

Press Release

28 June 2019

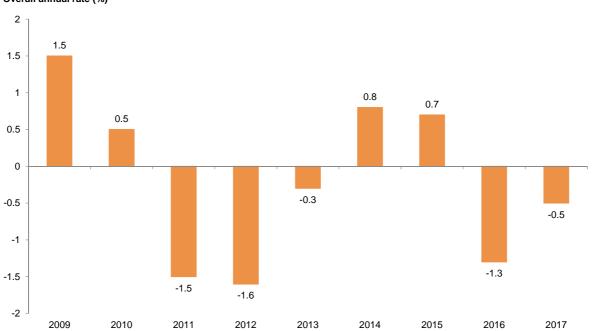
#### Labour Price Index (LPI). Base 2008 Year 2017

## The Labour Price Index fell by 0.5% in 2017

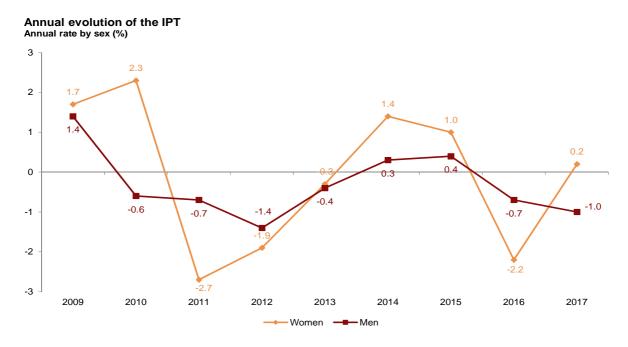
# Cantabria registered the highest LPI increase (1.1%) and La Rioja the highest decrease (-1.6%)

#### Annual evolution of labour prices

The annual variation of the Labour Price Index (LPI) was -0.5% in 2017. This rate is 0.8 points higher than that registered the previous year, which was -1.3%.



Annual evolution of the IPT Overall annual rate (%) By sex, the LPI registered an annual increase of 0.2% for women and a decrease of 1.0% for men.



#### Results according to the characteristics of the job position

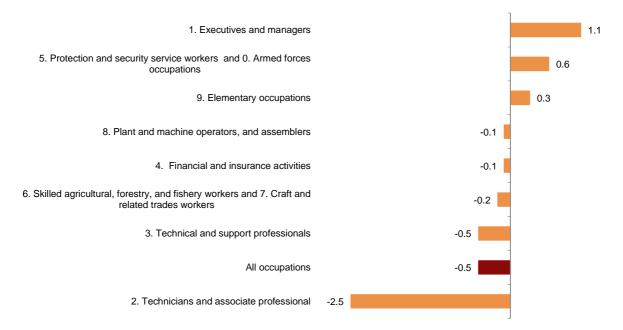
The economic activities that showed the greatest increases in the price of labour in 2017 were *Wholesale and retail trade; repair of motor vehicles and motorcycles* (1.8%) and *Accommodation and food service activities* (1.5%). In turn, the greatest decreases were in *Electricity, gas, steam and air conditioning supply* (-4.0%) and *Public administration and defence; compulsory social security* and *Mining and quarrying* (-3.0% both).



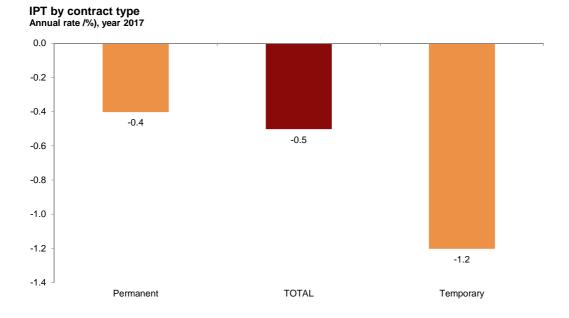
#### IPT by economic activity Annual rate /%), year 2017

Occupation is one of the variables that most influenced the price of labour. In 2017, the greatest increases in the LPI occurred in the groups of *Directors and managers* (1.1%) and *Workers in catering, personal, and protection services and trade salespersons*. Armed forces occupations (0.6%). On the other hand, *Scientific and intellectual technicians and professionals* and *Technicians; support professionals* showed the greatest decreases (with -2.5% and -0.5%, respectively).

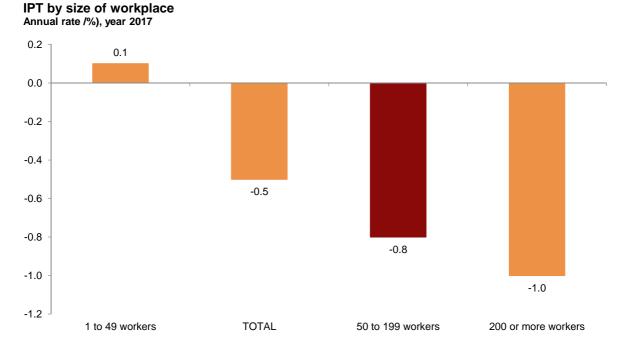
#### IPT by occupation Annual rate /%), year 2017



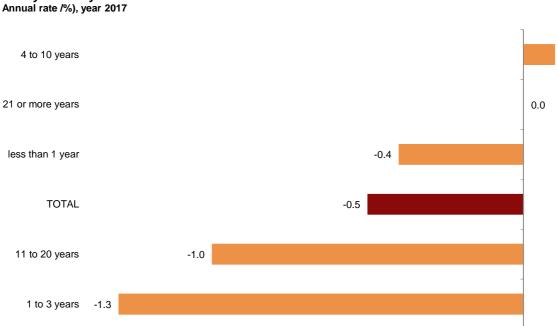
Regarding the type of contract, the LPI registered an annual variation of -1.2% in temporary contracts and -0.4% in permanent contracts.



With respect to the size of the workplace, the LPI presented the greatest decrease in the centres with 200 or more workers (-1.0%). In turn, it increased by 0.1% in those with 1 to 49 workers.



By seniority in the workplace, the greatest decrease in the price of labour was registered in the jobs occupied by workers with a seniority between one and three years (-1.3%). On the other hand, workers with a seniority of 4 to 10 years showed the greatest annual increase (0.1%).



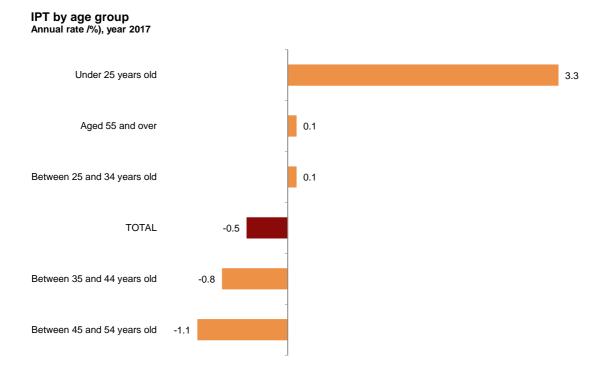
IPT by seniority

0.1

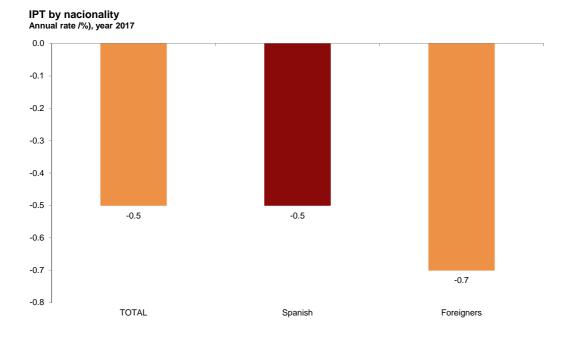
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#### **Results by worker characteristics**

By age group, the largest increase in the price of labour was recorded in 2017 among those under 25 (3.3%) and the largest decrease among workers aged 45 to 54 (-1.1%).



With regard to nationality, the LPI recorded a decrease of 0.5% for Spanish workers and 0.7% for foreign workers.



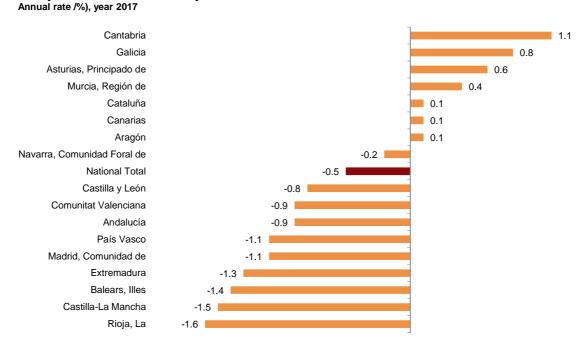
#### **Results by Autonomous Communities**

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The annual variation rate of the LPI showed the greatest increases in Cantabria (1.1%), Galicia (0.8%) and Principado de Asturias (0.6%).

In turn, the greatest decreases were observed in La Rioja (-1.6%), Castilla-La Mancha (-1.5%) and Illes Balears (-1.4%).

#### IPT by Autonomous Community



#### Review and updating of data

The data published today are final. The results are available at INEBase.

## Methodological note

The objective of the Labour Price Index (LPI) is to measure the change in the price of labour over time, without this measure being affected by changes in the quality and quantity of the labour performed (for example, changes in the labour force composition, number of hours worked, type of contract , characteristics of the employees, etc.) or, in other words, disregarding the composition effect.

The LPI completes the existing information in Spain that comes from the Quarterly Labour Cost Survey, the Annual Labour Cost Survey and the Wage Structure Survey of the INE, operations that provide series of average results of labour and wage costs per worker. These series include the cost variation and any changes in employment composition.

Type of operation: statistics presented in form of indices.

Base year: 2008.

Reference period of the results: the calendar year.

Reference period of the weightings: the year preceding the current year.

Population scope: salaried workers in local units.

Geographical scope: the entire national territory.

Calculation method: Chained Laspeyres.

The LPI is calculated as a weighted aggregation of simple indices, each of which represents a grouping of job positions. These groupings, made up of a set of job with common characteristics, constitute the basic elements for the calculation of the LPI. All these groups together constitute a representative sample of job positions in the economy.

For each grouping of job positions, their wage/hour in the reference year is measured. The weightings are measured based on the hourly earnings and hours worked by the workers associated with each job group in the previous year. The weightings structure establishes the importance of each job compared to the rest, based on wage costs incurred by the employer.

The Wage Structure Surveys are the source of information used for the preparation of the LPI, since they allow the allocation of earnings and working hours to the sample of jobs considered, based on individual employee data. In addition, the sample size of these surveys allows a very detailed study of the characteristics of the workers. On the other hand, the use of pre-existing sources does not increase the response burden on companies and minimises the cost of the statistical operation.

For more information you can access the methodology at: https://www.ine.es/en/metodologia/t22/t2230185\_en.pdf

And the standardised methodological report at: <u>https://www.ine.es/dynt3/metadatos/en/RespuestaDatos.html?oe=30189</u>

For further information see INEbase: www.ine.es/en/ Twitter: @es\_ine All press releases at: www.ine.es/en/prensa/prensa\_en.htm Press office: Telephone numbers: (+34) 91 583 93 63 /94 08 – gprensa@ine.es Information Area: Telephone number: (+34) 91 583 91 00 – www.ine.es/infoine/?L=1





# Labour Price Index. Base 2008 Year 2017

#### 1. Labour Price Index: Overall and by activity sector

	Index	Annual rate (%)
ACTIVITY TOTAL	98,1	-0,5
B. Mining and quarrying industries	99,2	-3,0
C. Manufacturing industry	101,7	0,2
D. Energy supply	93,2	-4,0
E. Water supply	98,6	-2,5
F. Construction	97,8	0,2
G. Trade	101,3	1,8
H. Transport and storage	98,6	-1,4
I. Accomodation	108,7	1,5
J. Information and communications	91,0	-1,9
K. Financial activities	93,8	0,0
L. Real estate activities	98,1	-1,1
M. Professional activities	93,3	-1,7
N. Administrative activities	99,1	-0,6
O. Public Administration	94,6	-3,0
P. Education	97,5	-1,4
Q. Health activities	93,5	-1,6
R. Artistic activiteis	98,4	-2,7
S. Other Services	101,4	0,1

Labour Price Index 2017



### 2. Labour Price Index: Overall and by occupation

	Index	Annual rate (%)
All ccupations		-0,5
1. Executives and managers	88,8	1,1
2. Technicians and associate professional	96,2	-2,5
3. Technical and support professionals	96,7	-0,5
4. Financial and insurance activities	96,6	-0,1
5. Protection and security service workers and 0. Armed forces occupations	102,8	0,6
6. Skilled agricultural, forestry, and fishery workers and 7. Craft and related trades workers	102,2	-0,2
8. Plant and machine operators, and assemblers	100,5	-0,1
9. Elementary occupations	103,9	0,3

#### 3. Labour Price Index: Overall and by contract type

	Index	Annual rate (%)
TOTAL		-0,5
Temporary	97,6	-0,4
Permanent	101,2	-1,2

Labour Price Index 2017



#### 4. Labour Price Index: Overall and by sex

	Index	Annual rate (%)
TOTAL	98,1	-0,5
Women	99,3	0,2
Men	97,3	-1,0

### 5. Labour Price Index: Overall and by age group

	Index	Annual rate (%)
TOTAL	98,1	-0,5
Under 25 years old	105,5	3,3
Between 25 and 34 years old	97,8	0,1
Between 35 and 44 years old	96,6	-0,8
Between 45 and 54 years old	97,8	-1,1
Aged 55 and over	100,9	0,1

Labour Price Index 2017



#### 6. Labour Price Index: Overall and by Autonomous Community

	Index	Annual rate (%)
NATIONAL	98,1	-0,5
Andalucía	95,6	-0,9
Aragón	96,3	0,1
Asturias, Principado de	96,8	0,6
Balears, Illes	99,7	-1,4
Canarias	99,7	0,1
Cantabria	100,1	1,1
Castilla y León	98,9	-0,8
Castilla-La Mancha	97,0	-1,5
Cataluña	99,0	0,1
Comunitat Valenciana	100,4	-0,9
Extremadura	96,6	-1,3
Galicia	102,1	0,8
Madrid, Comunidad de	95,0	-1,1
Murcia, Región de	96,7	0,4
Navarra, Comunidad Foral de	100,2	-0,2
País Vasco	103,0	-1,1
Rioja, La	97,8	-1,6

Labour Price Index 2017