

News Release



Date: 5 July 2006
No. : 149/2006
Time of release: 11.00 hrs

Theme:
**Population and Social
Conditions**

Compiled by:
Labour Market Unit
e-mail: labourmarket.nso@gov.mt
Tel: 25997669

The monthly calendar of
NSO News Releases may be
consulted on the Office's
website at www.nso.gov.mt

Labour Market

Labour Cost Index

This release presents the first series of data relating to the Labour Cost Index to be published by this office. The data ranges from the first quarter of 2000 to the first quarter of 2006. The annual average for 2000 is the base year of this data series. The figures presented are chain linked to the base year through the Laspeyres formula as explained in the methodological notes at the back of this release.

Table 1 illustrates the Total Labour Cost Index for the different economic activities and the aggregate for the activities presented. During the period under review (2000-2005) the total hourly labour costs increased by an average of 3.34 per cent per annum with the highest average annual increases estimated in Financial Intermediation (+7.25 per cent), Manufacturing (+4.46 per cent) and Wholesale and Retail Trade and Repairs (+4.41 per cent). The total labour index for Quarter 1 2006 was 3.2 per cent lower than the figure for the preceding quarter. Table 2 provides percentage changes from one quarter to the next whereas Table 3 illustrates the point change between quarters.

This release also provides data on the sub-components of labour costs, namely, wages and salaries and employers' social contributions. Table 4 illustrates the index for wages and salaries. During 2005 the wages component made up 90.8 per cent of the Total Labour Cost Index. Between 2000 and 2005, the overall average annual increase in wages and salaries was estimated to be 3.71 per cent. In this respect the Financial Intermediation sector experienced an annual average increase of 7.65 per cent during the period under review. This sector was followed by Manufacturing (+4.60 per cent) and Wholesale and Retail Trade (+4.52 per cent). The wages and salaries index for Quarter 1 2006 was 3.4 per cent lower than the figure for the preceding quarter.

Table 5 provides information on the social contributions paid by employers on behalf of employees. The average annual increase between 2000 and 2005 was 3.17 per cent. The larger increases in this sub-component of the Labour Cost Index were recorded in the Financial Intermediation (+7.01 per cent), Real Estate, Renting and Business Services (+5.07 per cent) and Hotels and Restaurants (+4.38 per cent). The index of employers' social contributions for Quarter 1 2006 was 1.1 per cent lower than the figure for the preceding quarter ■

National Statistics Office
Library & Information Unit
Lascaris, Valletta CMR 02, Malta
Tel: (+356) 25997219
Fax: (+356) 25997205
e-mail: nso@gov.mt
<http://www.nso.gov.mt>

Table 1. Total Labour Cost Index

NACE	Q1	Q2	Q3	Q4	Annual average
C - Mining and Quarrying					
2000	96.90	102.65	101.21	99.24	100.00
2001	94.55	92.80	92.44	91.41	92.80
2002	93.63	97.05	96.62	99.19	96.62
2003	102.16	108.09	106.61	109.58	106.61
2004	113.12	112.56	114.36	113.35	113.35
2005	113.83	115.31	114.51	119.82	115.87
2006	119.68				
D - Manufacturing					
2000	99.43	100.80	98.72	101.05	100.00
2001	103.01	106.61	106.14	104.25	105.00
2002	105.63	106.40	107.34	107.19	106.64
2003	113.42	114.70	114.56	116.83	114.88
2004	120.86	118.26	117.81	118.98	118.98
2005	121.25	123.16	124.94	119.87	122.30
2006	117.39				
E - Electricity, Gas and Water Supply					
2000	99.90	99.92	100.18	100.00	100.00
2001	97.11	101.03	100.03	99.07	99.31
2002	109.06	107.85	109.72	108.37	108.75
2003	109.19	102.94	104.95	104.18	105.32
2004	106.64	105.22	108.29	106.42	106.64
2005	95.49	103.93	114.28	115.71	107.35
2006	110.34				
F - Construction					
2000	101.22	101.83	99.86	97.08	100.00
2001	90.14	96.63	96.27	95.39	94.61
2002	95.79	97.51	102.39	102.20	99.47
2003	104.17	112.91	102.95	103.63	105.92
2004	112.47	117.44	113.32	114.77	114.50
2005	118.99	104.94	108.71	111.02	110.91
2006	115.88				
G - Wholesale and Retail Trade and Repairs					
2000	98.59	98.83	100.99	101.59	100.00
2001	104.78	105.40	104.37	105.34	104.97
2002	107.05	108.56	107.66	107.75	107.75
2003	112.11	107.76	108.55	111.90	110.08
2004	113.61	117.24	115.95	118.01	116.20
2005	119.93	119.37	121.88	127.04	122.05
2006	124.53				
H - Hotels and Restaurants					
2000	95.96	97.97	104.67	101.40	100.00
2001	101.10	103.99	105.92	104.36	103.84
2002	104.63	103.05	102.76	106.31	104.19
2003	105.73	109.93	105.23	107.71	107.15
2004	108.06	111.07	109.53	103.80	108.12
2005	115.85	110.31	109.34	109.90	111.35
2006	111.81				
I - Transport, Storage and Communication					
2000	97.51	96.54	106.27	99.68	100.00
2001	103.40	109.54	110.69	102.48	106.53
2002	104.72	104.60	108.32	105.88	105.88
2003	98.26	97.37	99.27	102.20	99.27
2004	103.08	102.64	111.45	107.26	106.11
2005	113.69	115.36	114.76	112.41	114.06
2006	113.15				
J - Financial Intermediation					
2000	95.23	95.71	100.59	108.48	100.00
2001	98.67	104.42	103.96	115.02	105.52
2002	107.25	112.94	112.49	119.02	112.93
2003	123.09	130.26	127.29	118.50	124.78
2004	124.68	131.60	133.27	140.50	132.51
2005	135.10	133.84	134.67	141.45	136.26
2006	138.99				
K - Real Estate Renting and Business Services					
2000	104.40	98.57	98.70	98.33	100.00
2001	94.43	96.85	89.60	84.85	91.43
2002	92.83	92.82	96.75	97.57	95.00
2003	99.45	99.01	95.42	101.01	98.72
2004	105.58	103.13	107.07	111.93	106.93
2005	95.50	98.83	98.32	107.01	99.92
2006	106.51				
C to K					
2000	99.02	99.43	101.04	100.52	100.00
2001	100.28	104.67	104.64	102.56	103.04
2002	103.67	104.32	108.98	109.24	106.55
2003	108.69	109.72	108.66	109.81	109.22
2004	111.97	115.55	116.16	118.45	115.53
2005	115.66	115.83	118.43	116.94	116.71
2006	113.20				

Table 2. Quarterly percentage change of Total Labour Cost

NACE	Q1	Q2	Q3	Q4	Annual change*
C - Mining and Quarrying					
2000	-	5.93	-1.40	-1.94	-
2001	-4.72	-1.85	-0.39	-1.12	-7.20
2002	2.44	3.65	-0.44	2.65	4.12
2003	3.00	5.80	-1.37	2.79	10.33
2004	3.23	-0.50	1.61	-0.89	6.32
2005	0.43	1.30	-0.70	4.64	2.22
2006	-0.12				
D - Manufacturing					
2000	-	1.38	-2.06	2.36	-
2001	1.94	3.50	-0.45	-1.78	5.00
2002	1.32	0.73	0.88	-0.13	1.56
2003	5.81	1.12	-0.12	1.98	7.73
2004	3.45	-2.16	-0.38	0.99	3.57
2005	1.91	1.57	1.44	-4.05	2.80
2006	-2.07				
E - Electricity, Gas and Water Supply					
2000	-	0.02	0.25	-0.17	-
2001	-2.89	4.04	-0.99	-0.96	-0.69
2002	10.08	-1.11	1.74	-1.24	9.51
2003	0.76	-5.73	1.96	-0.73	-3.16
2004	2.36	-1.33	2.92	-1.73	1.26
2005	-10.27	8.84	9.96	1.25	0.66
2006	-4.64				
F - Construction					
2000	-	0.60	-1.94	-2.78	-
2001	-7.15	7.20	-0.37	-0.91	-5.39
2002	0.42	1.80	5.01	-0.19	5.14
2003	1.93	8.38	-8.82	0.67	6.48
2004	8.52	4.43	-3.51	1.28	8.11
2005	3.68	-11.81	3.59	2.13	-3.13
2006	4.37				
G - Wholesale and Retail Trade and Repairs					
2000	-	0.23	2.19	0.60	-
2001	3.14	0.59	-0.97	0.93	4.97
2002	1.62	1.41	-0.83	0.09	2.65
2003	4.04	-3.88	0.74	3.09	2.16
2004	1.53	3.19	-1.10	1.78	5.56
2005	1.63	-0.47	2.10	4.24	5.04
2006	-1.97				
H - Hotels and Restaurants					
2000	-	2.10	6.85	-3.12	-
2001	-0.30	2.87	1.86	-1.48	3.84
2002	0.26	-1.51	-0.28	3.45	0.33
2003	-0.55	3.98	-4.27	2.35	2.84
2004	0.32	2.79	-1.39	-5.24	0.90
2005	11.61	-4.79	-0.88	0.51	2.99
2006	1.74				
I - Transport, Storage and Communication					
2000	-	-1.00	10.08	-6.21	-
2001	3.74	5.94	1.05	-7.42	6.53
2002	2.19	-0.11	3.55	-2.25	-0.61
2003	-7.20	-0.91	1.96	2.94	-6.24
2004	0.86	-0.43	8.58	-3.75	6.88
2005	5.99	1.47	-0.52	-2.05	7.49
2006	0.66				
J - Financial Intermediation					
2000	-	0.50	5.10	7.85	-
2001	-9.04	5.83	-0.43	10.64	5.52
2002	-6.76	5.31	-0.40	5.80	7.02
2003	3.42	5.82	-2.28	-6.91	10.50
2004	5.22	5.55	1.27	5.43	6.19
2005	-3.85	-0.93	0.62	5.03	2.83
2006	-1.74				
K - Real Estate Renting and Business Services					
2000	-	-5.59	0.14	-0.38	-
2001	-4.13	2.56	-7.48	-5.30	-8.57
2002	8.60	-0.01	4.23	0.85	3.90
2003	1.89	-0.44	-3.63	5.86	3.92
2004	4.33	-2.32	3.81	4.54	8.31
2005	-17.20	3.49	-0.52	8.84	-6.56
2006	-0.47				
C to K					
2000	-	0.42	1.61	-0.51	-
2001	-0.23	4.38	-0.03	-1.99	3.04
2002	1.08	0.63	4.47	0.23	3.41
2003	-0.50	0.95	-0.96	1.05	2.50
2004	1.96	3.20	0.52	1.97	5.78
2005	-2.36	0.15	2.24	-1.26	1.02
2006	-3.20				

* Worked out on the average annual index

Table 3. Point change between quarters of Total Labour Cost

NACE	Q1	Q2	Q3	Q4	Annual change*
C - Mining and Quarrying					
2000	-	0.06	-0.01	-0.02	-
2001	-0.05	-0.02	0.00	-0.01	-0.07
2002	0.02	0.04	0.00	0.03	0.04
2003	0.03	0.06	-0.01	0.03	0.10
2004	0.03	0.00	0.02	-0.01	0.06
2005	0.00	0.01	-0.01	0.05	0.02
2006	0.00				
D - Manufacturing					
2000	-	0.01	-0.02	0.02	-
2001	0.02	0.04	0.00	-0.02	0.05
2002	0.01	0.01	0.01	0.00	0.02
2003	0.06	0.01	0.00	0.02	0.08
2004	0.03	-0.02	0.00	0.01	0.04
2005	0.02	0.02	0.01	-0.04	0.03
2006	-0.02				
E - Electricity, Gas and Water Supply					
2000	-	0.00	0.00	0.00	-
2001	-0.03	0.04	-0.01	-0.01	-0.01
2002	0.10	-0.01	0.02	-0.01	0.10
2003	0.01	-0.06	0.02	-0.01	-0.03
2004	0.02	-0.01	0.03	-0.02	0.01
2005	-0.10	0.09	0.10	0.01	0.01
2006	-0.05				
F - Construction					
2000	-	0.01	-0.02	-0.03	-
2001	-0.07	0.07	0.00	-0.01	-0.05
2002	0.00	0.02	0.05	0.00	0.05
2003	0.02	0.08	-0.09	0.01	0.06
2004	0.09	0.04	-0.04	0.01	0.08
2005	0.04	-0.12	0.04	0.02	-0.03
2006	0.04				
G - Wholesale and Retail Trade and Repairs					
2000	-	0.00	0.02	0.01	-
2001	0.03	0.01	-0.01	0.01	0.05
2002	0.02	0.01	-0.01	0.00	0.03
2003	0.04	-0.04	0.01	0.03	0.02
2004	0.02	0.03	-0.01	0.02	0.06
2005	0.02	0.00	0.02	0.04	0.05
2006	-0.02				
H - Hotels and Restaurants					
2000	-	0.02	0.07	-0.03	-
2001	0.00	0.03	0.02	-0.01	0.04
2002	0.00	-0.02	0.00	0.03	0.00
2003	-0.01	0.04	-0.04	0.02	0.03
2004	0.00	0.03	-0.01	-0.05	0.01
2005	0.12	-0.05	-0.01	0.01	0.03
2006	0.02				
I - Transport, Storage and Communication					
2000	-	-0.01	0.10	-0.06	-
2001	0.04	0.06	0.01	-0.07	0.07
2002	0.02	0.00	0.04	-0.02	-0.01
2003	-0.07	-0.01	0.02	0.03	-0.06
2004	0.01	0.00	0.09	-0.04	0.07
2005	0.06	0.01	-0.01	-0.02	0.07
2006	0.01				
J - Financial Intermediation					
2000	-	0.00	0.05	0.08	-
2001	-0.09	0.06	0.00	0.11	0.06
2002	-0.07	0.05	0.00	0.06	0.07
2003	0.03	0.06	-0.02	-0.07	0.10
2004	0.05	0.06	0.01	0.05	0.06
2005	-0.04	-0.01	0.01	0.05	0.03
2006	-0.02				
K - Real Estate Renting and Business Services					
2000	-	-0.06	0.00	0.00	-
2001	-0.04	0.03	-0.07	-0.05	-0.09
2002	0.09	0.00	0.04	0.01	0.04
2003	0.02	0.00	-0.04	0.06	0.04
2004	0.05	-0.02	0.04	0.05	0.08
2005	-0.15	0.03	-0.01	0.09	-0.07
2006	0.00				
C to K					
2000	-	0.00	0.02	-0.01	-
2001	0.00	0.04	0.00	-0.02	0.03
2002	0.01	0.01	0.04	0.00	0.03
2003	-0.01	0.01	-0.01	0.01	0.03
2004	0.02	0.03	0.01	0.02	0.06
2005	-0.02	0.00	0.02	-0.01	0.01
2006	-0.03				

* Worked out on the average annual index

Table 4. Wages and Salaries index

NACE	Q1	Q2	Q3	Q4	Annual average
C - Mining and Quarrying					
2000	96.93	102.64	101.12	99.31	100.00
2001	94.52	103.84	92.36	93.57	96.07
2002	95.77	92.58	94.45	95.01	94.45
2003	96.07	101.39	99.83	102.05	99.83
2004	107.38	112.29	113.95	111.96	111.39
2005	113.67	115.43	114.88	120.30	116.07
2006	120.01				
D - Manufacturing					
2000	99.43	100.79	98.74	101.04	100.00
2001	102.61	106.03	105.67	103.78	104.52
2002	105.38	106.20	107.16	107.10	106.46
2003	114.06	115.30	115.03	117.55	115.49
2004	115.49	120.97	121.46	119.30	119.30
2005	122.00	123.71	126.15	120.09	122.99
2006	118.12				
E - Electricity, Gas and Water Supply					
2000	98.25	101.72	100.00	100.03	100.00
2001	99.98	98.03	100.88	100.43	99.83
2002	101.24	100.13	100.03	100.33	100.43
2003	101.95	101.14	98.67	99.29	100.26
2004	96.76	97.66	97.31	97.52	97.31
2005	101.03	109.33	106.44	108.73	106.38
2006	102.33				
F - Construction					
2000	101.36	101.38	99.77	97.49	100.00
2001	95.80	95.67	96.11	95.60	95.80
2002	95.57	97.56	102.37	102.83	99.58
2003	104.19	103.73	102.91	104.10	103.73
2004	112.53	117.44	113.27	114.87	114.53
2005	119.86	112.74	116.79	119.56	117.24
2006	122.43				
G - Wholesale and Retail Trade and Repairs					
2000	98.59	98.83	100.99	101.59	100.00
2001	105.15	105.76	104.75	105.70	105.34
2002	107.44	108.92	108.03	103.60	107.00
2003	106.94	107.79	108.60	111.94	108.82
2004	113.64	117.26	116.05	118.36	116.33
2005	120.02	119.50	122.09	128.73	122.59
2006	126.23				
H - Hotels and Restaurants					
2000	95.88	97.93	104.77	101.41	100.00
2001	100.73	103.64	105.69	104.05	103.53
2002	103.99	102.45	102.28	102.91	102.91
2003	105.04	104.89	104.75	107.11	105.45
2004	110.61	112.18	109.93	102.77	108.87
2005	107.97	106.49	114.81	113.17	110.61
2006	110.68				
I - Transport, Storage and Communication					
2000	99.59	98.60	100.00	101.80	100.00
2001	105.26	106.47	105.79	104.32	105.46
2002	106.59	106.47	106.53	104.84	106.11
2003	103.81	105.10	106.08	104.13	104.78
2004	105.52	112.22	114.76	113.96	111.61
2005	115.78	117.47	117.07	114.35	116.17
2006	115.00				
J - Financial Intermediation					
2000	96.79	97.28	102.24	103.69	100.00
2001	99.96	105.78	105.32	105.55	104.15
2002	117.29	114.41	116.90	120.56	117.29
2003	124.82	126.24	129.08	124.82	126.24
2004	129.18	136.79	138.27	137.53	135.44
2005	136.92	135.63	136.72	143.70	138.24
2006	140.57				
K - Real Estate Renting and Business Services					
2000	100.00	100.06	100.22	99.72	100.00
2001	96.33	98.76	97.54	98.77	97.85
2002	94.39	94.36	98.35	99.20	96.57
2003	100.91	100.48	96.86	102.54	100.20
2004	106.64	104.16	108.15	112.60	107.89
2005	96.57	99.94	99.35	108.88	101.18
2006	108.58				
C to K					
2000	98.32	99.26	101.26	101.16	100.00
2001	100.99	105.09	105.10	102.46	103.41
2002	103.84	104.49	106.89	106.93	105.54
2003	108.12	110.36	109.52	110.68	109.67
2004	110.40	115.95	116.98	117.89	115.30
2005	119.97	116.25	116.72	121.29	118.56
2006	117.19				

Table 5. Quarterly percentage change of Wages and Salaries

NACE	Q1	Q2	Q3	Q4	Annual change*
C - Mining and Quarrying					
2000	-	5.90	-1.48	-1.80	-
2001	-4.82	9.86	-11.05	1.30	-3.93
2002	2.36	-3.33	2.02	0.59	-1.68
2003	1.11	5.54	-1.53	2.22	5.69
2004	5.22	4.57	1.48	-1.75	11.58
2005	1.53	1.55	-0.47	4.71	4.20
2006	-0.24				
D - Manufacturing					
2000	-	1.36	-2.04	2.34	-
2001	1.55	3.34	-0.34	-1.79	4.52
2002	1.55	0.78	0.90	-0.05	1.85
2003	6.50	1.09	-0.24	2.19	8.48
2004	-1.76	4.75	0.41	-1.77	3.31
2005	2.26	1.40	1.97	-4.80	3.09
2006	-1.64				
E - Electricity, Gas and Water Supply					
2000	-	3.53	-1.69	0.03	-
2001	-0.05	-1.96	2.91	-0.44	-0.17
2002	0.81	-1.10	-0.10	0.30	0.60
2003	1.61	-0.79	-2.44	0.63	-0.17
2004	-2.55	0.93	-0.35	0.21	-2.94
2005	3.60	8.22	-2.64	2.15	9.32
2006	-5.89				
F - Construction					
2000	-	0.02	-1.58	-2.28	-
2001	-1.74	-0.13	0.46	-0.53	-4.20
2002	-0.03	2.07	4.94	0.44	3.95
2003	1.33	-0.44	-0.79	1.16	4.17
2004	8.10	4.37	-3.56	1.42	10.41
2005	4.35	-5.95	3.59	2.37	2.37
2006	2.40				
G - Wholesale and Retail Trade and Repairs					
2000	-	0.24	2.19	0.59	-
2001	3.51	0.58	-0.95	0.90	5.34
2002	1.65	1.37	-0.81	-4.10	1.57
2003	3.23	0.80	0.75	3.08	1.70
2004	1.51	3.19	-1.03	2.00	6.90
2005	1.40	-0.43	2.16	5.44	5.38
2006	-1.94				
H - Hotels and Restaurants					
2000	-	2.14	6.99	-3.21	-
2001	-0.67	2.89	1.98	-1.55	3.53
2002	-0.06	-1.48	-0.16	0.61	-0.60
2003	2.07	-0.14	-0.14	2.26	2.47
2004	3.26	1.42	-2.01	-6.51	3.24
2005	5.06	-1.37	7.81	-1.42	1.60
2006	-2.20				
I - Transport, Storage and Communication					
2000	-	-1.00	1.42	1.80	-
2001	3.39	1.15	-0.63	-1.39	5.46
2002	2.18	-0.11	0.06	-1.58	0.61
2003	-0.98	1.24	0.93	-1.83	-1.25
2004	1.33	6.35	2.26	-0.69	6.52
2005	1.59	1.46	-0.34	-2.32	4.08
2006	0.57				
J - Financial Intermediation					
2000	-	0.50	5.10	1.42	-
2001	-3.60	5.83	-0.43	0.22	4.15
2002	11.12	-2.46	2.18	3.13	12.61
2003	3.53	1.14	2.25	-3.30	7.63
2004	3.50	5.89	1.08	-0.53	7.29
2005	-0.44	-0.94	0.80	5.11	2.07
2006	-2.18				
K - Real Estate Renting and Business Services					
2000	-	0.06	0.16	-0.50	-
2001	-3.40	2.53	-1.23	1.26	-2.15
2002	-4.44	-0.04	4.23	0.86	-1.30
2003	1.73	-0.43	-3.61	5.86	3.75
2004	4.00	-2.32	3.83	4.12	7.67
2005	-14.23	3.48	-0.59	9.60	-6.21
2006	-0.28				
C to K					
2000	-	0.96	2.02	-0.10	-
2001	-0.17	4.06	0.01	-2.51	3.41
2002	1.34	0.63	2.29	0.05	2.05
2003	1.11	2.07	-0.76	1.06	3.91
2004	-0.26	5.03	0.89	0.78	5.14
2005	1.76	-3.10	0.40	3.92	2.82
2006	-3.38				

* Worked out on the average annual index

Table 6. Point change between quarters of Wages and Salaries

NACE	Q1	Q2	Q3	Q4	Annual change*
C - Mining and Quarrying					
2000	-	0.06	-0.01	-0.02	-
2001	-0.05	0.10	-0.11	0.01	-0.04
2002	0.02	-0.03	0.02	0.01	-0.02
2003	0.01	0.06	-0.02	0.02	0.06
2004	0.05	0.05	0.01	-0.02	0.12
2005	0.02	0.02	0.00	0.05	0.04
2006	0.00				
D - Manufacturing					
2000	-	0.01	-0.02	0.02	-
2001	0.02	0.03	0.00	-0.02	0.05
2002	0.02	0.01	0.01	0.00	0.02
2003	0.06	0.01	0.00	0.02	0.08
2004	-0.02	0.05	0.00	-0.02	0.03
2005	0.02	0.01	0.02	-0.05	0.03
2006	-0.02				
E - Electricity, Gas and Water Supply					
2000	-	0.04	-0.02	0.00	-
2001	0.00	-0.02	0.03	0.00	0.00
2002	0.01	-0.01	0.00	0.00	0.01
2003	0.02	-0.01	-0.02	0.01	0.00
2004	-0.03	0.01	0.00	0.00	-0.03
2005	0.03	0.08	-0.03	0.02	0.09
2006	-0.06				
F - Construction					
2000	-	0.00	-0.02	-0.02	-
2001	-0.02	0.00	0.00	-0.01	-0.04
2002	0.00	0.02	0.05	0.00	0.04
2003	0.01	0.00	-0.01	0.01	0.04
2004	0.07	0.04	-0.04	0.01	0.10
2005	0.04	-0.06	0.04	0.02	0.02
2006	0.02				
G - Wholesale and Retail Trade and Repairs					
2000	-	0.00	0.02	0.01	-
2001	0.04	0.01	-0.01	0.01	0.05
2002	0.02	0.01	-0.01	-0.04	0.02
2003	0.03	0.01	0.01	0.03	0.02
2004	0.02	0.03	-0.01	0.02	0.07
2005	0.01	0.00	0.02	0.05	0.05
2006	-0.02				
H - Hotels and Restaurants					
2000	-	0.02	0.07	-0.03	-
2001	-0.01	0.03	0.02	-0.02	0.04
2002	0.00	-0.01	0.00	0.01	-0.01
2003	0.02	0.00	0.00	0.02	0.02
2004	0.03	0.01	-0.02	-0.07	0.03
2005	0.05	-0.01	0.08	-0.01	0.02
2006	-0.02				
I - Transport, Storage and Communication					
2000	-	-0.01	0.01	0.02	-
2001	0.03	0.01	-0.01	-0.01	0.05
2002	0.02	0.00	0.00	-0.02	0.01
2003	-0.01	0.01	0.01	-0.02	-0.01
2004	0.01	0.06	0.02	-0.01	0.07
2005	0.02	0.01	0.00	-0.02	0.04
2006	0.01				
J - Financial Intermediation					
2000	-	0.00	0.05	0.01	-
2001	-0.04	0.06	0.00	0.00	0.04
2002	0.10	-0.02	0.02	0.03	0.13
2003	0.04	0.01	0.02	-0.03	0.08
2004	0.03	0.06	0.01	-0.01	0.07
2005	0.00	-0.01	0.01	0.05	0.02
2006	-0.02				
K - Real Estate Renting and Business Services					
2000	-	0.00	0.00	-0.01	-
2001	-0.03	0.03	-0.01	0.01	-0.02
2002	-0.04	0.00	0.04	0.01	-0.01
2003	0.02	0.00	-0.04	0.06	0.04
2004	0.04	-0.02	0.04	0.04	0.08
2005	-0.14	0.03	-0.01	0.10	-0.06
2006	0.00				
C to K					
2000	-	0.01	0.02	0.00	-
2001	0.00	0.04	0.00	-0.03	0.03
2002	0.01	0.01	0.02	0.00	0.02
2003	0.01	0.02	-0.01	0.01	0.04
2004	0.00	0.05	0.01	0.01	0.05
2005	0.02	-0.03	0.00	0.04	0.03
2006	-0.03				

* Worked out on the average annual index

Table 7. Employers' Social Contributions index

NACE	Q1	Q2	Q3	Q4	Annual average
C - Mining and Quarrying					
2000	96.33	102.25	101.86	99.57	100.00
2001	94.59	94.69	92.89	96.60	94.69
2002	100.32	104.39	110.61	102.19	104.38
2003	106.91	103.11	104.07	110.55	106.16
2004	110.39	113.39	116.52	116.76	114.26
2005	113.31	117.74	113.73	118.28	115.76
2006	119.45				
D - Manufacturing					
2000	96.82	101.85	99.68	101.65	100.00
2001	108.81	110.82	112.70	110.96	110.82
2002	110.32	110.60	116.27	113.73	112.73
2003	107.18	111.84	110.47	109.87	109.84
2004	114.25	116.19	117.10	115.84	115.84
2005	111.72	116.04	109.74	116.72	113.56
2006	108.30				
E - Electricity, Gas and Water Supply					
2000	101.07	100.30	95.02	103.61	100.00
2001	97.72	103.44	104.44	111.15	104.19
2002	107.90	106.57	108.43	110.83	108.43
2003	100.14	104.70	104.70	109.27	104.70
2004	106.99	104.38	111.85	108.11	107.83
2005	110.14	115.77	108.23	113.46	111.90
2006	110.44				
F - Construction					
2000	104.83	102.07	99.31	93.78	100.00
2001	97.11	92.45	91.90	88.36	92.45
2002	91.80	91.57	93.11	95.96	93.11
2003	98.48	106.29	94.89	94.26	98.48
2004	104.23	109.04	106.28	105.58	106.28
2005	105.93	105.75	109.57	109.92	107.79
2006	113.03				
G - Wholesale and Retail Trade and Repairs					
2000	98.28	98.50	101.21	102.01	100.00
2001	103.37	101.57	99.94	101.39	101.57
2002	102.73	104.69	103.72	99.69	102.71
2003	101.71	108.12	108.76	108.44	106.76
2004	115.30	118.97	120.13	119.74	118.54
2005	120.87	119.90	121.26	106.35	117.09
2006	103.86				
H - Hotels and Restaurants					
2000	101.07	98.18	101.30	99.45	100.00
2001	105.22	107.99	108.59	108.13	107.48
2002	107.48	111.51	109.97	108.32	109.32
2003	109.93	112.29	111.20	117.52	112.73
2004	120.59	121.02	122.15	124.85	122.15
2005	124.32	128.81	120.32	114.13	121.89
2006	119.70				
I - Transport, Storage and Communicator					
2000	99.48	98.51	100.00	102.01	100.00
2001	109.61	106.94	106.94	104.27	106.94
2002	111.28	111.38	111.33	111.33	111.33
2003	106.15	102.25	109.15	107.05	106.15
2004	120.13	118.25	116.38	118.25	118.25
2005	120.84	122.89	119.66	120.86	121.07
2006	123.03				
J - Financial Intermediation					
2000	101.20	96.40	97.37	105.03	100.00
2001	99.11	106.41	104.48	115.63	106.41
2002	108.84	113.73	126.59	120.33	117.37
2003	120.22	129.60	123.70	117.80	122.83
2004	125.13	131.99	133.31	143.36	133.44
2005	135.40	134.24	132.46	138.06	135.04
2006	142.55				
K - Real Estate Renting and Business Services					
2000	100.36	100.00	100.00	99.64	100.00
2001	108.70	103.23	103.21	97.80	103.23
2002	111.05	111.87	116.61	117.27	114.20
2003	121.70	121.27	116.26	123.06	120.57
2004	125.15	122.05	126.30	124.50	124.50
2005	122.13	126.54	126.73	125.99	125.35
2006	122.51				
C to K					
2000	99.12	98.42	100.92	101.54	100.00
2001	104.92	106.85	108.57	106.82	106.79
2002	108.44	107.22	115.89	112.90	111.11
2003	109.68	111.86	108.99	110.11	110.16
2004	115.06	116.22	118.27	122.75	118.08
2005	117.77	116.23	112.76	116.63	115.85
2006	115.29				

Table 8. Quarterly percentage change of Employers' Social Contributions

NACE	Q1	Q2	Q3	Q4	Annual change*
C - Mining and Quarrying					
2000	-	6.15	-0.39	-2.25	-
2001	-5.00	0.11	-1.91	4.00	-5.31
2002	3.85	4.06	5.96	-7.61	10.23
2003	4.62	-3.56	0.94	6.23	1.71
2004	-0.15	2.72	2.76	0.20	7.63
2005	-2.96	3.91	-3.40	4.00	1.31
2006	0.99				
D - Manufacturing					
2000	-	5.19	-2.13	1.98	-
2001	7.04	1.85	1.70	-1.55	10.82
2002	-0.57	0.25	5.13	-2.18	1.72
2003	-5.76	4.34	-1.22	-0.54	-2.56
2004	3.98	1.70	0.78	-1.07	5.47
2005	-3.56	3.86	-5.43	6.36	-1.98
2006	-7.22				
E - Electricity, Gas and Water Supply					
2000	-	-0.76	-5.27	9.04	-
2001	-5.68	5.85	0.97	6.43	4.19
2002	-2.93	-1.23	1.75	2.21	4.08
2003	-9.65	4.56	0.00	4.36	-3.44
2004	-2.09	-2.44	7.15	-3.34	2.99
2005	1.87	5.12	-6.51	4.83	3.77
2006	-2.66				
F - Construction					
2000	-	-2.63	-2.70	-5.58	-
2001	3.55	-4.79	-0.61	-3.85	-7.55
2002	3.89	-0.25	1.68	3.06	0.70
2003	2.63	7.93	-10.72	-0.66	5.77
2004	10.57	4.61	-2.52	-0.66	7.92
2005	0.33	-0.17	3.61	0.32	1.42
2006	2.84				
G - Wholesale and Retail Trade and Repairs					
2000	-	0.22	2.75	0.80	-
2001	1.34	-1.75	-1.61	1.46	1.57
2002	1.32	1.91	-0.93	-3.88	1.12
2003	2.02	6.31	0.59	-0.29	3.94
2004	6.33	3.18	0.97	-0.32	11.03
2005	0.94	-0.80	1.13	-12.30	-1.22
2006	-2.34				
H - Hotels and Restaurants					
2000	-	-2.85	3.18	-1.83	-
2001	5.81	2.63	0.55	-0.42	7.48
2002	-0.60	3.74	-1.38	-1.50	1.71
2003	1.49	2.14	-0.96	5.68	3.12
2004	2.62	0.35	0.94	2.21	8.35
2005	-0.43	3.61	-6.59	-5.14	-0.21
2006	4.88				
I - Transport, Storage and Communication					
2000	-	-0.97	1.51	2.01	-
2001	7.45	-2.43	0.00	-2.50	6.94
2002	6.72	0.10	-0.05	0.00	4.10
2003	-4.65	-3.68	6.75	-1.92	-4.65
2004	12.21	-1.56	-1.59	1.61	11.40
2005	2.19	1.70	-2.63	1.00	2.38
2006	1.79				
J - Financial Intermediation					
2000	-	-4.74	1.00	7.87	-
2001	-5.64	7.36	-1.81	10.67	6.41
2002	-5.87	4.50	11.30	-4.94	10.31
2003	-0.09	7.80	-4.55	-4.77	4.65
2004	6.22	5.49	1.00	7.54	8.64
2005	-5.55	-0.86	-1.32	4.23	1.20
2006	3.25				
K - Real Estate Renting and Business Services					
2000	-	-0.36	0.00	-0.36	-
2001	9.09	-5.03	-0.03	-5.24	3.23
2002	13.55	0.73	4.24	0.57	10.62
2003	3.77	-0.36	-4.13	5.85	5.58
2004	1.70	-2.48	3.48	-1.42	3.26
2005	-1.91	3.61	0.15	-0.59	0.68
2006	-2.76				
C to K					
2000	-	-0.70	2.54	0.61	-
2001	3.33	1.84	1.61	-1.62	6.79
2002	1.52	-1.13	8.10	-2.59	4.04
2003	-2.85	1.99	-2.56	1.02	-0.85
2004	4.50	1.00	1.76	3.79	7.18
2005	-4.06	-1.30	-2.99	3.43	-1.89
2006	-1.15				

* Worked out on the average annual index

Table 9. Point change between quarters of Employers' Social Contributions

NACE	Q1	Q2	Q3	Q4	Annual change*
C - Mining and Quarrying					
2000	-	0.06	0.00	-0.02	-
2001	-0.05	0.00	-0.02	0.04	-0.05
2002	0.04	0.04	0.06	-0.08	0.10
2003	0.04	-0.04	0.01	0.06	0.02
2004	0.00	0.03	0.03	0.00	0.08
2005	-0.03	0.04	-0.03	0.04	0.01
2006	0.01				
D - Manufacturing					
2000	-	0.05	-0.02	0.02	-
2001	0.07	0.02	0.02	-0.02	0.11
2002	-0.01	0.00	0.05	-0.02	0.02
2003	-0.06	0.04	-0.01	-0.01	-0.03
2004	0.04	0.02	0.01	-0.01	0.05
2005	-0.04	0.04	-0.05	0.06	-0.02
2006	-0.07				
E - Electricity, Gas and Water Supply					
2000	-	-0.01	-0.05	0.09	-
2001	-0.06	0.06	0.01	0.06	0.04
2002	-0.03	-0.01	0.02	0.02	0.04
2003	-0.10	0.05	0.00	0.04	-0.03
2004	-0.02	-0.02	0.07	-0.03	0.03
2005	0.02	0.05	-0.07	0.05	0.04
2006	-0.03				
F - Construction					
2000	-	-0.03	-0.03	-0.06	-
2001	0.04	-0.05	-0.01	-0.04	-0.08
2002	0.04	0.00	0.02	0.03	0.01
2003	0.03	0.08	-0.11	-0.01	0.06
2004	0.11	0.05	-0.03	-0.01	0.08
2005	0.00	0.00	0.04	0.00	0.01
2006	0.03				
G - Wholesale and Retail Trade and Repairs					
2000	-	0.00	0.03	0.01	-
2001	0.01	-0.02	-0.02	0.01	0.02
2002	0.01	0.02	-0.01	-0.04	0.01
2003	0.02	0.06	0.01	0.00	0.04
2004	0.06	0.03	0.01	0.00	0.11
2005	0.01	-0.01	0.01	-0.12	-0.01
2006	-0.02				
H - Hotels and Restaurants					
2000	-	-0.03	0.03	-0.02	-
2001	0.06	0.03	0.01	0.00	0.07
2002	-0.01	0.04	-0.01	-0.01	0.02
2003	0.01	0.02	-0.01	0.06	0.03
2004	0.03	0.00	0.01	0.02	0.08
2005	0.00	0.04	-0.07	-0.05	0.00
2006	0.05				
I - Transport, Storage and Communicator					
2000	-	-0.01	0.02	0.02	-
2001	0.07	-0.02	0.00	-0.02	0.07
2002	0.07	0.00	0.00	0.00	0.04
2003	-0.05	-0.04	0.07	-0.02	-0.05
2004	0.12	-0.02	-0.02	0.02	0.11
2005	0.02	0.02	-0.03	0.01	0.02
2006	0.02				
J - Financial Intermediation					
2000	-	-0.05	0.01	0.08	-
2001	-0.06	0.07	-0.02	0.11	0.06
2002	-0.06	0.04	0.11	-0.05	0.10
2003	0.00	0.08	-0.05	-0.05	0.05
2004	0.06	0.05	0.01	0.08	0.09
2005	-0.06	-0.01	-0.01	0.04	0.01
2006	0.03				
K - Real Estate Renting and Business Services					
2000	-	0.00	0.00	0.00	-
2001	0.09	-0.05	0.00	-0.05	0.03
2002	0.14	0.01	0.04	0.01	0.11
2003	0.04	0.00	-0.04	0.06	0.06
2004	0.02	-0.02	0.03	-0.01	0.03
2005	-0.02	0.04	0.00	-0.01	0.01
2006	-0.03				
C to K					
2000	-	-0.01	0.03	0.01	-
2001	0.03	0.02	0.02	-0.02	0.07
2002	0.02	-0.01	0.08	-0.03	0.04
2003	-0.03	0.02	-0.03	0.01	-0.01
2004	0.04	0.01	0.02	0.04	0.07
2005	-0.04	-0.01	-0.03	0.03	-0.02
2006	-0.01				

* Worked out on the average annual index

Methodological notes

The labour cost index (LCI) is defined as the labour cost per hour worked, chain linked annually and based upon a fixed structure of economic activity at NACE section level. The labour costs are the total quarterly costs incurred by the employer in the employment of labour. Labour cost indices are provided separately for the three labour cost categories identified below:

- (a) total labour cost;
- (b) wages and salaries;
- (c) employers' social contributions

The Labour Cost Index is calculated every calendar quarter. The figures for total labour cost, wages and salaries, and social security contributions are compiled from internal data provided by National Accounts. Figures for actual hours worked by employees are estimated using weekly average actual hours worked from the Labour Force Survey.

Total Labour Cost includes wages and salaries and employers social contributions. Subsidies received by the employer are not included in the total labour cost.

Wages and salaries includes direct remuneration, bonuses and allowances together with payments in kind.

Employers social contributions includes social security payments made by the employer and excludes any refunds which employers receive from the Department of Social Security.

Method for working index.

▪ Defining the variables.

i = economic activity which varies from NACE section C to K.
 t = quarter can vary between Q1 to Q4.
 y = year which varies between 2000 and 2005.

$c_i^{t,y}$ = labour cost per hour worked by employees in economic activity i in quarter t for year y .

$I_{t,y}^i$ = index at quarter t for economic activity i in year y

\bar{c}_i^y = average labour cost per hour worked by employees in economic activity i in quarter t for year y .

$$\bar{c}_i^y = \frac{1}{4} \sum_{t=Q1}^{Q4} c_i^{t,y}$$

\bar{I}_y^i = average yearly index for economic activity i in year y .

$$\bar{I}_y^i = \frac{1}{4} \sum_{t=Q1}^{Q4} I_{t,y}^i$$

▪ For base year 2000 index is worked as follows:

$$I_{t,2000}^i = \frac{c_i^{t,2000}}{\bar{c}_i^{2000}} \times 100$$

▪ For the year 2001 index is worked as follows:

$$I_{t,2001}^i = \frac{c_i^{t,2001}}{\bar{c}_i^{2000}} \times 100$$

▪ For the years 2002 to 2005 the chain-linked index is worked using the following formula:

$$I_{t,y}^i = \left(\frac{c_i^{t,y}}{\bar{c}_i^{t-1}} \times \frac{I_{t-1}^i}{100} \right) \times 100$$