

10 March 2021

Harmonised Labour Cost Index (HLCI). Base 2016
Fourth quarter 2020. *Provisional data*

The quarterly variation of the cost per hour worked is 1.4%, after adjusting for seasonal and calendar effects

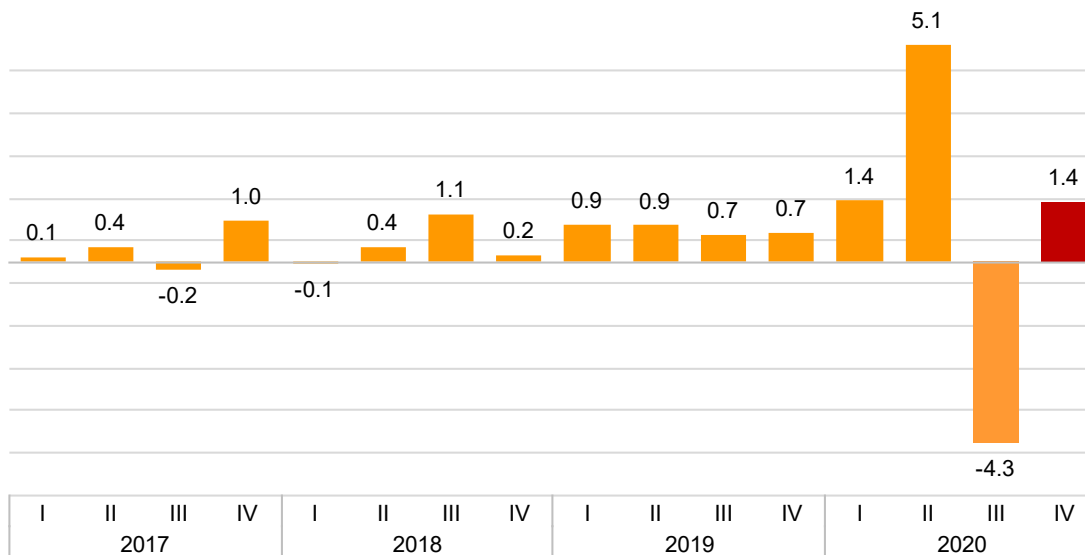
The cost per hour worked increases 3.5% in the annual rate in the series adjusted for calendar and seasonal effects, and 3.1% in the original series

Quarterly variation of the Index

The quarterly variation of the HLCI –which measures the labour cost per hour worked while keeping constant the structure by branch of activity– stood at 1.4% between the fourth and third quarter of 2018, after adjusting for seasonal and calendar effects.

Labour Cost Index adjusted for seasonal and calendar effects

Quarterly rate. Percentage



By cost components, after adjusting for seasonal and calendar effects, the cost of wages rose by 0.7% and other costs rose by 3.6%.

Excluding seasonal and calendar adjustment, the quarterly rate is 2.2%, mainly due to the higher weight of extraordinary payments in the fourth quarter of 2020 compared to the previous quarter.

Harmonised Labour Cost Index in the fourth quarter 2020

Index and quarterly rates by cost components

	General Index		Index adjusted for seasonal and calendar effects	
	Index	Rate	Index	Rate
Total labour cost	113.4	2.2	109.8	1.4
Wages	113.7	3.9	108.5	0.7
Other costs	112.7	-2.5	113.6	3.6
Labour costs excluding extraordinary and late payment	110.2	-4.1	110.5	1.9

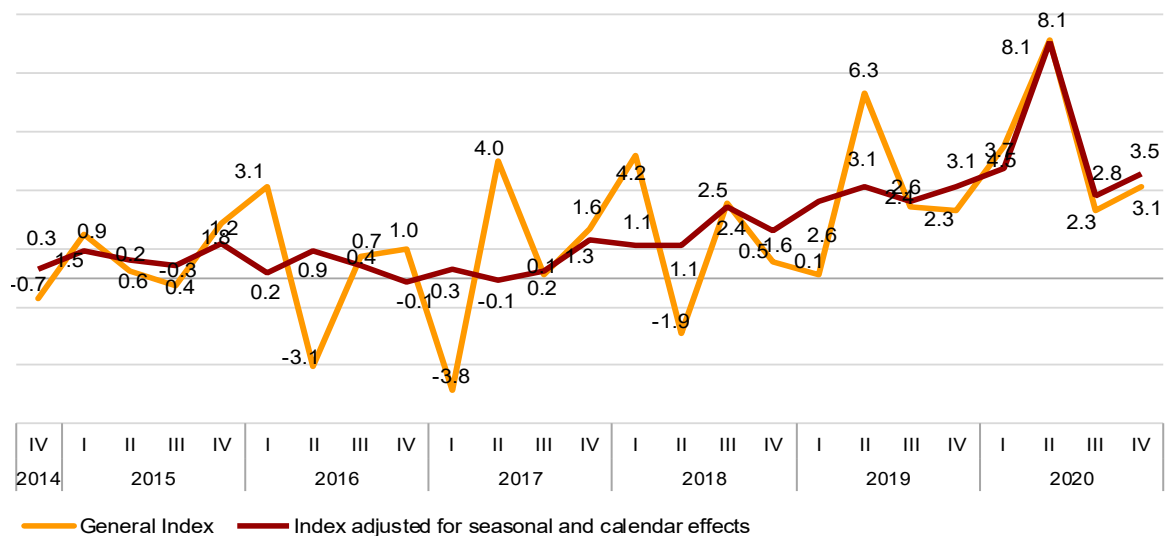
Annual variation of the Index

The cost per hour worked increased by 3.1% in the fourth quarter of 2020, as compared with the same period of the previous year.

The annual variation of the cost per hour was 3.5%, after adjusting for seasonal and calendar effects.

Variation of the general index and index adjusted for seasonal and calendar effects

Annual rate. Percentage



By cost component, wage costs recorded an annual variation of 2.8% in adjusted data and other costs increased by 5.7%.

Harmonised Labour Cost Index in the fourth quarter 2020

Index and annual rates by cost components

	General Index		Index adjusted for seasonal and calendar effects	
	Index	Rate	Index	Rate
Total labour cost	113.4	3.1	109.8	3.5
Wages	113.7	2.3	108.5	2.8
Other costs	112.7	5.5	113.6	5.7
Labour costs excluding extraordinary and late payment:	110.2	3.6	110.5	4.0

Results by activity sections

The sections with the highest annual increases in the fourth quarter of 2020 were *Mining and quarrying* (16.0%), *Artistic, recreational and entertainment activities* (9.3%) and *Other services* (9.2%).

On the other hand, the lowest variations were observed in *Transporting and storage* (-1.0%), *Electricity, gas, steam and air conditioning supply* (0.2%) and *Accommodation and food service activities* (0.6%).

Harmonised Labour Cost Index in the fourth quarter 2020 by activity sections

General index and index adjusted for seasonal and calendar effects

	General		Adjusted for calendar effects		Adjusted for season and calendar effects	
	Index ²	Rate ¹	Index ²	Rate ¹	Index ²	Rate ¹
TOTAL	113.4	3.1	114.2	3.4	109.8	3.5
B. Mining and quarrying industries	111.5	16.0	111.5	14.9	112.2	13.0
C. Manufacturing industries	111.8	2.5	112.9	3.1	107.1	2.8
D. Electricity, gas, steam and air conditioning supply	105.5	0.2	105.6	0.0	108.0	0.8
E. Water supply, waste management and remediation activities	116.5	2.5	117.3	2.6	110.0	3.1
F. Construction	113.3	2.3	114.0	2.4	104.9	1.8
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	113.3	2.6	114.1	2.8	110.7	3.1
H. Transport and storage	108.7	-1.0	109.8	-0.4	106.0	-0.3
I. Accommodation	112.9	0.6	114.2	1.8	109.0	2.2
J. Information and communications	113.4	2.0	113.4	1.7	110.0	1.9
K. Financial and insurance activities	106.7	2.3	106.9	2.4	108.5	1.7
L. Real state activities	122.4	8.7	123.1	9.1	121.3	8.4
M. Professional, scientific and technical activities	112.7	3.7	112.9	3.9	109.6	3.9
N. Administrative and support services activities	112.9	3.8	113.5	4.0	110.0	3.8
O. Public Administration and defence, compulsory Social Security	120.5	3.3	120.5	3.8	112.9	5.1
P. Education	107.6	7.2	109.4	7.7	110.4	7.1
Q. Health and social services activities	113.9	4.3	114.8	4.0	110.4	4.0
R. Arts, entertainment and recreation	128.1	9.3	128.9	9.7	121.6	10.9
S. Other services	121.6	9.2	122.2	9.4	118.1	9.7

¹ As compared to the same quarter of the previous year

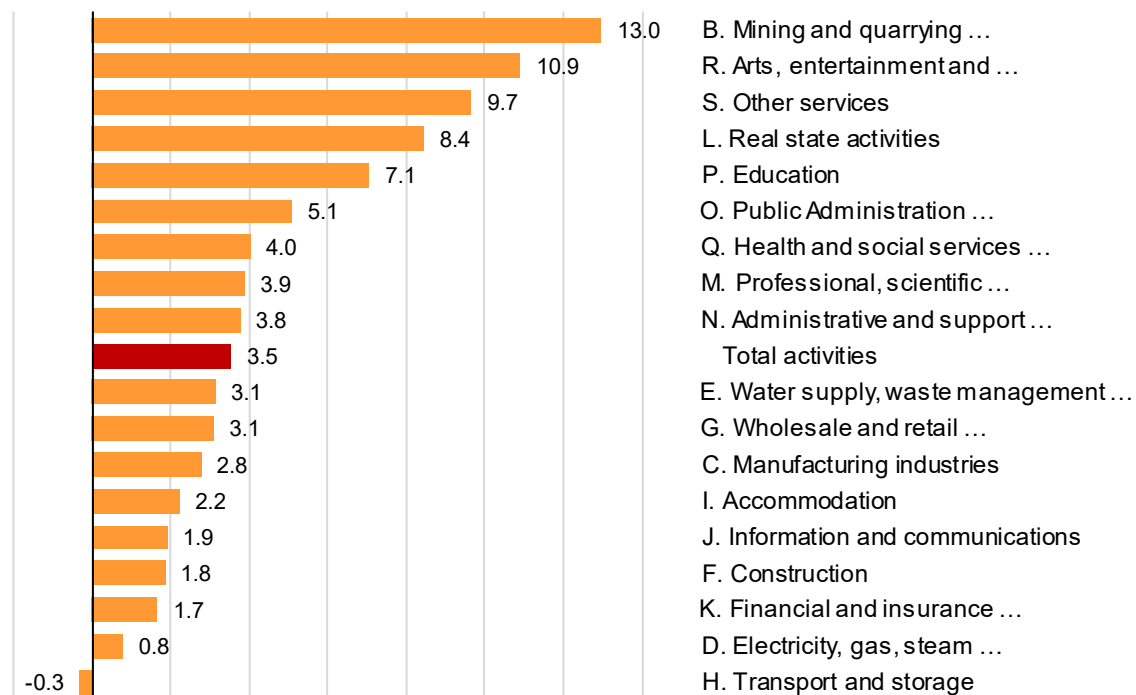
² Base year 2016

After adjusting for seasonal and calendar effects, the activities that presented the highest annual rates were *Extractive industries* (13.0%), *Artistic, recreational and entertainment activities* 10.9% and *Other service activities* (9.7%).

On the other hand, *Transporting and storage* (-0.3%), *Electricity, gas, steam and air conditioning supply* (0.8%) and *Financial and insurance activities* (1.7%) registered the lowest corrected annual rates.

Index adjusted for seasonal and calendar effects. Activity sections

Fourth quarter 2020. Annual rate. Percentage



Results by activity sections and cost components. Original series

The sections that recorded the highest annual increases in *wage cost* during the second quarter of 2020 were *Mining and quarrying* (8.9%), *Real estate activities* (8.0%) and *Artistic, recreational and entertainment activities* (7.7%).

On the other hand, the lowest variations were in *Hotel, restaurants and catering* (-4.0%), *Transporting and storage* (-2.3%) and *Electricity, gas, steam and air conditioning supply* (0.1%).

With regard to *other costs*, the sections with the greatest annual increases in the fourth quarter of 2020 were *Mining and quarrying* (14.9%), and *Artistic, recreational and entertainment activities* (14.6%).

The lowest rates were in *Financial and insurance activities* (-1.1%), *Electricity, gas, steam and air conditioning supply* (0.6%) and *Information and communications* (1.5%).

Harmonised Labour Cost Index in the fourth quarter 2020 by activity sections

Index by cost components

	Wages		Other costs		Labour costs excluding extraordinary and late payments	
	Index ²	Rate ¹	Index ²	Rate ¹	Index ²	Rate ¹
TOTAL	113.7	2.3	112.7	5.5	110.2	3.6
B. Mining and quarrying industries	105.2	8.9	129.1	36.2	111.5	17.2
C. Manufacturing industries	111.4	1.5	112.8	5.6	108.0	3.1
D. Electricity, gas, steam and air conditioning supply	105.0	0.1	107.1	0.6	107.0	1.2
E. Water supply, waste management and remediation activities	117.8	2.3	113.1	3.0	111.0	2.9
F. Construction	116.8	2.6	104.9	1.6	106.3	2.5
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	113.3	1.2	113.2	6.8	111.3	4.3
H. Transport and storage	106.8	-2.3	113.4	2.2	107.0	0.5
I. Accommodation	109.0	-4.0	123.3	13.5	112.2	3.5
J. Information and communications	115.4	2.1	107.2	1.5	109.0	0.7
K. Financial and insurance activities	106.9	3.4	105.9	-1.1	106.7	1.4
L. Real state activities	124.8	8.0	115.0	11.0	119.7	9.4
M. Professional, scientific and technical activities	113.8	3.3	108.9	5.3	110.5	4.3
N. Administrative and support services activities	113.8	3.3	110.5	4.9	110.2	4.1
O. Public Administration and defence, compulsory Social Security	122.1	3.6	115.2	2.5	118.7	3.6
P. Education	108.5	6.8	104.8	8.4	103.1	6.1
Q. Health and social services activities	113.2	3.5	116.4	7.2	106.8	4.1
R. Arts, entertainment and recreation	126.7	7.7	132.6	14.6	123.1	8.4
S. Other services	121.5	7.3	122.0	14.9	116.3	9.5

¹ As compared to the same quarter of the previous year

² Base year 2016

Influence of COVID-19 on HLCI results.

The evolution of the various activity sections reflected the degree of impact resulting from the pandemic and from the measures put in place to contain it. Royal Decree-Law 30/2020, of September 29, on social measures to protect employment, extends the Temporary Workforce Reduction Scheme (ERTE) through January 31, 2021 and establishes, among other measures, different percentages of Exoneration in Social Security contributions.

Hotels, restaurants and catering continued to be the activity section most affected by the situation. The decrease in salary cost was higher than that of the number of hours worked this quarter, resulting in a salary decrease of 4.0% compared to the fourth quarter of 2019. On the other hand, payment of part of the social security contributions and work disabilities, together with a decrease in hours worked, caused other costs to show a notable annual growth of 13.5%.

The sections that, for the most part, include activities considered essential, such as the *Electricity, gas, steam and air conditioning supply, Water supply, sanitation activities, waste management and decontamination, Information and communications, Financial and insurance activities, Public Administration, and Education and Health* have been minimally impacted by the current situation.

The rest of the sections include combinations of economic activities that give rise to different levels of impact. *Artistic, recreational and entertainment activities* and *Other services* are among the most affected, while *Manufacturing, Construction, Professional, scientific and technical activities* and *Administrative activities and auxiliary services* have had a lower contribution.

Revision and updating of data

Coinciding with today's publication, the HLCI provisional data of the third quarter of 2020 have been updated. The final index stands at 110.9 points.

The quarterly variation of the original series for that quarter stood at -1.5%, while that of the adjusted index was -4.3%. On the other hand, the annual rate of the original series was 2.3% and that for the index adjusted for seasonal and calendar effects, 2.8%. The results are available at INEBase.

Methodological note

The Harmonised Labour Cost Index (HLCI) is a quarterly continuous statistical operation whose objective is to provide a common and comparable measure of labour cost per hour worked for the whole of the European Union, allowing the monitoring of the evolution of said labour costs.

Indices with base 2016 are provided for total labour costs, wages and salaries and other costs net of subsidies received for the use of labour factor (includes social contributions payable by employers and non-wage payments). The index for total labour cost is also provided excluding extraordinary payments and delayed payments.

Type of operation: Statistics presented mainly in the form of indices.

Base year: 2016.

Population scope: Employees in local units.

Sources of information: The Quarterly Labour Cost Survey which is conducted on the basis of the Social Security contribution accounts. General Scheme: Sections B to S of CNAE-09 and Special Scheme for Seafarers: Sea Transport (Division 50 of CNAE-09). In order to cover all employees of the general government, information from the DARETRI file is used.

Geographical scope: the entire national territory.

Reference period of the results: the calendar quarter.

Calculation method: Chained Laspeyres.

For more information you can access the methodology at:

https://www.ine.es/en/metodologia/t22/t2230211_en.htm

And the standardised methodological report at:

<https://www.ine.es/dynt3/metadatos/en/RespuestaDatos.html?oe=30211>

INE statistics are produced in accordance with the Code of Good Practice for European Statistics, which is the basis for the institution's quality policy and strategy. For more information, see the section on [Quality at INE and Code of Best Practices](#) on the INE's website.

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Harmonised Labour Cost Index (HLCI)

General index and index by activities

Fourth Quarter 2020

Base year 2016

Total labour cost. Original series

National index

	Index 4 th quarter(P) ¹		Index 3 rd quarter(D) ¹	
	Index	Rate ²	Index	Rate ²
GENERAL INDEX	113.4	3.1	110.9	2.3
B-E. Industry	111.9	2.6	110.7	1.0
B. Mining and quarrying industries	111.5	16.0	105.3	8.7
C. Manufacturing industries	111.8	2.5	111.1	0.6
D. Electricity, gas, steam and air conditioning supply	105.5	0.2	103.0	3.1
E. Water supply, waste management and remediation activities	116.5	2.5	110.1	3.9
F. Construction	113.3	2.3	101.9	-0.4
G-J. Wholesale and retail trade, repair of motor vehicles and motorcycles; Transport and storage; Accommodation; Information and communications	112.4	1.5	108.1	0.5
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	113.3	2.6	109.5	1.3
H. Transport and storage	108.7	-1.0	106.4	3.3
I. Accommodation	112.9	0.6	101.1	-4.8
J. Information and communications	113.4	2.0	114.1	1.1
K-N. Financial and insurance activities; Real state activities; Professional, scientific and technical activities; Administrative and support services activities	111.7	3.6	113.5	2.4
K. Financial and insurance activities	106.7	2.3	110.4	-1.7
L. Real state activities	122.4	8.7	123.2	8.8
M. Professional, scientific and technical activities	112.7	3.7	117.3	4.0
N. Administrative and support services activities	112.9	3.8	110.8	3.1
O-S. Public Administration and defence, compulsory Social Security; Education; Health and social services activities; Arts, entertainment and recreation; Other Services	116.1	4.7	114.0	5.0
O. Public Administration and defence, compulsory Social Security	120.5	3.3	112.2	6.4
P. Education	107.6	7.2	118.3	3.6
Q. Health and social services activities	113.9	4.3	111.5	2.6
R. Arts, entertainment and recreation	128.1	9.3	117.7	10.6
S. Other services	121.6	9.2	122.8	10.3

¹ P: provisional data - D: definitive data

² As compared to the same quarter of the previous year

Harmonised Labour Cost Index (HLCI)

General index and index by activities

Fourth Quarter 2020

Base year 2016

Wage cost. Original series

National index

	Index 4 th quarter(P) ¹		Index 3 rd quarter(D) ¹	
	Index	Rate ²	Index	Rate ²
GENERAL INDEX	113.7	2.3	109.4	2.4
B-E. Industry	111.5	1.6	108.4	0.5
B. Mining and quarrying industries	105.2	8.9	97.9	2.4
C. Manufacturing industries	111.4	1.5	109.0	0.1
D. Electricity, gas, steam and air conditioning supply	105.0	0.1	99.7	2.5
E. Water supply, waste management and remediation activities	117.8	2.3	108.0	4.1
F. Construction	116.8	2.6	101.1	0.3
G-J. Wholesale and retail trade, repair of motor vehicles and motorcycles; Transport and storage; Accommodation; Information and communications	111.7	-0.2	107.6	0.9
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	113.3	1.2	109.1	1.9
H. Transport and storage	106.8	-2.3	103.1	2.2
I. Accommodation	109.0	-4.0	102.0	-3.9
J. Information and communications	115.4	2.1	114.7	1.9
K-N. Financial and insurance activities; Real state activities; Professional, scientific and technical activities; Administrative and support services activities	112.5	3.5	112.4	2.3
K. Financial and insurance activities	106.9	3.4	107.5	-0.7
L. Real state activities	124.8	8.0	120.8	7.5
M. Professional, scientific and technical activities	113.8	3.3	116.4	3.0
N. Administrative and support services activities	113.8	3.3	110.6	3.3
O-S. Public Administration and defence, compulsory Social Security; Education; Health and social services activities; Arts, entertainment and recreation; Other Services	116.5	4.3	111.2	5.1
O. Public Administration and defence, compulsory Social Security	122.1	3.6	108.8	6.7
P. Education	108.5	6.8	117.5	4.1
Q. Health and social services activities	113.2	3.5	108.2	2.1
R. Arts, entertainment and recreation	126.7	7.7	118.0	13.6
S. Other services	121.5	7.3	120.6	8.2

¹ P: provisional data - D: definitive data

² As compared to the same quarter of the previous year

Harmonised Labour Cost Index (HLCI)

General index and index by activities

Fourth Quarter 2020

Base year 2016

Other costs. Original series

National index

	Index 4 th quarter(P) ¹		Index 3 rd quarter(D) ¹	
	Index	Rate ²	Index	Rate ²
GENERAL INDEX	112.7	5.5	115.6	2.0
B-E. Industry	112.9	5.8	117.2	2.3
B. Mining and quarrying industries	129.1	36.2	125.8	25.4
C. Manufacturing industries	112.8	5.6	117.2	1.7
D. Electricity, gas, steam and air conditioning supply	107.1	0.6	115.2	4.9
E. Water supply, waste management and remediation activities	113.1	3.0	115.8	3.4
F. Construction	104.9	1.6	103.8	-1.9
G-J. Wholesale and retail trade, repair of motor vehicles and motorcycles; Transport and storage; Accommodation; Information and communications	114.4	6.5	109.3	-0.8
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	113.2	6.8	110.6	-0.6
H. Transport and storage	113.4	2.2	114.6	5.9
I. Accommodation	123.3	13.5	98.7	-7.4
J. Information and communications	107.2	1.5	112.2	-1.4
K-N. Financial and insurance activities; Real state activities; Professional, scientific and technical activities; Administrative and support services activities	109.0	3.8	117.1	2.6
K. Financial and insurance activities	105.9	-1.1	119.8	-4.5
L. Real state activities	115.0	11.0	130.4	12.4
M. Professional, scientific and technical activities	108.9	5.3	120.3	7.1
N. Administrative and support services activities	110.5	4.9	111.2	2.7
O-S. Public Administration and defence, compulsory Social Security; Education; Health and social services activities; Arts, entertainment and recreation; Other Services	114.6	6.1	122.8	4.9
O. Public Administration and defence, compulsory Social Security	115.2	2.5	123.2	5.7
P. Education	104.8	8.4	120.9	2.4
Q. Health and social services activities	116.4	7.2	122.8	4.1
R. Arts, entertainment and recreation	132.6	14.6	116.7	1.8
S. Other services	122.0	14.9	128.8	16.0

¹ P: provisional data - D: definitive data

² As compared to the same quarter of the previous year

Harmonised Labour Cost Index (HLCI)

General index and index by activities

Fourth Quarter 2020

Base year 2016

Labour cost excluding extraordinary and late payments

Original series

National index

	Index 4 th quarter(P) ¹		Index 3 rd quarter(D) ¹	
	Index	Rate ²	Index	Rate ²
GENERAL INDEX	110.2	3.6	114.8	2.3
B-E. Industry	108.2	3.3	114.8	0.9
B. Mining and quarrying industries	111.5	17.2	113.0	12.1
C. Manufacturing industries	108.0	3.1	114.9	0.5
D. Electricity, gas, steam and air conditioning supply	107.0	1.2	113.1	2.4
E. Water supply, waste management and remediation activities	111.0	2.9	114.5	2.5
F. Construction	106.3	2.5	106.8	0.1
G-J. Wholesale and retail trade, repair of motor vehicles and motorcycles; Transport and storage; Accommodation; Information and communications	110.4	2.9	111.1	0.6
G. Wholesale and retail trade, repair of motor vehicles and motorcycles	111.3	4.3	112.7	1.2
H. Transport and storage	107.0	0.5	111.1	4.3
I. Accommodation	112.2	3.5	103.1	-4.4
J. Information and communications	109.0	0.7	116.6	1.0
K-N. Financial and insurance activities; Real state activities; Professional, scientific and technical activities; Administrative and support services activities	109.9	3.7	118.1	2.6
K. Financial and insurance activities	106.7	1.4	121.5	-1.3
L. Real state activities	119.7	9.4	127.9	7.7
M. Professional, scientific and technical activities	110.5	4.3	120.0	4.1
N. Administrative and support services activities	110.2	4.1	112.8	3.4
O-S. Public Administration and defence, compulsory Social Security; Education; Health and social services activities; Arts, entertainment and recreation; Other Services	111.8	4.5	118.0	4.7
O. Public Administration and defence, compulsory Social Security	118.7	3.6	116.3	6.4
P. Education	103.1	6.1	123.6	3.3
Q. Health and social services activities	106.8	4.1	115.1	2.1
R. Arts, entertainment and recreation	123.1	8.4	116.5	4.8
S. Other services	116.3	9.5	125.5	11.2

¹ P: provisional data - D: definitive data

² As compared to the same quarter of the previous year