

News Release



Date: 4 April 2006
No. : 68/2006
Time of release: 11.00 hrs

Business

Interim Labour Cost Index: October - December 2005

This release provides Labour cost indices in respect of the period from Quarter 1 2000 to Quarter 3 2005. Table 1 provides data for the Main Industrial Groupings and table 2 provides data for the Total Industry. A more detailed result for the selected economic sectors is provided in table 3. The base year for all the indices is the average for the whole 2000 (2000=100). This series is not seasonally adjusted

In the period under review, the labour cost index in the Capital Goods sectors increased by 20.3 per cent to 122.1 from 101.5 in the previous year.

The labour cost index in respect of the Consumer Durables sectors increased by 4.4 per cent from 122.1 for the fourth quarter 2004 to 127.5 in 2005. In the same period, an increase of 6.3 per cent was registered in the Consumer Non-Durables sectors, from 128.7 in 2004 to 136.8 in 2005.

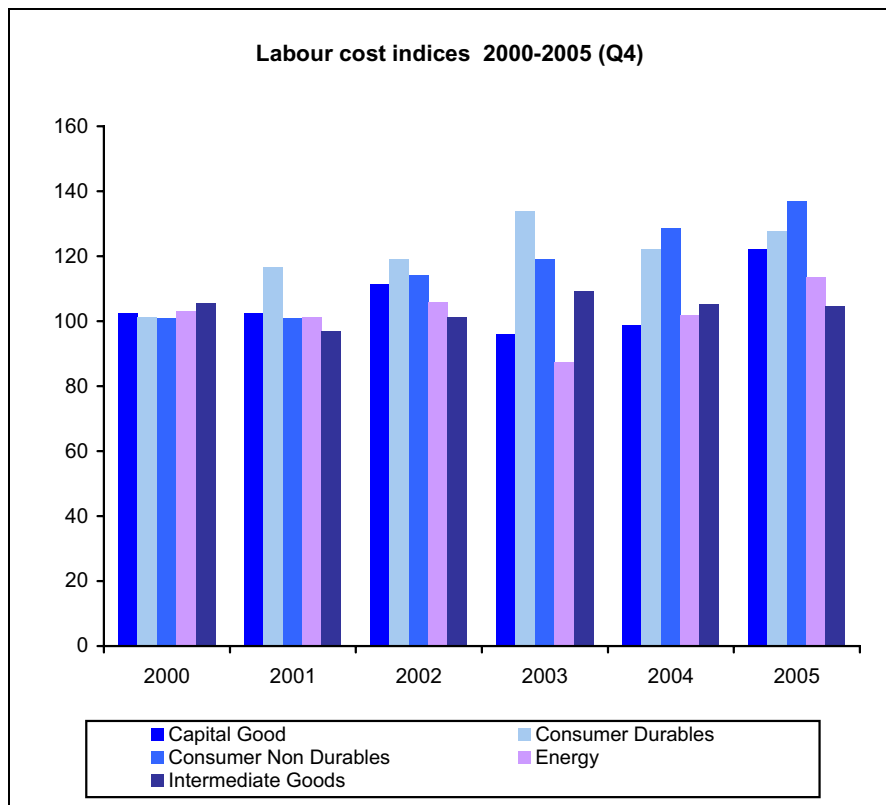
During the October - December 2005 quarter the index in the energy group increased by 11.5 per cent to 113.5 from 101.8 a year earlier.

The labour cost index for the Intermediate Goods sectors in the fourth quarter 2005 registered a decreased by 0.6 per cent from 105.1 in 2004 to 104.5 in 2005.

The labour cost index for the Total Industry increased by 13.7 per cent from 107.6 in the fourth quarter 2004 to 122.3 for the same period in 2005 ■

Theme:
Industry and Services

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Table 1. Indices by Main Industrial Groupings

Main Industrial Groupings	Year	Q1	Q2	Q3	Q4	Annual (Q4) %change
Capital Good	2000	97.4	97.6	102.8	102.3	
	2001	107.7	108.0	107.6	102.4	0.2
	2002	104.5	109.4	106.4	111.2	8.5
	2003	92.7	127.1	106.7	95.9	-13.8
	2004	89.0	90.8	106.5	101.5	5.9
	2005	113.5	110.4	124.3	122.1	20.3
Consumer Durables	2000	97.6	97.4	103.7	101.2	
	2001	95.7	98.1	105.9	116.6	15.2
	2002	120.6	118.9	114.4	119.0	2.1
	2003	103.7	90.4	116.8	133.7	12.3
	2004	118.5	115.1	136.4	122.1	-8.7
	2005	116.8	114.5	124.3	127.5	4.4
Consumer Non Durables	2000	97.3	98.4	103.4	101.0	
	2001	103.5	105.4	105.6	100.8	-0.2
	2002	112.7	107.8	113.0	114.2	13.3
	2003	119.7	117.0	118.6	118.9	4.1
	2004	125.8	118.8	118.9	128.7	8.2
	2005	122.8	121.0	127.1	136.8	6.3
Energy	2000	97.1	102.4	97.4	103.1	
	2001	100.6	97.9	112.1	101.2	-1.8
	2002	103.6	102.3	111.5	105.9	4.6
	2003	112.7	115.0	112.1	87.2	-17.7
	2004	129.0	109.1	116.9	101.8	16.8
	2005	107.8	112.1	129.4	113.5	11.5
Intermediate Goods	2000	94.0	99.5	100.9	105.5	
	2001	95.3	93.2	96.5	96.9	-8.1
	2002	97.7	97.0	98.5	101.1	4.3
	2003	101.1	102.1	104.1	109.1	7.9
	2004	108.1	101.7	106.3	105.1	-3.7
	2005	108.3	104.6	107.8	104.5	-0.6

Table 2. Indices by Total Industry

Year	Q1	Q2	Q3	Q4	Annual (Q4) %change
2000	96.1	98.9	102.1	103.0	
2001	100.9	101.8	104.9	101.6	-1.4
2002	107.4	106.3	108.5	110.2	8.5
2003	106.9	112.4	111.6	109.5	-0.6
2004	114.1	107.8	113.8	107.6	-1.7
2005	114.4	113.5	120.0	122.3	13.7

Table 3. Indices by Industrial Sectors ...

NACE	Year	Q1	Q2	Q3	Q4	Annual (Q4) %change
14 - Quarrying	2000	96.0	104.7	97.9	101.3	
	2001	89.5	85.9	86.9	86.3	-14.8
	2002	109.0	108.6	110.2	117.3	35.9
	2003	125.7	114.5	123.3	130.6	11.3
	2004	113.6	120.9	120.5	132.5	1.5
	2005	128.8	135.0	127.1	125.2	-5.5
15 - Food and beverages	2000	97.9	100.4	100.9	100.8	
	2001	95.7	100.5	98.5	99.8	-1.0
	2002	103.9	105.5	106.7	107.2	7.3
	2003	119.5	120.9	118.3	117.9	10.0
	2004	120.7	115.7	117.2	120.4	2.1
	2005	123.0	128.8	122.8	120.4	0.0
16 - Manufacture of tobacco products	2000	96.2	98.5	100.3	105.0	
	2001	109.2	103.1	106.6	100.7	-4.0
	2002	96.8	90.8	98.9	95.9	-4.8
	2003	117.6	116.0	112.9	113.0	17.9
	2004	125.3	118.3	121.0	116.9	3.4
	2005	124.2	112.1	123.6	114.8	-1.8
17 - Manufacture of textiles and textile products	2000	97.8	97.5	100.7	104.0	
	2001	83.9	91.9	90.9	89.3	-14.1
	2002	96.1	83.4	85.1	98.6	10.4
	2003	89.2	91.8	90.6	105.9	7.4
	2004	97.7	92.6	103.4	101.3	-4.3
	2005	101.5	106.4	108.2	89.8	-11.3
18 - Manufacture of wearing apparel and clothes	2000	97.0	97.4	103.7	101.9	
	2001	109.3	107.8	109.8	108.1	6.2
	2002	114.3	105.9	111.5	109.9	1.6
	2003	118.1	107.4	116.6	115.0	4.6
	2004	124.3	109.8	114.1	137.4	19.5
	2005	119.2	104.9	117.9	118.4	-13.9
19 - Manufacture of leather and leather products	2000	88.9	101.4	107.6	102.1	
	2001	96.6	101.3	109.1	94.5	-7.5
	2002	94.5	99.4	105.3	88.0	-6.8
	2003	101.9	107.4	112.8	103.6	17.6
	2004	103.8	102.4	104.5	109.4	5.6
	2005	98.8	105.7	118.9	119.6	9.3
21 - Manufacture of paper and paper products	2000	92.5	93.3	101.8	112.4	
	2001	87.0	94.6	88.0	90.0	-19.9
	2002	84.9	78.5	81.4	95.4	5.9
	2003	95.3	102.8	105.2	101.4	6.3
	2004	83.8	79.2	104.5	107.0	5.6
	2005	99.2	107.4	109.4	114.7	7.2
22 - Publishing and printing	2000	97.1	100.3	100.6	101.9	
	2001	93.4	99.2	101.4	103.5	1.6
	2002	103.6	102.7	105.7	111.7	8.0
	2003	112.3	110.6	112.4	115.7	3.5
	2004	119.7	122.3	118.2	129.6	12.0
	2005	122.3	122.9	146.6	137.1	5.8
24 - Manufacture of chemicals and chemical products	2000	93.8	96.5	106.4	103.3	
	2001	96.1	96.4	101.6	101.9	-1.4
	2002	106.3	99.5	106.1	104.7	2.7
	2003	107.4	109.3	105.2	105.6	0.9
	2004	109.9	99.8	113.2	105.1	-0.4
	2005	104.5	101.9	109.8	132.4	25.9
25 - Manufacture of rubber and plastic products	2000	90.6	100.8	97.2	111.4	
	2001	98.7	76.9	95.0	92.3	-17.2
	2002	91.4	95.8	97.0	93.6	1.5
	2003	97.7	94.0	92.9	109.3	16.8
	2004	104.4	92.6	97.1	94.2	-13.8
	2005	105.8	95.2	101.0	97.1	3.1
26 - Manufacture of other non-metallic mineral products	2000	97.6	96.0	100.2	106.3	
	2001	104.1	104.7	102.3	107.1	0.8
	2002	114.4	108.7	114.3	116.1	8.4
	2003	118.4	123.3	115.4	120.4	3.6
	2004	114.9	123.9	124.3	128.9	7.1
	2005	117.6	123.7	124.4	112.0	-13.1

... Table 3. Indices by Industrial Sectors

NACE	Year	Q1	Q2	Q3	Q4	Annual (Q4) %change
28 - Manufacture of fabricated metal products	2000	100.2	100.0	98.4	101.4	
	2001	112.5	112.9	104.3	108.8	7.3
	2002	110.4	117.4	128.0	135.2	24.3
	2003	129.7	130.6	135.2	127.9	-5.4
	2004	123.2	132.9	117.8	127.5	-0.3
	2005	166.0	139.0	152.8	152.8	19.9
29 - Manufacture of machinery and equipment n.e.c.	2000	109.5	100.2	95.3	95.0	
	2001	87.6	99.3	97.5	106.2	11.8
	2002	98.3	98.3	102.7	102.0	-4.0
	2003	103.7	106.9	109.3	97.9	-4.0
	2004	110.6	103.5	106.0	108.5	10.8
	2005	117.0	99.0	99.0	97.0	-10.5
31 - Manufacture of electrical machinery and apparatus	2000	94.9	92.5	95.3	117.3	
	2001	81.0	91.5	90.7	95.4	-18.7
	2002	85.5	87.0	92.0	91.7	-3.9
	2003	91.9	90.1	95.0	96.1	4.9
	2004	101.4	89.2	95.5	88.4	-8.0
	2005	95.5	96.7	96.9	92.5	4.6
32 - Manufacture of radio, TV, communication equipment, etc.	2000	93.8	102.0	103.9	100.3	
	2001	95.0	95.7	94.7	97.1	-3.3
	2002	98.2	99.0	98.2	103.0	6.2
	2003	97.5	101.5	107.7	109.0	5.8
	2004	106.4	101.3	112.5	107.5	-1.3
	2005	106.1	106.0	108.9	105.5	-1.9
33 - Manufacture of medical, precision and optical instruments, etc.	2000	96.5	99.6	105.6	98.3	
	2001	92.3	95.1	103.4	89.8	-8.6
	2002	103.0	95.4	95.3	104.0	15.8
	2003	108.0	81.0	107.6	102.5	-1.5
	2004	106.8	101.3	107.2	108.2	5.5
	2005	105.5	101.5	96.9	111.1	2.7
34 - Manufacture of motor vehicles, trailers and semi-trailers	2000	96.1	106.0	96.6	101.3	
	2001	95.4	102.1	96.0	111.2	9.8
	2002	103.4	111.8	105.3	117.0	5.2
	2003	115.2	111.9	110.4	114.6	-2.0
	2004	125.6	121.3	117.5	128.0	11.7
	2005	130.7	132.5	138.6	136.3	6.5
35 - Manufacture of other transport equipment	2000	93.3	96.1	107.0	103.5	
	2001	119.5	111.7	110.9	101.9	-1.6
	2002	99.1	119.8	100.0	129.8	27.4
	2003	111.5	173.7	113.2	101.3	-21.9
	2004	97.4	95.4	123.0	120.4	18.8
	2005	143.0	143.5	183.5	170.7	41.8
36 - Manufacture of furniture and other manufacture N.E.C.	2000	100.6	92.1	105.5	101.8	
	2001	101.8	107.0	115.9	112.2	10.3
	2002	140.4	130.6	135.9	134.4	19.8
	2003	126.6	119.0	132.8	150.4	11.9
	2004	140.8	135.3	139.3	160.4	6.6
	2005	150.9	139.7	146.1	162.4	1.3
37 - Recycling	2000	97.1	108.1	101.7	93.0	
	2001	94.8	92.1	91.4	96.8	4.0
	2002	254.0	273.3	230.0	233.6	141.5
	2003	275.1	253.4	313.4	129.2	-44.7
	2004	135.2	137.6	127.4	278.2	115.3
	2005	133.8	128.3	143.0	100.7	-63.8
40 - Electrical energy, gas steam and hot water	2000	98.5	102.1	97.4	102.0	
	2001	102.5	98.7	102.4	103.8	1.8
	2002	102.9	103.2	103.5	108.9	5.0
	2003	115.1	102.1	95.9	77.1	-29.2
	2004	148.3	108.3	111.5	90.3	17.1
	2005	154.2	115.1	99.7	118.0	30.7
41 - Collection, purification and distribution of water	2000	95.0	102.6	97.6	104.7	
	2001	98.1	95.9	127.8	96.5	-7.8
	2002	104.4	100.7	124.6	101.0	4.6
	2003	108.5	138.1	141.9	107.9	6.8
	2004	109.1	112.2	127.1	108.8	0.9
	2005	112.4	111.6	138.9	108.5	-0.3

Methodological Notes

KEY TO NACE CLASSIFICATION

- 14 - Quarrying
- 15 - Food and beverages
- 16 - Manufacture of tobacco products
- 17 - Manufacture of textiles and textile products
- 18 - Manufacture of wearing apparel and clothes
- 19 - Manufacture of leather and leather products
- 21 - Manufacture of paper and paper products
- 22 - Publishing and printing
- 24 - Manufacture of chemicals and chemical products
- 25 - Manufacture of rubber and plastic products
- 26 - Manufacture of other non-metallic mineral products
- 28 - Manufacture of fabricated metal products
- 29 - Manufacture of machinery and equipment n.e.c.
- 31 - Manufacture of electrical machinery and apparatus
- 32 - Manufacture of radio, TV, communication equipment, etc.
- 33 - Manufacture of medical, precision and optical instruments, etc.
- 34 - Manufacture of motor vehicles, trailers and semi-trailers
- 35 - Manufacture of other transport equipment
- 36 - Manufacture of furniture and other manufacture N.E.C.
- 37 - Recycling
- 40 - Electrical energy, gas steam and hot water
- 41 - Collection, purification and distribution of water

METHODOLOGICAL NOTES

Labour costs indices show the short-term development of the cost for employers of employing the labour force on an hourly basis. The index covers quarrying, manufacturing and energy economic activities. Labour costs include gross wages and salaries and employers social security contributions connected to employment.

DATA COLLECTION AND INDEX COMPILATION

Data has been collected by means of a statistical sample survey. For each NACE division (for example NACE Division 14 for quarrying), a sample was selected. The selected enterprises were requested to provide information, including hours worked and wages and salaries, employers' social contribution. On the basis of the information provided, indices have been calculated for each Division, showing the level of the labour cost relative to the average level throughout the base year 2000, in the case of the data presented here. The results are compiled and published according to NACE (the statistical classification of economic activities in the European Community).

Note that the data presented have not been seasonally adjusted

MAIN INDUSTRIAL GROUPINGS

The objective of MIGS (Main Industrial Groupings) is to provide an activity breakdown of industry (Sections C to E inclusive of NACE) which is an intermediate level between the sections and sub-Sections. The need for an intermediate level comes from the fact that the three sections provide only a limited amount of detail. The 17 sub-sections belonging to these 3 sections are too numerous and also too difficult in size to make an aggregate analysis of the current development trends of industry.

There are 5 MIGS. These regroup all of the activities between Sections C to E and cover economic activities from quarrying, all manufacturing sectors and the water & energy sectors. These are:

- Capital Goods
- Consumer Durables
- Consumer Non Durables
- Energy
- Intermediate Goods

STATUS OF THE DATA

The data contained in this release should be considered as current and thereby subject to revision. Each release may include revisions of the past quarterly data in respect of a rolling two year period.

SUMMARY DEFINITIONS OF KEY VARIABLES:

Hours worked: are defined as the total number of hours worked by employees represents the aggregate number of hours actually worked for the output of the observation unit during the reference period.

Included are hours actually worked during normal working hours, during overtime, time which is spent at the place of work on tasks such as preparing the site and time corresponding to short periods of rest at the work place.

This variable excludes hours paid but not actually worked such as for annual leave, holidays and sick leave. It also excludes meal breaks and commuting between home and work.

Wages & Salaries: are defined as 'the total remuneration, in cash or in kind, payable to all persons counted on the payroll (including home-workers), in return for work done during the accounting period' regardless of whether it is paid on the basis of working time, output or piecework and whether it is paid regularly or not.

Wages and salaries include: all gratuities, bonuses, ex gratia payments, 13th month payments, severance payments, lodging, transport, cost-of-living, and family allowances, tips, commission, attendance fees, etc. received by employees, as well as taxes, social security contributions and other amounts payable by employees and withheld at source by the employer. Wages and salaries which the employer continues to pay in the event of illness, occupational accident, maternity leave or short-time working may be recorded here or under social security costs, dependent on the unit's accounting practices.

Wages and salaries also include the values of any social contributions, income taxes, etc. payable by the employee even if they are actually withheld by the employer and paid directly to social insurance schemes, tax authorities, etc. on behalf of the employee. Wages and salaries do not include social contributions payable by the employer.

Employers' Social Security Contribution: is defined as the employers' social security costs corresponding to the amount equal to the value of the social contributions incurred by employers in order to secure for their employees the entitlement to social benefits.