

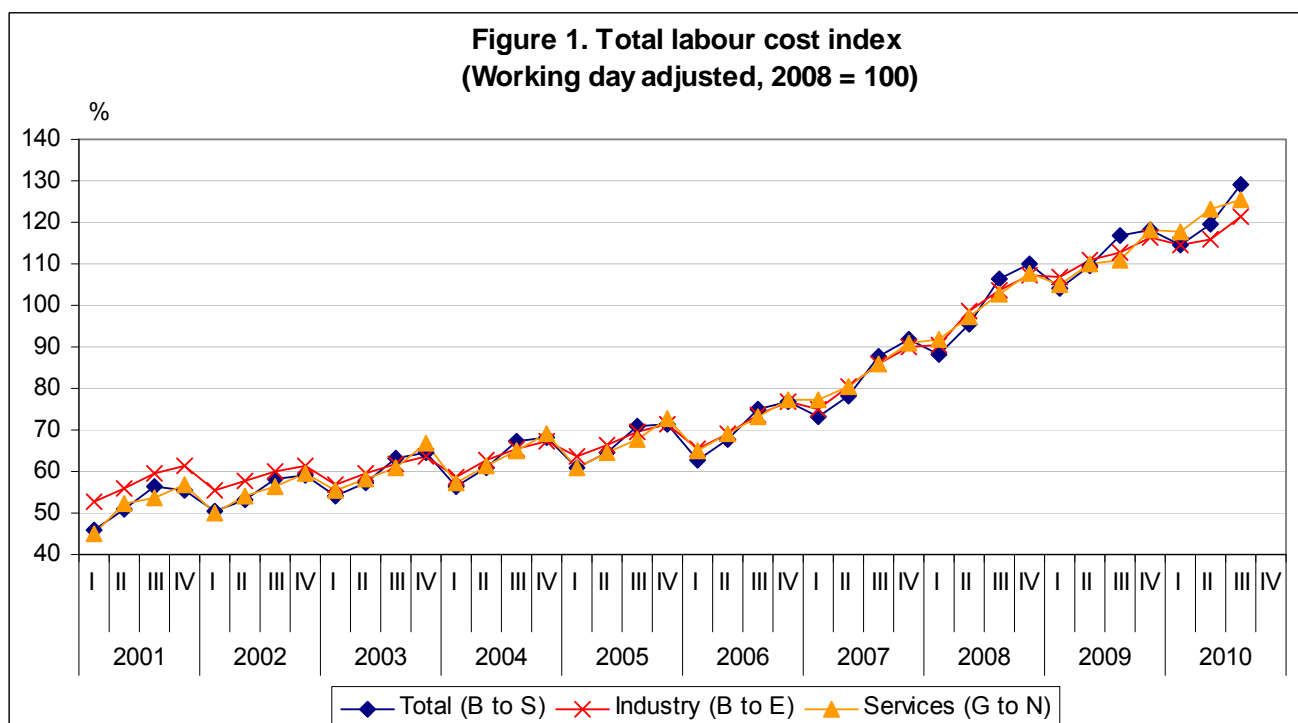


QUARTERLY LABOUR COST INDEX THIRD QUARTER OF 2010

Preliminary data for the third quarter of 2010 indicated that the total hourly labour cost rose by 10.7% compared to the third quarter of 2009. The total hourly labour cost grew by 7.5% in industry, by 12.9% in services and by 6.7% in construction.

The breakdown by economic activities showed that the highest annual growths were recorded in 'Information and communication' - 36.9%, 'Professional, scientific and technical activities' - 26.4% and 'Other service activities' - 23.8%, while the lowest were in 'Administrative and support service activities' and 'Water supply, sewerage, waste management and remediation activities' respectively 3.2% and 5.9%. Decrease by 4.6% in total labour costs was observed in 'Arts, entertainment and recreation'.

In the structure of the total labour costs, the wages and salaries costs per hour worked grew by 11.8% in comparison with a year earlier, while the other (non-wage) costs rose by 5.5%. Among the economic activities in third quarter of 2010 compared to the third quarter of 2009 the growth rate of wages and salaries component ranged from (- 5.8%) in 'Arts, entertainment and recreation' to 40.5% in 'Information and communication'.





Hourly labour cost index for the period third quarter of 2008 third quarter of 2010
(Working day adjusted)

Table 1.

(Percentage change compared to corresponding period of the previous year)

Code NCEA 2008 ¹⁾	Economic activities	q3 2008 ²⁾			q4 2008 ²⁾			q1 2009 ²⁾			q2 2009 ²⁾			q3 2009 ²⁾			q4 2009 ²⁾			q1 2010 ²⁾			q2 2010 ²⁾			q3 2010 ²⁾		
		TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH
B to S	All NACE branches except agriculture, fishing, private households with employed persons	21.3	23.6	12.8	20.0	20.7	15.3	17.9	19.6	10.7	14.7	16.2	7.8	9.8	11.7	2.3	7.6	9.3	1.3	10.0	10.3	7.7	9.2	10.7	2.3	10.7	11.8	5.5
B to E	Industry (except construction)	20.4	23.2	10.9	19.0	18.5	18.0	18.0	19.4	11.8	12.4	14.1	5.5	8.8	10.5	2.3	8.6	10.5	2.2	7.2	7.8	3.7	4.8	6.7	-4.1	7.5	8.8	1.8
G to N	Services (excluding public administration)	19.9	21.5	12.5	18.3	18.9	12.5	14.3	15.6	7.9	13.0	13.9	8.4	7.9	9.8	0.5	9.8	11.8	1.6	12.0	12.2	9.1	11.6	13.4	2.6	12.9	14.5	4.8
B	Mining and quarrying	17.6	19.5	12.7	11.0	9.8	15.5	11.2	10.2	12.7	4.6	3.6	7.3	3.3	3.6	1.3	8.9	10.4	3.9	14.0	17.2	3.8	9.6	12.6	0.7	11.1	13.0	5.8
C	Manufacturing	19.7	22.5	9.5	17.9	17.6	15.3	18.1	19.7	10.8	12.1	14.1	4.8	8.7	10.3	1.0	9.1	11.4	1.8	6.6	7.4	2.8	5.1	7.4	-5.5	7.3	8.6	2.3
D	Electricity,gas,steam and air conditioning supply	25.9	29.0	18.2	29.6	27.5	35.8	27.0	28.4	20.9	22.1	24.4	10.7	13.6	16.2	10.9	6.7	7.5	3.6	5.3	4.1	5.6	-2.6	-2.4	-4.4	7.6	8.8	-3.6
E	Water supply,sewerage,waste management and remediation activities	22.9	25.8	11.3	22.6	23.9	17.0	7.7	9.0	1.6	3.8	4.8	-1.0	7.0	8.5	0.4	5.2	6.3	0.6	13.0	13.1	12.8	13.2	13.8	10.3	5.9	6.5	3.2
F	Construction	19.4	23.2	6.0	25.0	27.4	15.4	35.3	38.9	22.3	30.2	33.1	17.7	29.3	31.3	20.5	26.0	28.2	17.4	14.7	15.2	12.6	7.9	8.8	3.4	6.7	7.0	3.8
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	15.4	18.2	4.2	17.3	19.2	9.5	19.1	20.7	11.4	16.8	18.0	10.0	14.8	16.5	6.6	16.5	17.7	10.2	9.6	10.1	6.6	9.2	11.1	1.3	7.9	8.9	2.8
H	Transportation and storage	16.3	16.4	16.2	14.9	16.2	10.1	18.0	19.3	12.2	14.6	16.5	6.7	6.6	8.3	-0.1	6.7	9.3	-3.1	4.9	4.8	5.6	7.0	7.2	6.3	11.7	14.3	0.5
I	Accommodation and food service	14.2	16.7	3.3	14.6	16.7	5.6	13.9	15.9	5.9	16.9	18.1	10.9	13.8	15.6	6.2	15.7	16.7	11.3	15.6	16.0	12.9	11.2	12.1	6.7	10.6	11.2	7.3
J	Information and communication	14.4	13.2	19.1	8.6	6.9	12.5	5.6	6.7	-0.3	5.2	4.6	9.2	0.3	2.1	-6.1	-3.3	-0.9	-14.7	33.0	33.4	27.3	34.5	40.4	3.5	36.9	40.5	15.5
K	Financial and insurance activities	15.0	15.7	11.0	13.0	12.6	13.8	4.5	4.5	3.0	9.7	8.5	12.6	3.9	6.1	-5.9	9.3	11.7	-2.2	10.4	11.1	3.0	1.3	3.7	-11.4	6.8	7.4	0.4
L	Real estate activities	20.4	22.8	10.8	19.4	21.0	13.0	24.9	26.6	16.9	23.5	25.2	14.4	17.2	20.2	3.0	18.2	21.2	4.8	16.7	19.0	5.5	15.4	18.0	2.5	17.5	19.1	8.8
M	Professional,scientific and technical activities	53.1	57.8	29.0	48.1	43.6	31.0	11.3	13.3	1.1	1.9	2.9	-1.3	-8.6	-6.5	-12.7	-6.4	-4.0	-7.8	18.6	15.6	20.4	26.8	27.6	16.3	26.4	27.7	18.6
N	Administrative and support service activities	41.6	45.7	24.2	34.0	36.1	23.4	12.2	14.0	3.3	13.0	14.8	4.0	13.3	15.1	4.4	23.2	25.8	11.2	3.4	3.6	2.3	5.2	6.3	-0.4	3.2	3.8	0.1
O	Public administration and defence;compulsory social security	18.6	20.3	12.5	19.6	21.9	12.5	12.9	14.9	5.3	9.0	10.7	3.0	6.4	6.9	3.0	-13.3	-15.0	-6.0	10.0	9.2	13.9	13.7	13.8	14.2	15.5	16.9	11.1
P	Education	34.0	35.8	27.2	25.6	26.9	20.4	16.9	18.6	10.3	16.6	18.8	7.2	8.7	11.5	-1.4	3.3	5.5	-5.1	8.4	8.6	6.7	12.4	13.1	10.2	10.5	11.1	8.4
Q	Human health and social work activities	23.0	26.4	9.2	25.1	27.1	17.9	24.9	27.2	14.2	21.8	23.4	14.7	11.8	13.7	3.6	5.2	6.7	-2.0	8.2	8.1	9.4	6.6	7.4	2.5	9.0	8.9	9.2
R	Arts,entertainment and recreation	30.0	29.8	29.8	31.9	33.9	22.8	26.9	30.5	10.3	20.4	27.5	-7.3	20.6	27.3	-7.2	18.7	21.1	6.9	4.2	4.2	3.9	1.4	1.2	2.2	-4.6	-5.8	3.0
S	Other service activities	10.4	15.4	0.3	12.4	11.5	8.1	7.4	11.1	-0.1	19.4	22.8	12.7	12.5	13.1	4.8	16.7	18.1	9.2	26.6	27.9	21.9	16.6	18.7	11.9	23.8	26.7	21.9

1) NCEA 2008 - National Classification of economic activities comparable with NACE Rev.2

2) Preliminary data

TOT– Total labour costs

WAG – Wages and salaries costs

OTH – Other (non-wage) costs

Labour Cost Index - Total labour costs for the period 2006 - 2010
(Working day adjusted, 2008=100)

Table 2.
(Per cent)

Code NCEA 2008 ¹⁾	Economic activities	2006 ²⁾				2007 ²⁾				2008 ²⁾				2009 ²⁾				2010 ²⁾			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
B to S	All NACE branches except agriculture, fishing, private households with employed persons	62.6	67.5	75.1	76.7	73.3	78.1	87.5	91.7	88.3	95.5	106.2	110.0	104.1	109.5	116.7	118.4	114.5	119.6	129.1	
B to E	Industry (except construction)	65.5	69.3	73.8	76.8	75.1	80.4	86.1	90.2	90.5	98.5	103.7	107.3	106.8	110.7	112.9	116.5	114.4	116.0	121.3	
G to N	Services (excluding public administration)	64.8	69.1	73.0	77.5	77.2	80.5	85.7	91.1	92.0	97.4	102.8	107.7	105.2	110.1	111.0	118.3	117.8	123.0	125.3	
B	Mining and quarrying	64.0	65.3	70.8	79.8	74.3	76.1	82.6	93.5	89.0	92.8	97.2	103.7	99.0	97.1	100.4	113.0	112.8	106.4	111.6	
C	Manufacturing	65.7	68.8	74.2	75.8	75.8	80.1	86.8	89.7	91.6	98.0	103.9	105.8	108.1	109.9	113.0	115.4	115.2	115.5	121.2	
D	Electricity,gas,steam and air conditioning supply	61.8	73.2	69.3	75.9	67.4	81.9	79.9	86.2	80.5	101.5	100.6	111.7	102.2	124.0	114.3	119.3	107.7	120.7	122.9	
E	Water supply,sewerage,waste management and remediation activities	63.3	62.0	71.0	75.4	73.2	73.7	82.2	87.0	86.3	90.9	101.1	106.6	92.9	94.4	108.2	112.2	105.0	106.9	114.6	
F	Construction	65.0	62.6	67.4	73.0	75.9	77.5	81.7	86.3	91.9	94.1	97.5	107.9	124.3	122.5	126.1	136.0	142.7	132.2	134.5	
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	67.8	72.2	75.1	77.7	83.0	86.3	90.2	92.4	95.5	101.9	104.1	108.4	113.8	119.0	119.5	126.4	124.8	130.0	128.9	
H	Transportation and storage	66.7	68.7	75.0	77.8	76.0	79.5	88.1	93.2	90.1	93.7	102.5	107.1	106.2	107.3	109.2	114.3	111.5	114.9	122.0	
I	Accommodation and food service activities	66.4	69.2	70.5	75.2	82.3	85.7	88.2	93.3	98.6	99.5	100.7	106.9	112.4	116.2	114.6	123.7	129.9	129.2	126.7	
J	Information and communication	65.9	76.4	78.5	97.3	78.8	87.1	90.5	104.1	91.1	96.0	103.5	113.1	96.2	100.9	103.8	109.3	127.9	135.7	142.0	
K	Financial and insurance activities	65.3	72.9	75.5	80.0	73.8	79.4	86.1	93.0	89.2	99.7	99.0	105.2	93.2	109.4	102.9	114.9	102.9	110.8	109.8	
L	Real estate activities	62.0	68.1	71.4	71.1	75.2	79.6	85.3	93.2	89.3	98.2	102.7	111.2	111.5	121.3	120.3	131.4	130.2	139.9	141.3	
M	Professional,scientific and technical activities	54.2	55.3	65.2	62.9	65.8	64.1	70.2	73.0	83.8	89.8	107.5	108.1	93.3	91.6	98.3	101.2	110.6	116.1	124.2	
N	Administrative and support service activities	58.2	59.3	59.9	62.1	68.9	67.7	70.3	75.8	93.9	95.6	99.6	101.6	105.4	108.0	112.7	125.1	109.0	113.6	116.4	
O	Public administration and defence;compulsory social security	55.7	62.5	71.0	88.9	68.1	72.6	85.3	108.9	78.2	90.1	101.2	130.2	88.4	98.2	107.6	112.9	97.1	111.6	124.3	
P	Education	54.0	66.1	99.9	68.6	59.6	70.1	110.9	91.3	77.1	89.2	148.5	114.7	90.2	103.9	161.5	118.5	97.7	116.8	178.5	
Q	Human health and social work activities	60.0	67.8	75.7	74.3	71.1	77.4	86.1	90.1	84.1	92.2	105.9	112.8	105.0	112.2	118.4	118.6	113.7	119.7	129.0	
R	Arts,entertainment and recreation	59.4	58.4	72.7	76.7	68.8	70.3	84.5	84.9	83.4	94.0	109.9	112.0	105.8	113.2	132.5	132.9	110.2	114.8	126.4	
S	Other service activities	66.4	71.3	76.1	77.4	79.7	84.4	96.7	95.4	95.0	96.9	106.8	107.3	102.0	115.7	120.1	125.1	129.2	134.9	148.6	

1) NCEA 2008 - National Classification of economic activities comparable with NACE Rev.2

2) Preliminary data



Methodological notes

Labour Cost Index is a short-term indicator measuring the quarterly development of hourly labour costs incurred by the employers as a result of engaging the labour work force. The Quarterly Survey on employees, hours worked, wages and salaries and other expenditures paid by the employer is the main source used for the labour cost index data calculation.

Labour cost index (LCI) is defined as a Laspeyres index of labour costs per hour worked. Since first quarter of 2009 it is calculated broken down by economic activities at section level according to the new NACE Rev.2 classification and with a reference year 2008=100. Indices are based on Regulation (EC) 450/2003 of the European Parliament and of the Council according to which requirements Labour costs indices shall be provided separately for the following three labour costs categories:

Total labour costs (TOT), which includes wages and salaries paid by the employer in cash or in kind, employers' actual and imputed social contribution plus taxes regarded as labour costs;

Wage and salary costs (WAG) covers wages and salaries paid in cash or in kind;

Labour costs other than wages and salaries (OTH – non-wage costs) includes the employers' actual and imputed social contribution plus taxes regarded as labour costs;

Economic activity coverage (NACE Rev.2):

• **Total (sections B to S)** - Mining and quarrying (B), Manufacturing (C), Electricity, gas, steam and air conditioning supply (D), Water supply, sewerage, waste management and remediation activities (E), Construction (F), Wholesale and retail trade; repair of motor vehicles and motorcycles (G), Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Financial and insurance activities (K), Real estate activities (L), Professional, scientific and technical activities (M), Administrative and support service activities (N), Public administration and defence; compulsory social security (O), Education (P), Human health and social work activities (Q), Arts, entertainment and recreation (R), Other service activities (S);

• **Industry (section B to E)** - Mining and quarrying (B), Manufacturing (C), Electricity, gas, steam and air conditioning supply (D), Water supply, sewerage, waste management and remediation activities (E);

• **Services (sections G to N)** - Wholesale and retail trade; repair of motor vehicles and motorcycles (G), Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Financial and insurance activities (K), Real estate activities (L), Professional, scientific and technical activities (M), Administrative and support service activities (N).

More methodological information on the labour cost index and data could be found on NSI official web page – <http://www.nsi.bg/otrasalen.php?otr=51>.