

18 December 2008

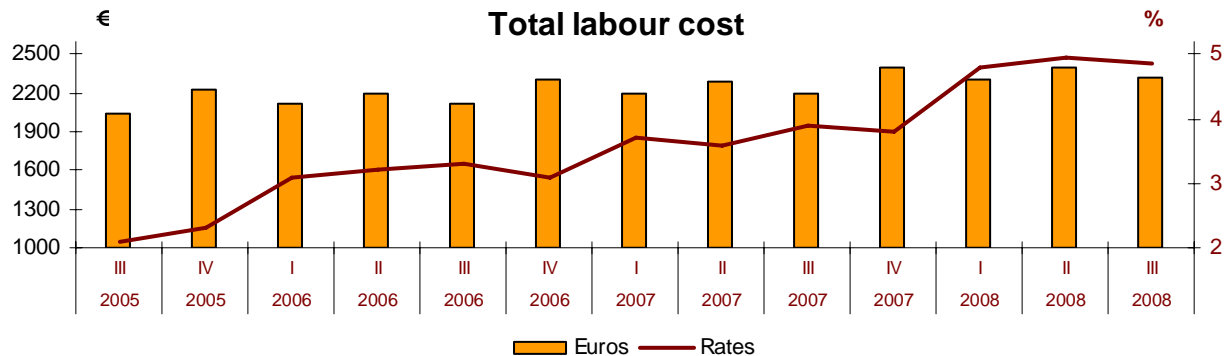
**Quarterly Labour Cost Survey (QLCS)
Third quarter 2008**

Main results

- The labour cost for companies increases 5.1% during the third quarter**, as compared with the same period in 2007, standing at **2,313.92** euros.
- The wage cost increases 5.3%**, reaching **1,692.62** euros per worker per month.
- The working day decreases **1.2%**, due to the fact that there are more bank holidays and holidays this quarter than during the same quarter of the previous year. **7.5 working hours per week are lost this quarter** on average, five of which are for holidays.
- The **labour cost per effective hour** increases 6.3%.
- As of the first quarter of 2009, the QLCS will be compiled considering the new Classification of Economic Activities, NACE-2009.** Moreover, during the year 2008, double encoding is being performed for the branches of activity, in terms of the NACE-1993 and the new classification, for the purpose of enabling the calculation of interannual indices and variation rates for the results of the Survey in 2009, and the linking of the main series.

Labour cost by component

The labour cost per worker per month reached 2,313.92 euros in the third quarter of 2008, indicating an increase of 5.1% as compared with the same period in 2007.



Of the total cost per worker per month to be paid by an employer, by using the work factor, 1,692.62 euros corresponded to wages and 549.09 euros to obligatory Social Security contributions. The remainder corresponded to compensation, social benefits, etc.

The wage cost, which comprises base salary, wage supplements, overtime payments, extraordinary payments and delayed payments, measured in gross terms, increased 5.3% in the interannual rate in the third quarter, rising from 1,608.06 euros to 1,692.62 euros per worker per month. If the variable factor is excluded from wages (overtime and delayed payments), the ordinary wage cost is obtained, which increased 5.4%.

Conversely, other costs (non-wage costs) increased 4.9%. Their main component, obligatory Social Security contributions, increased 3.9%.

The labour cost per hour increased 6.3%. This increase, which was more than that of the cost per worker, was due to the decrease in the number of effective hours worked, as a result of the higher number of bank holidays and holidays taken.

Labour cost per worker

	Euros	Rate ¹
Total labour cost	2,313.92	5.1
Wage cost	1,692.62	5.3
Other costs	621.30	4.9

Other costs (non-wage cost)

	Euros	Rate ¹
Total (other costs)	621.30	4.9
Obligatory contributions	549.09	3.9
Non-wage payments	91.00	8.4
Subsidies and bonuses ²	18.78	-4.6

Wage cost

	Euros	Rate ¹
Total wage cost	1,692.62	5.3
Ordinary wage cost	1,547.87	5.4

Hourly cost

	Euros	Rate ¹
Effective hourly cost	18.46	6.3

¹ Same quarter last year

² Subsidies are subtracted from other costs

Labour cost by economic sector

Industry was the sector presenting the smallest increase in labour cost, due to wage restraint and other costs, with a lesser repercussion from dismissals than in the third quarter of 2007.

Construction was the sector presenting the greatest increase in total labour cost. Both of its components increased, and in particular, other costs, as a result of the increase in dismissals and end-of-contract compensation.

Worth noting in the services sector was a smaller increase in other costs, resulting from the moratorium in the payment of Social Security quotas in the transport activity branches.

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	2,313.92	5.1	1,692.62	5.3	1,547.87	5.4	621.30	4.9
Industry	2,627.97	4.8	1,921.87	4.8	1,722.16	5.8	706.10	5.1
Construction	2,319.76	6.0	1,583.92	5.8	1,491.53	5.3	735.84	6.5
Services	2,231.47	5.1	1,653.55	5.3	1,513.24	5.3	577.92	4.7

¹ Same quarter last cost

Labour cost by Autonomous Community

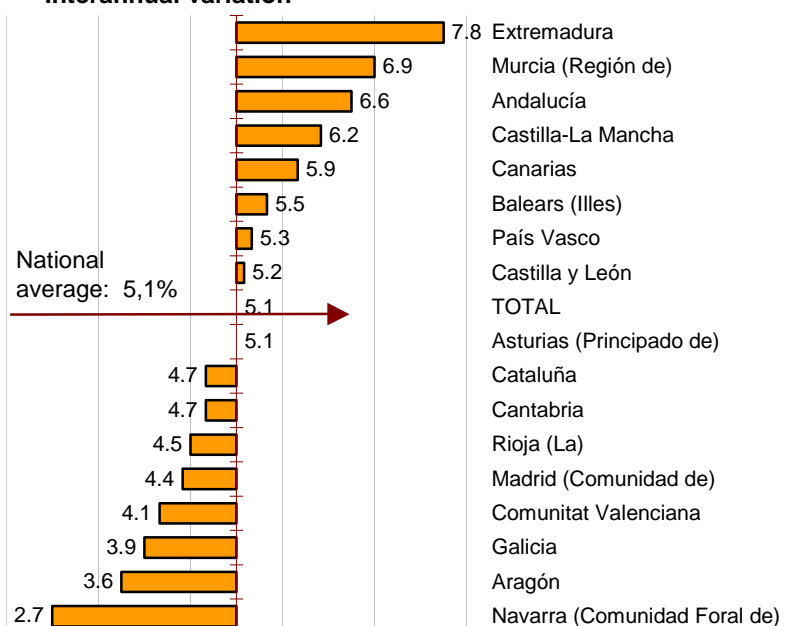
By Community, País Vasco and Comunidad de Madrid surpassed the national average labour cost by more than 300€. In Extremadura, Región de Murcia, Canarias and Galicia, said cost was lower than the average, by approximately the same amount.

By growth, Extremadura presented the highest rate, due to the increase in other costs (mainly from the presence of dismissals, which had occurred less in previous quarters). At the other extreme, Comunidad Foral de Navarra registered the greatest moderation in both wage and non-wage costs.

Labour cost per worker per month

	Euros
País Vasco	2,804.44
Madrid (Comunidad de)	2,691.42
Navarra (Comunidad Foral de)	2,479.08
Cataluña	2,409.84
TOTAL	2,313.92
Asturias (Principado de)	2,309.84
Aragón	2,275.70
Cantabria	2,222.08
Balears (Illes)	2,169.62
Castilla y León	2,157.51
Andalucía	2,143.96
Castilla-La Mancha	2,117.73
Rioja (La)	2,086.71
Comunitat Valenciana	2,073.40
Galicia	2,029.53
Canarias	1,995.08
Murcia (Región de)	1,991.02
Extremadura	1,977.10

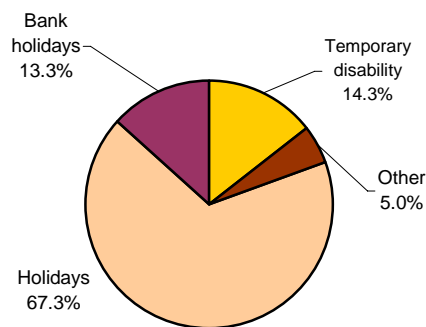
Interannual variation



Work time

During the third quarter of 2008, the average working week (considering full-time and part-time together) stood at 36.1 agreed hours per week. An average of 7.5 hours were lost per week, most due to holiday leave. After adding overtime and subtracting hours lost, the working week was reduced to 28.8 effective working hours.

Hours not worked



Other hours not worked (different reasons)

	Porcentaje
Maternity	49.2%
Paid leave	18.0%
Overtime compensation	15.3%
Labour disputes	7.9%
Lost hours at the workplace	3.2%
Other hours not worked and not paid	2.6%
Hours lost for technical or economic reasons	2.1%
Other hours paid but not worked	1.6%

The wage difference between **full-time and part-time** workers was 3.93 euros per hour (13.86 euros/hour for full-time and 9.93 euros/hour for part-time). Full-time workers practically doubled the effective working hours performed by part-time workers (30.9 weekly hours for full-time and 17.2 weekly hours for part-time workers).

Hours per week¹

	Effective hours	Lost hours
Total workers	28.8	7.5
Full-time	30.9	8.2
Part-time	17.2	3.7

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

Hourly wage cost

	Euros	Rate ²
Total workers	13.51	6.5
Full-time	13.86	6.6
Part-time	9.93	6.4

² Same quarter last year

Quarterly Labour Cost Survey (QLCS)

Third Quarter 2008

Base Year 2000

Total Labour Cost

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate 1	Euros	Index	Rate 1
TOTAL	2,313.92	131.6	5.1	18.46	147.0	6.3
Industry	2,627.97	132.8	4.8	21.09	154.6	6.2
Construction	2,319.76	142.1	6.0	16.72	154.2	7.0
Services	2,231.47	131.3	5.1	18.14	145.2	6.2

¹ Same quarter, previous year

2. Results by autonomous community

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate 1	Euros	Index	Rate 1
TOTAL	2,313.92	131.6	5.1	18.46	147.0	6.3
Andalucía	2,143.96	133.6	6.6	16.34	143.8	6.4
Aragón	2,275.70	131.5	3.6	17.90	141.7	3.5
Asturias (Principado de)	2,309.84	131.6	5.1	18.51	143.0	5.8
Balears (Illes)	2,169.62	138.5	5.5	15.87	146.7	7.2
Canarias	1,995.08	132.6	5.9	14.78	140.2	6.5
Cantabria	2,222.08	134.2	4.7	17.50	147.8	8.8
Castilla y León	2,157.51	129.6	5.2	17.27	144.4	5.4
Castilla-La Mancha	2,117.73	138.9	6.2	15.88	150.0	6.5
Cataluña	2,409.84	130.8	4.7	20.08	150.1	6.1
Comunitat Valenciana	2,073.40	130.7	4.1	16.61	147.1	5.1
Extremadura	1,977.10	136.9	7.8	14.88	144.7	6.4
Galicia	2,029.53	132.3	3.9	15.70	146.2	6.0
Madrid (Comunidad de)	2,691.42	129.3	4.4	21.76	148.9	7.6
Murcia (Región de)	1,991.02	137.1	6.9	16.41	155.7	5.6
Navarra (Comunidad Foral de)	2,479.08	128.1	2.7	20.37	143.3	2.9
País Vasco	2,804.44	136.4	5.3	24.77	161.1	7.1
Rioja (La)	2,086.71	125.6	4.5	17.44	147.5	5.8

¹ Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

Third Quarter 2008

Base Year 2000

Wages and Salaries

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ¹	Euros	Index	Rate ¹
TOTAL	1,692.62	127.6	5.3	13.51	142.7	6.5
Industry	1,921.87	129.2	4.8	15.43	150.4	6.2
Construction	1,583.92	133.2	5.8	11.42	144.7	6.8
Services	1,653.55	128.0	5.3	13.44	141.6	6.3

¹ Same quarter, previous year

2. Results by autonomous community

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ¹	Euros	Index	Rate ¹
TOTAL	1,692.62	127.6	5.3	13.51	142.7	6.5
Andalucía	1,552.49	128.5	6.6	11.83	138.4	6.4
Aragón	1,651.43	127.7	3.1	12.99	137.6	3.1
Asturias (Principado de)	1,691.39	129.8	5.7	13.56	141.3	6.4
Balears (Illes)	1,594.31	135.4	6.0	11.66	143.4	7.7
Canarias	1,446.52	127.7	5.9	10.72	135.0	6.6
Cantabria	1,607.79	130.6	3.9	12.66	143.7	7.9
Castilla y León	1,580.76	127.8	5.8	12.65	142.3	5.9
Castilla-La Mancha	1,509.23	132.5	4.8	11.32	142.9	5.2
Cataluña	1,762.94	126.2	4.7	14.69	144.9	6.1
Comunitat Valenciana	1,493.63	126.6	4.5	11.96	142.4	5.4
Extremadura	1,417.43	130.8	6.1	10.67	138.2	4.7
Galicia	1,484.25	129.0	4.2	11.48	142.4	6.3
Madrid (Comunidad de)	1,999.30	125.4	4.7	16.16	144.3	7.8
Murcia (Región de)	1,439.51	133.7	7.1	11.87	152.0	5.9
Navarra (Comunidad Foral de)	1,836.57	126.6	2.9	15.09	141.7	3.1
País Vasco	2,088.45	134.8	5.9	18.45	159.2	7.8
Rioja (La)	1,517.49	122.4	4.9	12.68	143.6	6.2

¹ Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

Third Quarter 2008

Base Year 2000

Other Costs

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ¹	Euros	Index	Rate ¹
TOTAL	621.30	143.9	4.9	4.95	160.2	5.8
Industry	706.10	143.7	5.1	5.66	167.5	6.2
Construction	735.84	165.9	6.5	5.30	179.7	7.5
Services	577.92	141.9	4.7	4.70	156.7	5.9

¹ Same quarter, previous year

2. Results by autonomous community

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ¹	Euros	Index	Rate ¹
TOTAL	621.30	143.9	4.9	4.95	160.2	5.8
Andalucía	591.47	149.4	6.7	4.51	160.5	6.6
Aragón	624.27	142.9	4.9	4.91	153.9	4.7
Asturias (Principado de)	618.45	136.7	3.4	4.95	148.2	4.0
Balears (Illes)	575.31	148.0	4.2	4.21	156.5	6.0
Canarias	548.56	147.7	6.0	4.06	156.2	6.3
Cantabria	614.29	144.8	6.9	4.84	159.7	11.0
Castilla y León	576.75	134.8	3.6	4.62	150.5	3.8
Castilla-La Mancha	608.50	158.1	9.8	4.56	170.8	9.9
Cataluña	646.90	145.3	4.9	5.39	166.4	6.1
Comunitat Valenciana	579.77	142.7	3.3	4.65	160.9	4.5
Extremadura	559.67	155.3	12.4	4.21	164.5	11.1
Galicia	545.28	142.4	3.1	4.22	157.5	5.2
Madrid (Comunidad de)	692.12	142.4	3.7	5.60	164.2	6.9
Murcia (Región de)	551.51	146.8	6.3	4.54	166.3	4.8
Navarra (Comunidad Foral de)	642.51	132.6	2.1	5.28	148.3	2.3
País Vasco	715.99	141.2	3.6	6.32	166.8	5.3
Rioja (La)	569.22	135.3	3.6	4.76	159.2	4.8

¹ Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

Third Quarter 2008

Base Year 2000

Time worked

1. National results

	Monthly hours per employee								
	Total employees			Full time			Part time		
	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked
TOTAL	157.2	125.3	32.6	169.1	134.4	35.6	90.9	74.9	16.2
Industry	164.9	124.6	41.4	170.4	128.4	43.2	83.2	68.3	15.1
Construction	167.7	138.7	29.5	170.9	141.3	30.1	87.4	73.1	14.5
Services	153.2	123.0	30.9	168.3	134.7	34.5	91.6	75.5	16.4

2. Results by autonomous community

	Monthly hours per employee								
	Total employees			Full time			Part time		
	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked	Hours agreed	Hours actually worked	Hours not worked
TOTAL	157.2	125.3	32.6	169.1	134.4	35.6	90.9	74.9	16.2
Andalucía	156.2	131.2	25.7	168.8	141.5	28.2	94.3	80.9	13.7
Aragón	158.0	127.2	31.8	169.5	136.2	34.4	84.0	68.8	15.3
Asturias (Principado de)	155.4	124.8	31.3	166.6	133.2	34.3	81.8	69.5	12.3
Balears (Illes)	156.4	136.7	20.3	169.7	147.1	23.3	104.8	96.4	8.7
Canarias	161.0	135.0	26.3	171.0	143.0	28.4	90.7	79.1	11.7
Cantabria	156.5	127.0	30.4	169.4	137.2	33.2	86.3	71.1	15.4
Castilla y León	152.7	124.9	28.3	167.7	136.7	31.5	84.4	71.1	13.3
Castilla-La Mancha	158.8	133.3	26.3	169.1	141.8	28.2	85.8	73.5	12.5
Cataluña	157.9	120.0	38.8	170.2	128.8	42.5	90.3	72.1	18.4
Comunitat Valenciana	158.6	124.8	34.3	170.0	133.4	37.3	92.2	75.3	17.0
Extremadura	157.9	132.9	25.5	168.1	141.5	27.2	85.3	71.5	13.9
Galicia	156.2	129.3	27.7	170.0	140.1	30.6	86.6	74.1	13.2
Madrid (Comunidad de)	158.9	123.7	36.1	168.9	131.5	38.5	95.7	74.9	21.0
Murcia (Región de)	155.0	121.3	34.4	169.1	131.9	38.0	90.8	73.2	17.8
Navarra (Comunidad Foral de)	153.5	121.7	32.9	167.3	132.3	36.3	79.9	65.4	14.7
País Vasco	152.9	113.2	40.2	164.7	121.4	44.0	83.7	65.4	18.3
Rioja (La)	155.7	119.7	36.8	169.3	129.1	41.0	86.5	71.5	15.3