

15 September 2017

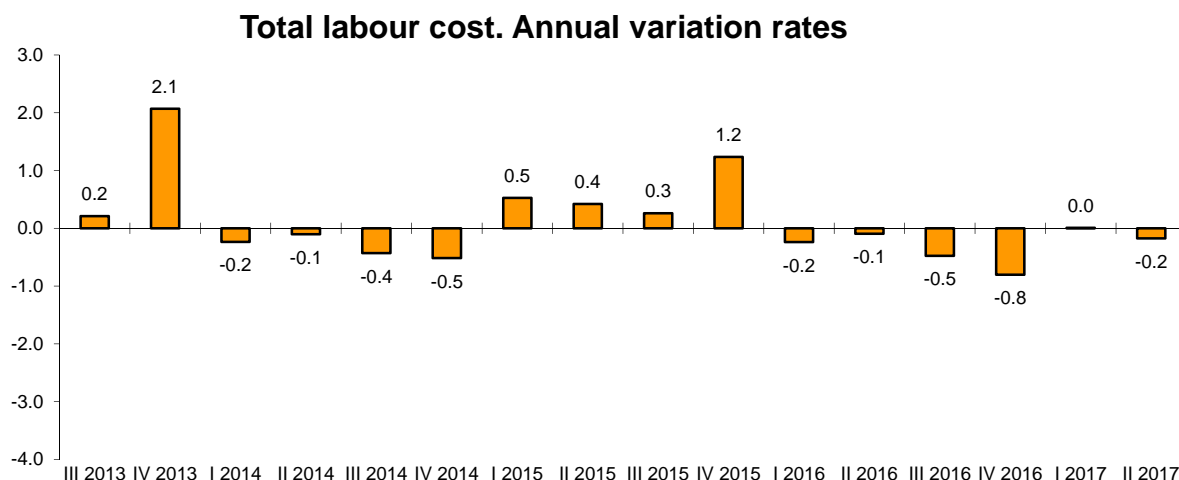
Quarterly Labour Cost Survey (QLCS) Second quarter of 2017

Main results

- The labour cost of companies increases 0.2% in the second quarter of 2017, as compared to the same period of 2016, standing at 2,584.58 euros per worker per month.
- Wage cost by worker and month decreases 0.1% and reaches 1,942.01 euros on average. In turn, other costs decrease by 0.5%, standing at 642.57 euros per worker and per month.
- During the second quarter of 2017, the average agreed working week was 34.3 hours, considering together full-time and part-time. Of these, 4.3 hours per week were lost, of which 2.7 were due to vacations and public holidays.
- The annual rate of the labour cost per effective hour increased 3.8%, as a result of the lower number of hours worked. This was because Easter was held in the second quarter this year, while in 2016 it was celebrated in the first one.
- In a quarterly rate, and with corrected calendar and seasonally adjusted data, both the labor cost per worker and the cost per hour effective do not change with respect to the previous quarter.
- According to seasonal and calendar effects adjusted results, both the labour cost per worker and the labour cost per effective hour worked decreased by 0.2% in the second quarter of 2017 compared with the same period in 2016.
- In the second quarter of 2017, the number of vacancies is 82,826. 88.6% is registered in the Services sector.

Labour cost by components

The labour cost per worker and month reached 2,584.58 euros for the second quarter of 2017, indicating a decrease of 0.2% as compared with the same period the previous year.



Of the total cost per worker and month incurred by an employer for the use of the work factor, 1,942.01 euros corresponded to wages and 590.47 euros to compulsory Social Security contributions. The remainder corresponded to compensation for dismissal, social benefits...

The wage cost, which includes base salary, wage supplements, overtime payments, extraordinary payments and arrears, measured in gross terms, drops by 0.1% in annual rate, going from 1,943.01 to 1,942.01 euros per worker. If the variable factor is excluded from wages (extraordinary and delayed payments), the ordinary wage cost is obtained, with a decrease of 0.1%.

Other costs (non-wage costs) decreased 0.5%. Their main component, compulsory Social Security contributions, increased by 0.8%. Non-salary perceptions decrease with respect to the same period of the previous year, due to the fall in direct social benefits, especially severance pay, and other non-wage perceptions (severance payments, compensatory payments, small tools, clothing work, selection of personnel, etc.).

The labour cost per hour increased by 3.8%. This increase, which contrasts with the fall in the cost per worker, is due to the effect of Holy Week. After adjusting this and the calendar effect, the cost per hour is down 0.2%.

Labour cost per worker

	Euros	Rate 1
Total labour cost.	2,584.58	-0.2
Wage cost	1,942.01	-0.1
Other costs	642.57	-0.5

Other costs (non-labour costs)

	Euros	Rate 1
Total (other costs)	642.57	-0.5
Compulsory contributions	590.47	0.8
Non-wage payments	64.84	-12.6
Subsidies and allowances ²	12.73	-9.4

Wage cost

	Euros	Rate 1
Total wage cost.	1,942.01	-0.1
Ordinary wage cost	1,629.39	-0.1

1 As compared to the same quarter of the previous year

Cost per hour

	Euros	Rate 1
Cost per effective hour	19.67	3.8
Cost per paid hour	17.27	-0.3

2 Subsidies are taken out of the other costs

Labour cost by economic sector

Industry is the only sector that increased its total labour cost this quarter. It presented growth in almost all the labour cost components.

Construction registered the greatest decrease in total labour cost. Most of the components decrease, in particular the other costs for the reduction in severance pay.

In the Services sector, the total wage cost does not vary, but the rest of the main components of the labor cost decrease.

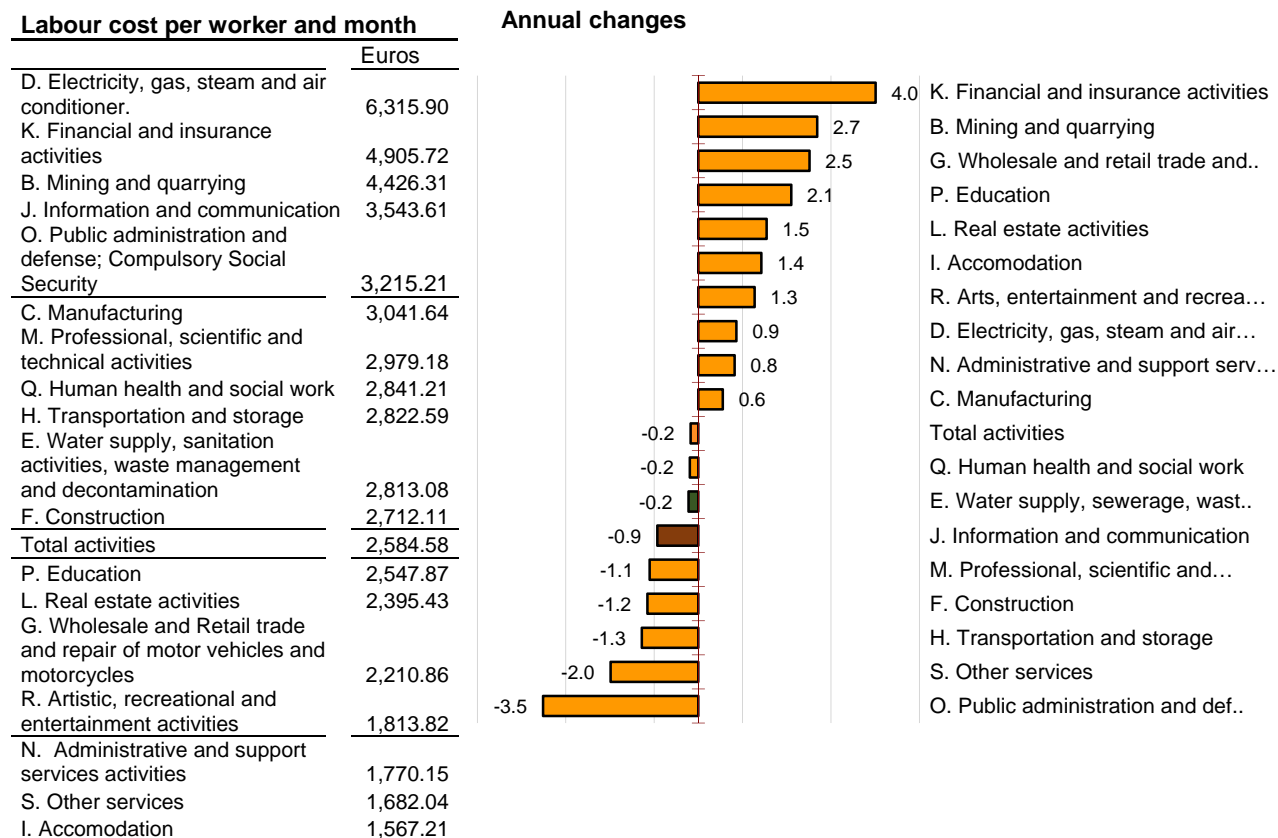
Labour cost by economic sector

	Total labour cost.		Total wage cost.		Ordinary wage cost		Other costs	
	Euros	Rate ¹	Euros	Rate ¹	Euros	Rate ¹	Euros	Rate ¹
TOTAL	2,584.58	-0.2	1,942.01	-0.1	1,629.39	-0.1	642.57	-0.5
Industry	3,105.82	0.4	2,319.07	0.3	1,904.41	0.3	786.75	0.9
Construction	2,712.11	-1.2	1,944.00	-1.1	1,609.52	-0.5	768.11	-1.2
Services	2,479.93	-0.2	1,872.63	0.0	1,580.28	-0.1	607.30	-0.9

¹ As compared to the same quarter of the previous year

By activity sections, the largest labour cost increases were in the Financial and Insurance Activities, Extractive Industries, and Wholesale and Retail Trade; repair of motor vehicles and motorcycles.

On the contrary, Public administration and defense; Compulsory Social Security, Other services and Transport and storage registered the largest decreases.



Labour cost by Autonomous Community

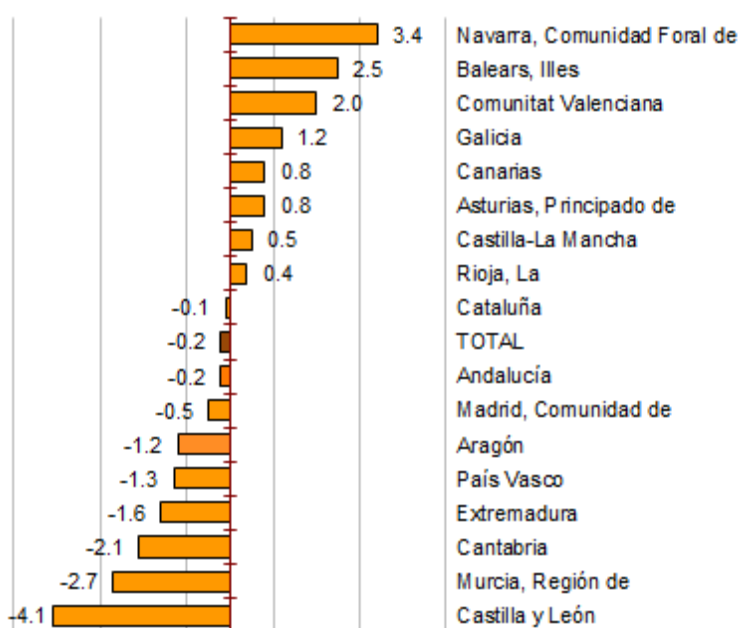
The labour cost in Comunidad de Madrid and País Vasco exceeded the national average by more than 300 euros. In Extremadura and Canarias, this cost is lower than the average in the same amount.

Looking at the annual cost growth, Comunidad Foral de Navarra, Illes Balears and Comunitat Valenciana, had the highest rates. In contrast, Castilla y León, Region of Murcia and Cantabria recorded the largest decreases.

Labour cost per worker and month

	Euros
Madrid, Comunidad de	3,021.11
País Vasco	2,920.37
Cataluña	2,773.08
Navarra, Comunidad Foral de	2,756.33
Asturias, Principado de	2,659.34
TOTAL	2,584.58
Aragón	2,508.79
Balears, Illes	2,428.92
Rioja, La	2,424.62
Cantabria	2,413.19
Castilla-La Mancha	2,346.30
Andalucía	2,340.30
Comunitat Valenciana	2,339.16
Castilla y León	2,320.31
Murcia, Región de	2,295.35
Galicia	2,259.71
Canarias	2,201.34
Extremadura	2,116.60

Annual changes

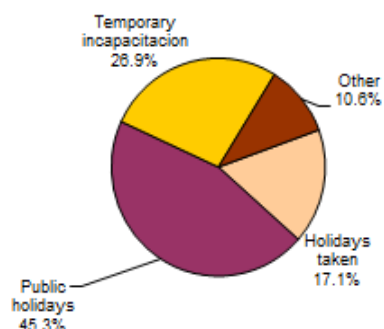


Working time

During the second quarter of 2017, the average agreed working week, considering full-time and part-time together, is 34.3 hours. Of these, an average of 4.3 hours were lost per week, most of which were due to vacations and public holidays (2.7).

After adding overtime and subtracting lost hours, the working week was reduced to 30.2 effective hours worked.

Non-worked hours



Other non-worked hours (various reasons)

	Porcentaje
Maternity	4.8%
Compensated absences	2.3%
Overtime compensation	1.4%
Labour conflicts	1.4%
Hours lost at work	0.4%
Other hours not worked and not paid	0.3%
Hours lost at work due economical or technical reasons	0.1%
Other hours not worked but paid	0.1%

By type of working day, the wage difference between full-time and part-time workers is 5.12 euros per hour (15.52 euros/hour for full time versus 10.40 euros/hour for part time).

Regarding work time, full-time workers practically doubled the effective working hours performed by part-time workers (34.0 weekly hours as compared with 18.1).

Weekly hours ¹			Labour cost per hour		
	Effective hours	Hours lost		Euros	Rate ²
Total workers	30.2	4.3	Total workers	14.78	3.9
Full time	34.0	4.9	Full time	15.52	3.8
Part time	18.1	2.2	Part time	10.40	5.3

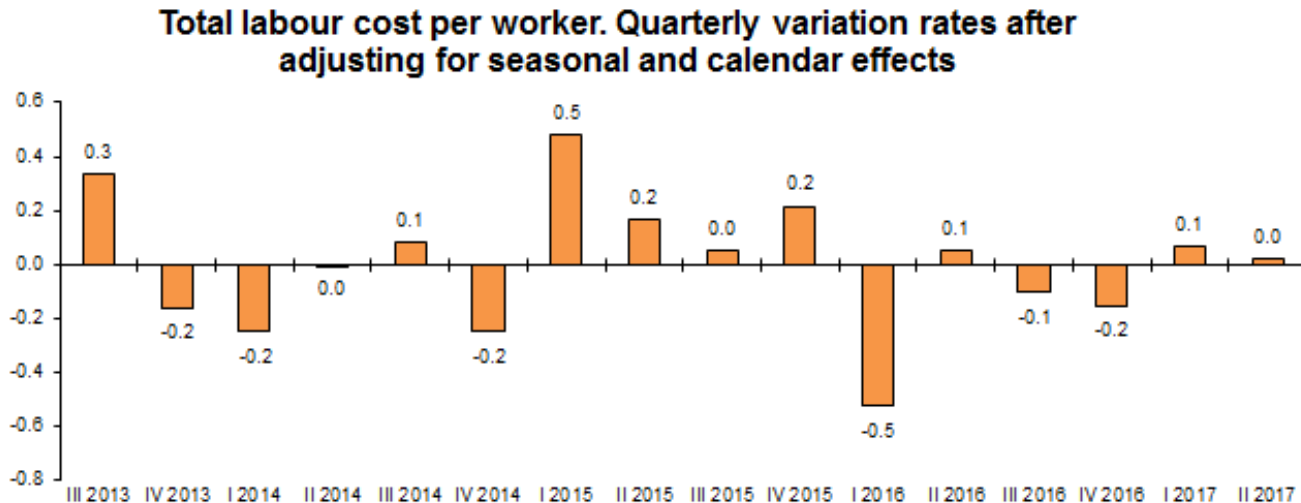
¹ For calculation purposes, a month is considered to have 4.35 weeks

² Same quarter than last year

Series adjusted for seasonal and calendar effects

In order to contribute to the analysis and interpretation of the data, the main adjusted for seasonal and calendar effects QLCS series are provided for the whole economy.¹

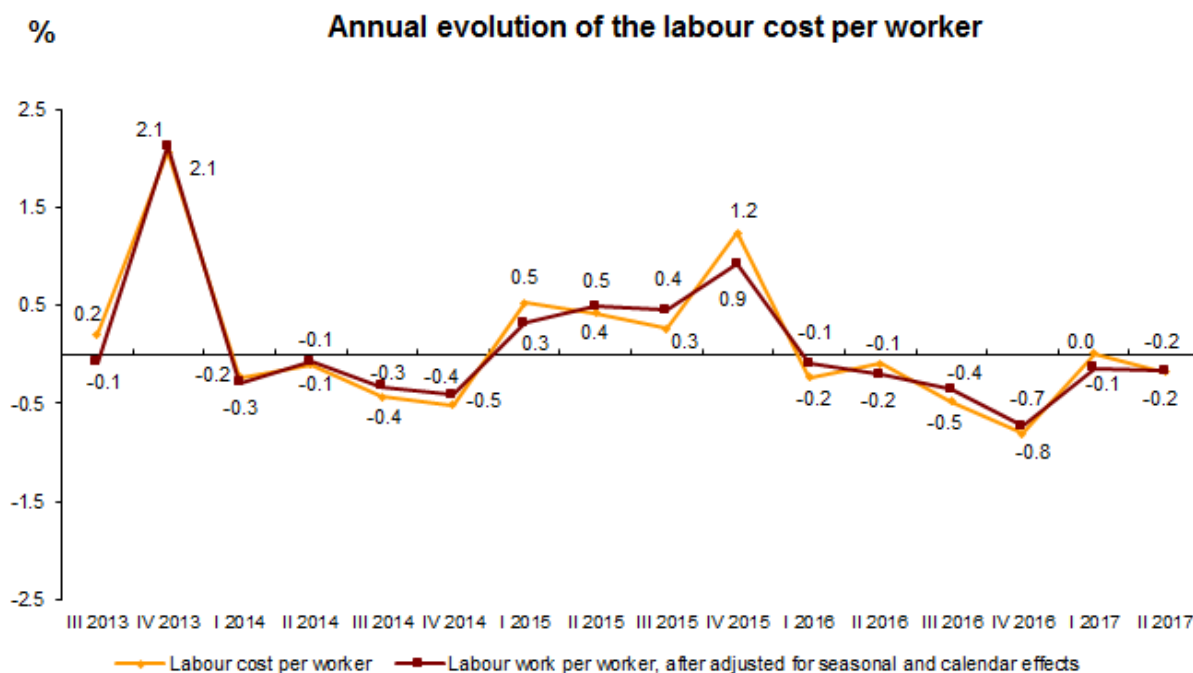
Between the second and the first quarter of 2017, the total labour costs did not vary, after adjusting for seasonal and calendar effects.



¹ These indicators have been seasonally adjusted in accordance with the INE Standard for adjusting seasonal and calendar effects in short-term series. This is available in the Methods and Standards section of the INE website.

Annual Labour Cost Evolution

The labour cost per worker adjusted for seasonal and calendar effects had an annual variation rate of -0.2%.



Job vacancies

In the second quarter of 2017, the number of vacancies stands at 82,826. Of those, 88.6% were in the Services sector.

The majority of questioned units responded that they don't have vacancies to be filled this quarter because they don't need additional workers.

Vacancies by sector

Vacancies	% of the total vacancies in each sector	Reasons why vacancies do not exist (percent distribution)				
		Total	No more workers needed	High hiring cost	Other	
TOTAL	82,826	100.0	100.0	93.5	4.6	1.9
Industry	6,234	7.5	100.0	94.2	3.7	2.0
Construction	3,218	3.9	100.0	92.6	5.3	2.0
Services	73,374	88.6	100.0	93.5	4.6	1.9

Vacancies by Autonomous Community

The communities with the largest number of vacancies in the first quarter were Cataluña, Comunidad de Madrid and Andalucía. In turn, those recording the least number were Cantabria, La Rioja and Principado de Asturias .

Looking at the percentage distribution, Cataluña, Comunidad de Madrid and Andalucía concentrated over half of total vacancies this quarter.

Vacancies by Autonomous Community

	Vacancies
TOTAL	82,826
Cataluña	19,590
Madrid, Comunidad de	18,247
Andalucía	9,648
Comunitat Valenciana	9,408
País Vasco	4,528
Galicia	3,501
Castilla y León	3,012
Navarra, Comunidad Foral de	2,886
Castilla - La Mancha	2,485
Canarias	1,997
Extremadura	1,692
Aragón	1,663
Baleares, Illes	1,247
Murcia, Región de	1,093
Asturias, Principado de	858
Rioja, La	517
Cantabria	456

Percent distribution

