also provided excluding extraordinary payments and delayed payments.

Type of operation: Statistics presented mainly in the form of indices.

Base year: 2012.

Population scope: Employees in local units.

Sources of information: The Quarterly Labour Cost Survey which is conducted on the basis of the Social Security contribution accounts. General Scheme: Sections B to S of CNAE-09 and Special Scheme for Seafarers: Sea Transport (Division 50 of CNAE-09). In order to cover all employees of the general government, information from the DARETRI file is used.

Geographical scope: the entire national territory.

Reference period of the results: the calendar quarter.

Calculation method: Chained Laspeyres.

For more information you can access the methodology at:

<https://www.ine.es/metodologia/t22/t2230211.htm>

And the standardised methodological report at:

<https://www.ine.es/dynt3/metadatos/es/RespuestaDatos.html?oe=30211>

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