

13 March 2008

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

Main results

–**The labour cost for companies increases 5.4% during the fourth quarter**, as compared with the same period in 2007, standing at **2,534.86** euros. This is the greatest interannual growth since these statistics began.

–**The wage cost increases 4.9%**, reaching 1,897.24 euros per worker per month. Construction is the sector recording the greatest increase.

–**Non-wage costs increase 6.7%**, standing at 637.62 euros per worker per month.

–The working day increases 2.0%, mainly due to the fact that there are fewer public holidays this quarter than during the same quarter the previous year, and also due to the decrease in working hours lost due to illness. **4.7 working hours per week are lost this quarter** on average.

–The **labour cost per effective hour** increases 3.3%.

–**As of the year 2009, the QLCS will be compiled using the new Classification of Economic Activities, CNAE-2009.** During the year 2008, a double encoding of the activity has been performed, which will allow for comparing the current QLCS (compiled within the scope of CNAE-93) with the new QLCS, which will be processed according to CNAE-2009 beginning with the data referring to the first quarter of 2009.

Labour cost by component

The labour cost per worker per month reached 2,534.86 euros in the fourth quarter of 2008, indicating an increase of 5.4% as compared with the same period in 2007. This growth in the labour cost was the greatest registered since the year 2000, when the Quarterly Labour Cost Survey began, and was mainly caused by the increase in non-wage costs.

In the fourth quarter of 2007, the labour cost grew at a rate of 4.1%.



Of the total cost per worker per month to be paid by an employer, by using the work factor, 1,897.24 euros corresponded to wages and 547.74 euros to compulsory Social Security contributions. The remainder corresponded to compensation, social benefits, ...

The wage cost, which comprised base salary, wage supplements, overtime payments, extraordinary payments and delayed payments, measured in gross terms, increased 4.9% in the interannual rate, rising from 1,807.87 euros to 1,897.24 euros per worker per month. If the variable factor is excluded from wages (extraordinary and delayed payments), the ordinary wage cost is obtained, which increased 5.1%.

Other costs (non-wage costs) increased 6.7%, mainly due to the increase in compensation for dismissal and end-of-contract compensation. The main component of other costs, obligatory Social Security contributions, presented a more moderate growth of 3.4%.

The labour cost per hour increased 3.3%. This increase, which was less than that of the cost per worker, was due to the increase in the number of effective hours worked, arising from the lower number of public holidays than the previous year. Also worth noting was a decrease in the number of working hours lost due to illness.

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

Wage cost

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

¹ Same quarter last year

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

Hourly cost

	Euros	Rate ¹
Effective hourly cost	18.46	6.3

² Subsidies are subtracted from other costs

Labour cost by economic sector

Construction was the sector presenting the greatest increase in total labour cost, as a result of the growth of other costs, particularly the increase in dismissals and end-of-contract compensation. The total wage cost in this sector registered a noteworthy increase produced by the payment for delays and pending obligations (end-of-contract settlements).

Industry followed in terms of growth, both of wages and of other costs.

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	2,534.86	5.4	1,897.24	4.9	1,548.32	5.1	637.62	6.7
Industry	2,911.90	5.4	2,173.07	4.9	1,723.07	5.0	738.83	6.8
Construction	2,583.49	7.8	1,817.99	6.2	1,495.95	4.8	765.50	11.9
Services	2,429.02	5.0	1,840.60	4.7	1,512.83	5.2	588.42	5.9

¹ Same quarter last cost

Labour cost by Autonomous Community

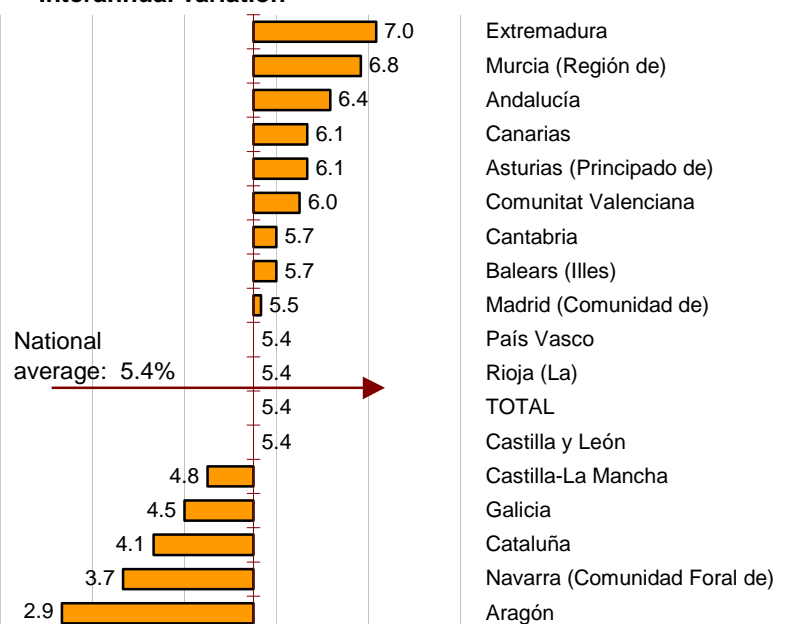
By Community, Comunidad de Madrid and País Vasco surpassed the national average labour cost by 400 euros. In Canarias and Extremadura, the labour cost was the same amount less than the national average.

Considering interannual growth, Extremadura and Región de Murcia registered the highest rates, while Aragón and Comunidad Foral de Navarra presented the smallest increases.

Labour cost per worker per month

	Euros
País Vasco	2,963.01
Madrid (Comunidad de)	2,933.05
Navarra (Comunidad Foral de)	2,738.30
Cataluña	2,718.20
TOTAL	2,534.86
Balears (Illes)	2,507.24
Aragón	2,502.53
Asturias (Principado de)	2,500.51
Cantabria	2,379.57
Castilla y León	2,364.76
Rioja (La)	2,359.01
Andalucía	2,291.65
Comunitat Valenciana	2,287.68
Castilla-La Mancha	2,252.42
Murcia (Región de)	2,218.20
Galicia	2,204.34
Canarias	2,114.79
Extremadura	2,108.81

Interannual variation

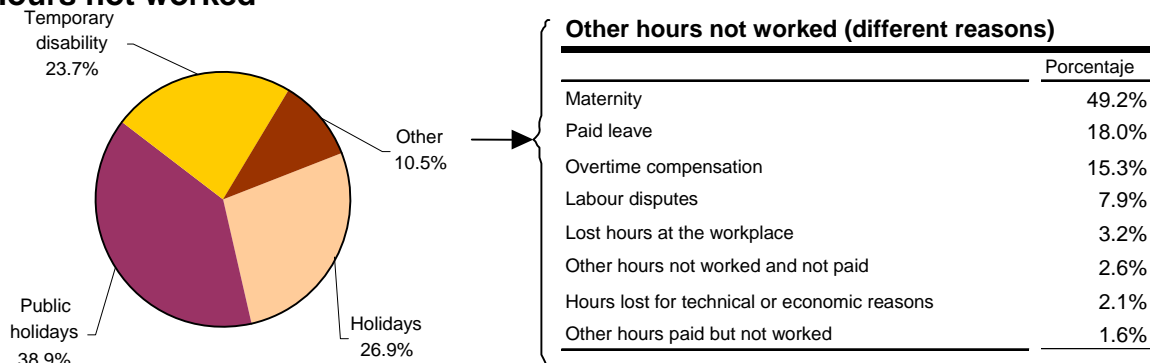


Work time

During the fourth quarter of 2008, the average working week (considering full-time and part-time together) stood at 35.82 agreed hours per week. An average of 4.7 hours were lost per week, most of which were due to public holidays and holiday entitlement.

After adding overtime and subtracting hours lost, the working week was reduced to 31.3 effective working hours.

Hours not worked



By type of **working day**, the wage difference between full-time and part-time workers was 4.24 euros per hour (14.32 euros/hour for full-time and 10.08 for part-time).

In terms of working time, full-time workers practically doubled the effective working hours performed by part-time workers (33.9 weekly hours for full-time and 17.9 weekly hours for part-time workers).

Hours per week¹

	Effective hours	Lost hours
Total workers	31.3	4.7
Full-time	33.9	5.1
Part-time	17.9	2.4

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

Hourly wage cost

	Euros	Rate ²
Total workers	13.92	2.8
Full-time	14.32	3.1
Part-time	10.08	1.2

² Same quarter last year

Quarterly Labour Cost Survey (QLCS)

Fourth Quarter 2008

Base año 2000

Total Labour Cost

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate 1	Euros	Index	Rate 1
TOTAL	2,534.86	144.2	5.4	18.60	148.1	3.3
Industry	2,911.90	147.1	5.4	20.57	150.8	3.7
Construction	2,583.49	158.2	7.8	17.67	163.0	5.2
Services	2,429.02	142.9	5.0	18.25	146.1	2.8

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	2,534.86	144.2	5.4	18.60	148.1	3.3
Andalucía	2,291.65	142.8	6.4	16.94	149.1	4.4
Aragón	2,502.53	144.6	2.9	18.62	147.4	2.8
Asturias (Principado de)	2,500.51	142.4	6.1	18.89	146.0	5.2
Balears (Illes)	2,507.24	160.0	5.7	19.22	177.6	6.1
Canarias	2,114.79	140.6	6.1	15.01	142.4	2.8
Cantabria	2,379.57	143.7	5.7	17.91	151.3	5.6
Castilla y León	2,364.76	142.1	5.4	18.06	151.0	5.5
Castilla-La Mancha	2,252.42	147.8	4.8	16.09	151.9	2.5
Cataluña	2,718.20	147.5	4.1	20.01	149.6	0.8
Comunitat Valenciana	2,287.68	144.2	6.0	16.78	148.6	4.2
Extremadura	2,108.81	146.0	7.0	15.40	149.8	6.7
Galicia	2,204.34	143.7	4.5	16.33	152.0	4.5
Madrid (Comunidad de)	2,933.05	140.9	5.5	20.79	142.3	2.4
Murcia (Región de)	2,218.20	152.7	6.8	16.53	156.8	4.8
Navarra (Comunidad Foral de)	2,738.30	141.5	3.7	20.98	147.6	2.7
País Vasco	2,963.01	144.1	5.4	22.40	145.6	3.6
Rioja (La)	2,359.01	142.0	5.4	17.45	147.6	3.4

¹ Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

Fourth Quarter 2008

Base año 2000

Wages and Salaries

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ¹	Euros	Index	Rate ¹
TOTAL	1,897.24	143.0	4.9	13.92	147.0	2.8
Industry	2,173.07	146.1	4.9	15.35	149.6	3.2
Construction	1,817.99	152.9	6.2	12.43	157.5	3.5
Services	1,840.60	142.4	4.7	13.83	145.7	2.5

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	1,897.24	143.0	4.9	13.92	147.0	2.8
Andalucía	1,685.69	139.5	5.7	12.46	145.7	3.8
Aragón	1,882.09	145.5	2.5	14.00	148.3	2.3
Asturias (Principado de)	1,871.37	143.6	5.5	14.14	147.3	4.7
Balears (Illes)	1,865.81	158.4	3.5	14.30	175.9	3.9
Canarias	1,557.66	137.5	5.9	11.05	139.2	2.6
Cantabria	1,724.62	140.0	3.5	12.98	147.3	3.4
Castilla y León	1,776.41	143.7	5.4	13.56	152.5	5.4
Castilla-La Mancha	1,671.80	146.7	4.8	11.94	150.8	2.5
Cataluña	2,049.21	146.7	3.8	15.08	148.7	0.5
Comunitat Valenciana	1,684.45	142.8	5.5	12.35	147.0	3.6
Extremadura	1,555.78	143.6	6.1	11.36	147.2	5.8
Galicia	1,646.68	143.1	4.5	12.20	151.4	4.5
Madrid (Comunidad de)	2,223.28	139.4	5.0	15.76	140.7	1.9
Murcia (Región de)	1,634.18	151.8	5.1	12.18	156.0	3.2
Navarra (Comunidad Foral de)	2,085.92	143.8	3.8	15.99	150.1	2.8
País Vasco	2,247.28	145.1	5.4	16.99	146.6	3.5
Rioja (La)	1,761.03	142.0	4.6	13.02	147.5	2.5

¹ Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

Fourth Quarter 2008

Base año 2000

Other Costs

1. National results

	Monthly labour cost per employee			Hourly labour cost		
	Euros	Index	Rate ¹	Euros	Index	Rate ¹
TOTAL	637.62	147.7	6.7	4.68	151.5	4.7
Industry	738.83	150.3	6.8	5.22	154.4	5.2
Construction	765.50	172.5	11.9	5.24	177.6	9.4
Services	588.42	144.5	5.9	4.42	147.3	3.5

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	637.62	147.7	6.7	4.68	151.5	4.7
Andalucía	605.96	153.1	8.2	4.48	159.4	6.2
Aragón	620.44	142.1	4.0	4.62	144.8	4.1
Asturias (Principado de)	629.14	139.1	7.8	4.75	142.2	7.0
Balears (Illes)	641.43	165.0	12.5	4.92	182.9	13.1
Canarias	557.13	150.0	6.6	3.96	152.3	3.4
Cantabria	654.95	154.4	11.9	4.93	162.7	11.8
Castilla y León	588.35	137.5	5.2	4.50	146.6	5.6
Castilla-La Mancha	580.62	150.8	4.8	4.15	155.4	2.5
Cataluña	668.99	150.2	4.9	4.93	152.2	1.6
Comunitat Valenciana	603.23	148.5	7.4	4.43	153.3	5.7
Extremadura	553.03	153.5	9.7	4.04	157.8	9.5
Galicia	557.66	145.6	4.6	4.13	154.1	4.6
Madrid (Comunidad de)	709.77	146.0	7.0	5.03	147.5	3.9
Murcia (Región de)	584.02	155.4	11.8	4.35	159.3	9.6
Navarra (Comunidad Foral de)	652.38	134.7	3.5	4.99	140.2	2.3
País Vasco	715.73	141.2	5.7	5.41	142.7	3.8
Rioja (La)	597.98	142.1	8.1	4.43	148.2	6.2

¹ Same quarter, previous year

Quarterly Labour Cost Survey (QLCS)

Fourth Quarter 2008

Base año 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	155.8	136.3	20.2	169	147.6	22.2	88.1	78	10.3
Industry	164.7	141.5	24.1	170.4	146.3	25.1	81.3	72.2	9.3
Construction	167.6	146.2	22	170.9	149	22.6	87.8	80	8
Services	151.3	133.1	18.9	168.1	147.7	21.2	88.6	78.4	10.4

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	155.8	136.3	20.2	169	147.6	22.2	88.1	78	10.3
Andalucía	154.9	135.3	20.3	168.4	147	22.1	90.3	79.1	11.4
Aragón	156.2	134.4	22.5	169.4	145.3	24.9	81.8	72.7	9.3
Asturias (Principado de)	154.2	132.4	22.5	167	142.7	25	77.1	69.6	7.8
Balears (Illes)	154.6	130.5	24.8	169	143.2	26.5	97.3	79.7	17.7
Canarias	160.2	140.9	19.6	170.9	150	21.2	88.4	79.7	8.8
Cantabria	155.7	132.9	23.7	169.3	144.1	26.2	85	74.3	10.7
Castilla y León	152.2	131	21.6	167.8	144.1	24.2	82.5	72.4	10.2
Castilla-La Mancha	157.1	140	17.7	169.1	150.9	19	81.2	71.7	9.8
Cataluña	155.4	135.9	20.5	170.1	148.3	22.9	87	77.7	9.5
Comunitat Valenciana	157.4	136.4	21.5	170	147	23.6	92.2	81.7	10.6
Extremadura	157.1	137	20.4	168.4	146.9	21.9	82.7	71.9	11
Galicia	155.2	135	20.9	169.9	147	23.5	85.7	78.4	8.2
Madrid (Comunidad de)	157.8	141.1	17.7	168.8	151.1	18.9	93.4	82.8	10.9
Murcia (Región de)	153.4	134.2	19.8	169.3	147.8	22.2	87.3	77.5	9.9
Navarra (Comunidad Foral de)	152.3	130.5	22.7	167.2	143.2	25.1	80.1	69.3	11.2
País Vasco	151.8	132.3	20	164.5	143	22.1	82.5	73.8	8.8
Rioja (La)	153.3	135.2	19.1	169	148.8	21.4	82.3	74	8.7