

Labour Price Index (LPI). Base 2008
Year 2018. 2008-2018 Series

The Labor Price Index rose by 5.6% in 2018

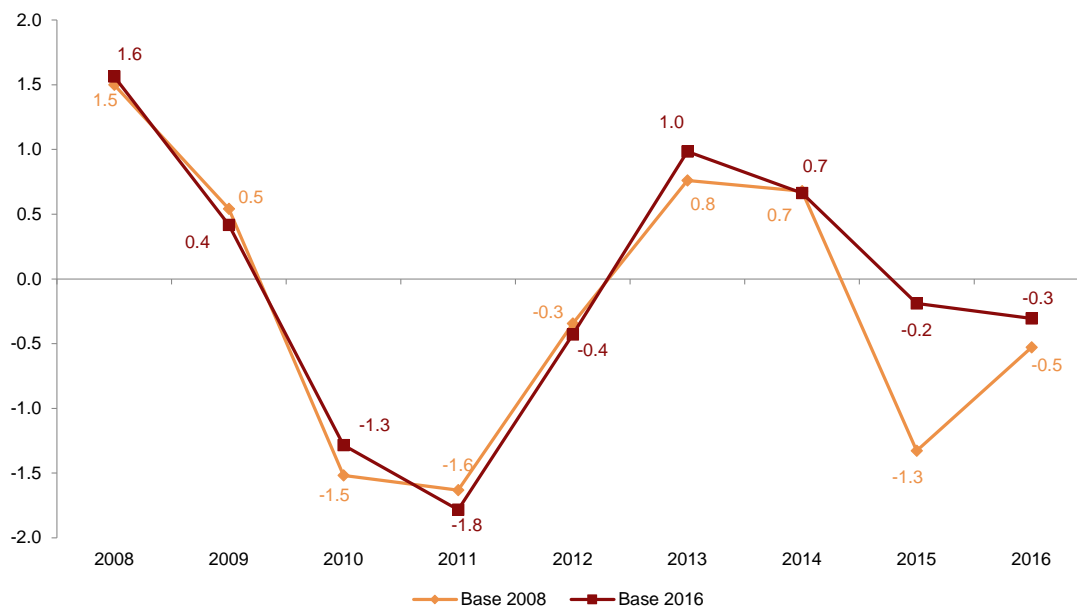
**Castilla-La Mancha registered the highest increase (7.8%) while
Cantabria had the lowest (3.1%)**

Today, INE presents the 2018 LPI results. The Index measures the change in the price of labour over time, without this measure being affected by changes in the quality and quantity of the labour performed (for example, changes in the labour force composition, number of hours worked, contract type, employee characteristics, etc.). In other words, the composition effect is disregarded.

A base change has been made from 2008 to 2016, therefore data relating to the 2008-2018 period are also presented. The year 2016 now serves as a reference for the indices calculated for the entire period, which in said year had a value of 100. The most important change was the inclusion of the type of working day as an explanatory variable in the regression models used to calculate earnings-hour.

The entire series has been revised. Its profile is very similar to the 2008 base, except for 2016, where the decrease was less than in the current base.

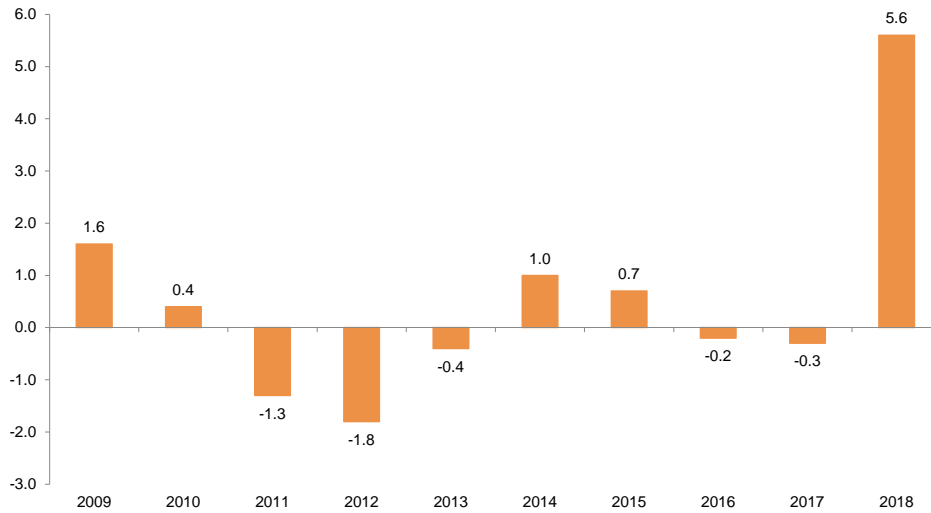
Comparison annual variation rates LPI



Annual evolution of labour prices

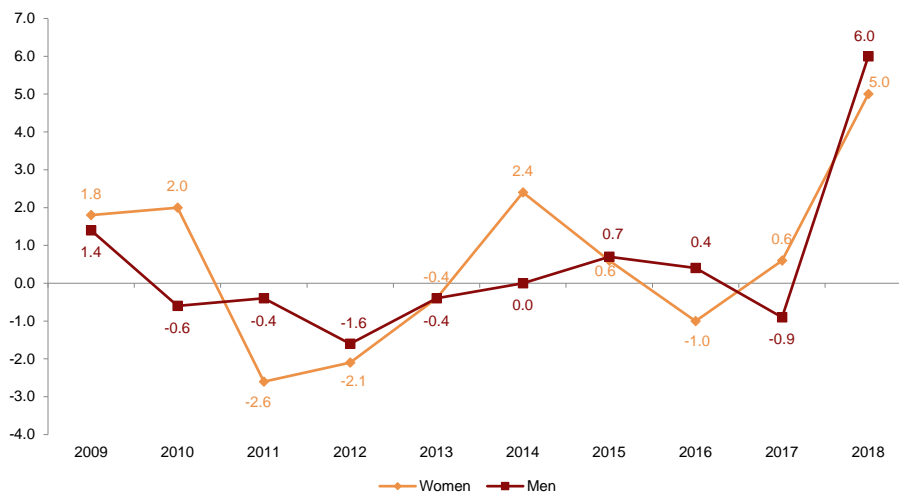
The annual variation of the Labor Price Index (IPT) was 5.6% in 2018. This rate was the highest recorded in the entire series.

Annual evolution of the LPI
Overall annual rate (%)



By sex, the LPI registered an annual increase of 5.0% in women and 6.0% in men.

Annual evolution of the LPI
Annual rate by sex (%)

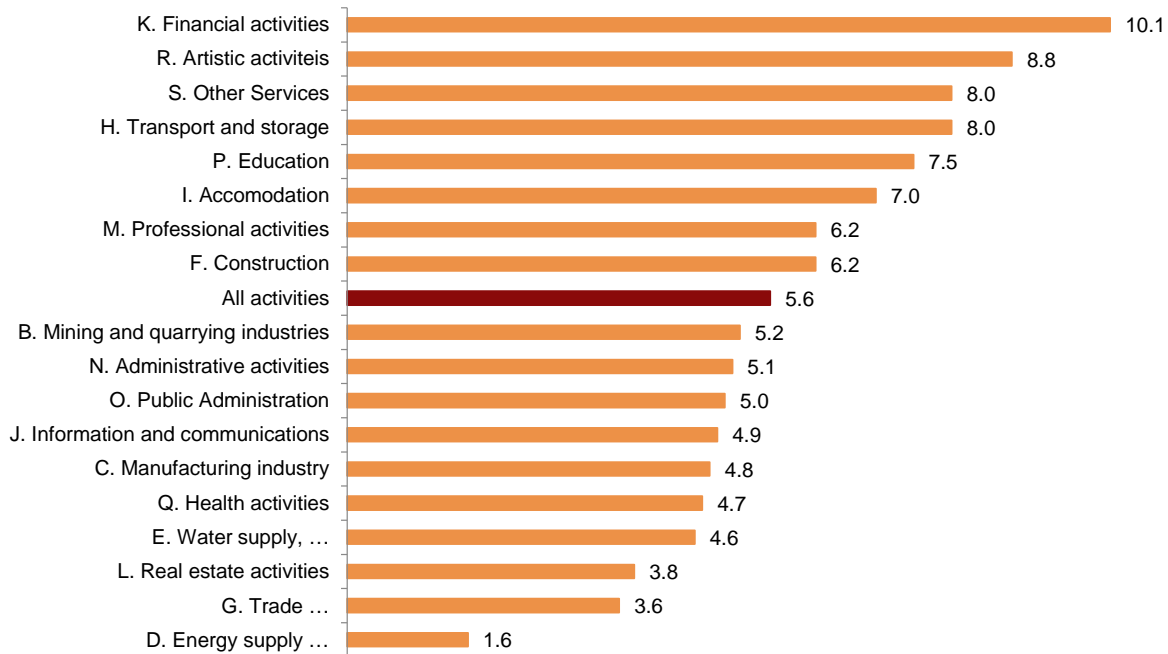


Results according to the characteristics of the job position

The economic activities with the largest increases in the price of work in 2018 were *Financial and insurance activities* (10.1%) and *Artistic, recreational and entertainment activities* (8.8%).

On the other hand, the lowest growth occurred in the *Electricity, gas, steam and air conditioning supply* (1.6%) and *Wholesale and retail trade; motor vehicle and motorcycle repair* (3.6%).

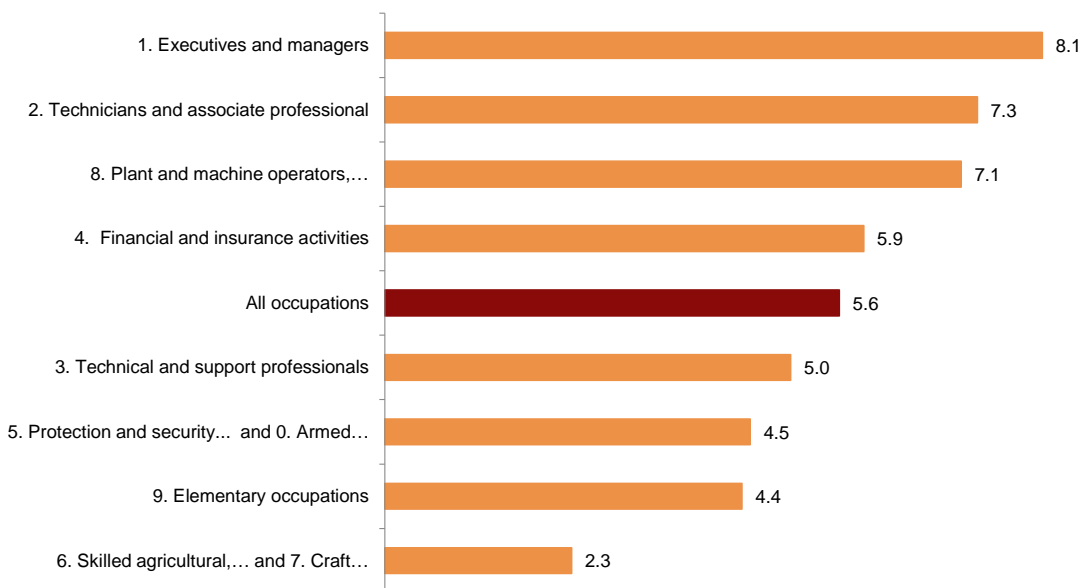
LPI by economic activity
Annual rate (%), year 2018



Occupation type was one of the variables that most influenced the price of labour. In 2018, the largest increases in the LPI occurred in the groups *Directors and managers* (8.1%) and *Scientific and intellectual technicians and professionals* (7.3%).

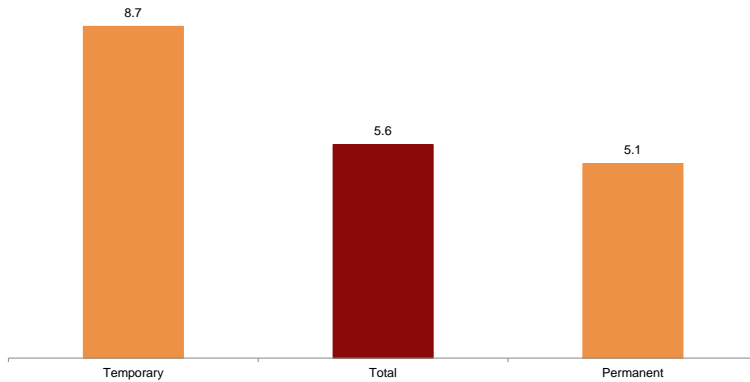
On the other hand, the smallest increases were registered in *Skilled agricultural, livestock, forestry and fishing sector workers; Craftspersons and skilled workers in manufacturing industries and construction* (2.3%) and in *Elementary occupations* (4.4%).

LPI by occupation
Annual rate (%), year 2018



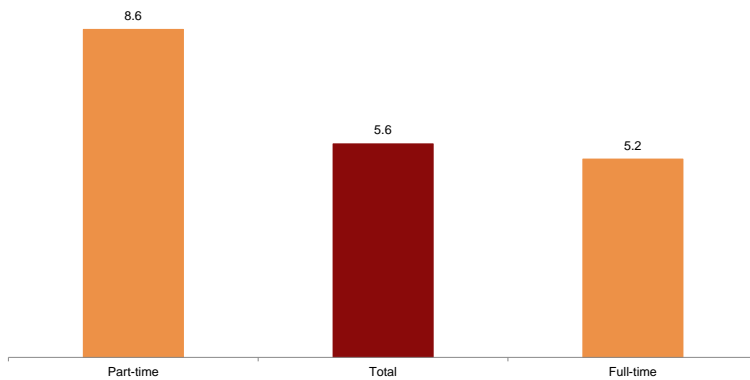
By contract type, the LPI rose 8.7% for temporary contracts and 5.1% for permanent ones.

LPI by contract type
Annual rate (%), year 2018



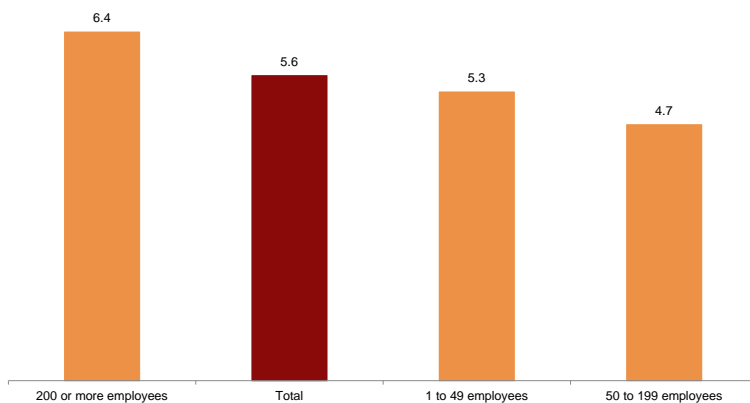
According to the type of working day, the LPI increased more in workers with part-time hours (8.6%) than in those who were full-time (5.2%).

LPI by type of working day
Annual rate (%), year 2018



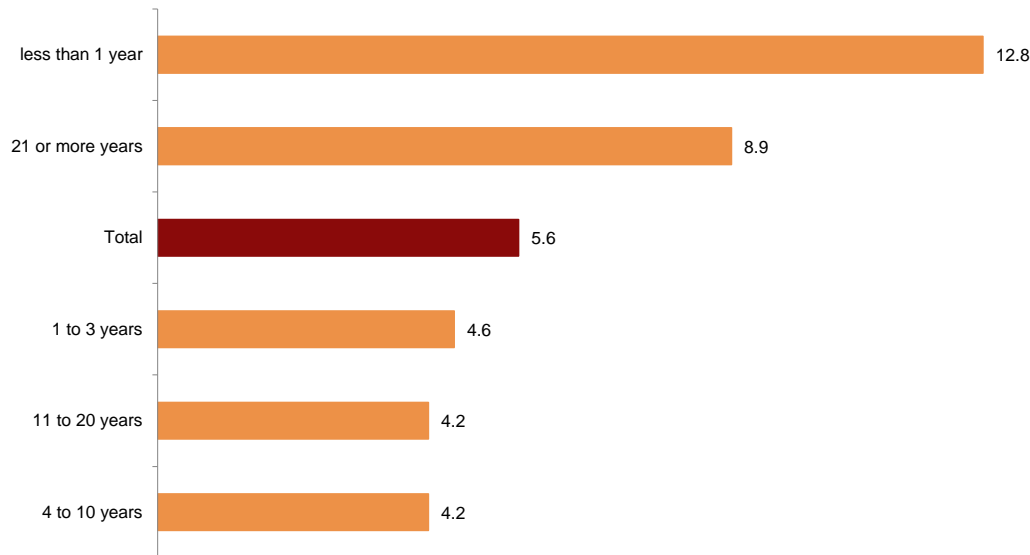
By workplace size, the LPI showed the highest increase in workplaces with 200 or more workers (6.4%) and the lowest in those with 50 to 199 workers (4.7%).

LPI by size of workplace
Annual rate (%), year 2018



By length of time in the workplace, the highest increase in the LPI was recorded in jobs held by workers with less than one year of service (12.8%). For their part, workers with seniority of 4 to 10 years showed the lowest growth (4.2%).

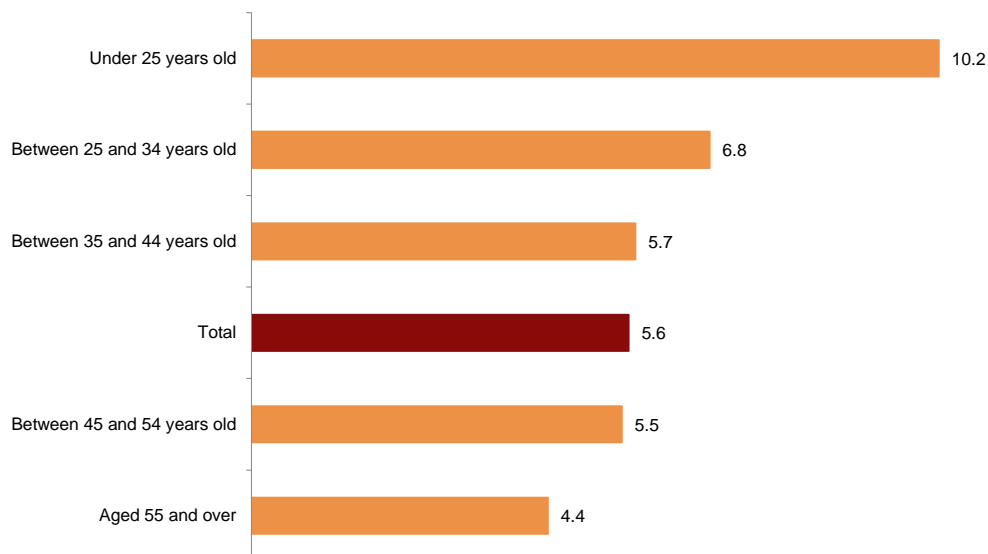
LPI by seniority
Annual rate (%), year 2018



Results by Worker Characteristics

By age group, in 2018 the highest labour price increase was registered in those under 25 years of age (10.2%), while the smallest increase was in workers aged 55 and over (4.4%).

LPI by age group
Annual rate (%), year 2018



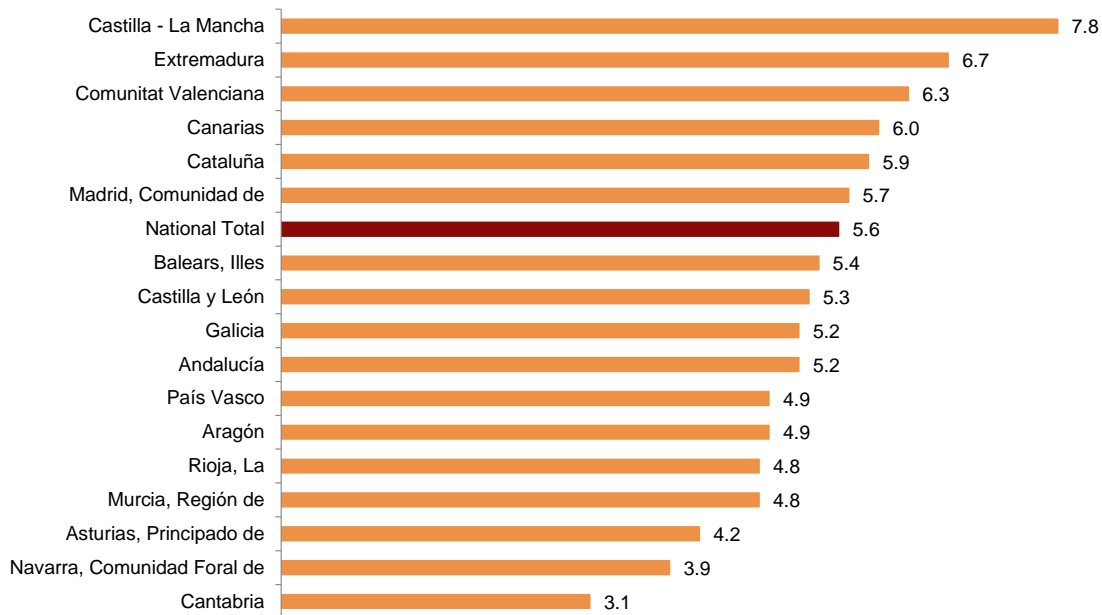
By nationality, the IPT registered an increase of 7.6% for foreign workers and 5.5% for Spanish workers.

Results by Autonomous Communities

The annual variation rate of the LPI showed the highest increases in Castilla-La Mancha (7.8%), Extremadura (6.7%) and Comunitat Valenciana (6.3%).

In turn, the smallest increases were observed in Cantabria (3.1%), Comunidad Foral de Navarra (3.9%) and Principado de Asturias (4.2%).

LPI by Autonomous Community
Annual rate (%), year 2018



Data Review and Update

The data published today are final. The results are available at INEBase.

Methodological note

The objective of the Labour Price Index (LPI) is to measure the change in the price of labour over time, without this measure being affected by changes in the quality and quantity of the labour performed (for example, changes in the labour force composition, number of hours worked, type of contract, characteristics of the employees, etc.) or, in other words, disregarding the composition effect.

The LPI completes the existing information in Spain that comes from the Quarterly Labour Cost Survey, the Annual Labour Cost Survey and the Wage Structure Survey of the INE, operations that provide series of average results of labour and wage costs per worker. These series include the cost variation and any changes in employment composition.

Type of operation: statistics presented in index form.

Base year: 2016.

Reference period of the results: the calendar year.

Reference period of the weightings: the year preceding the current year

Population scope: salaried workers in local units.

Geographical scope: the entire national territory.

Calculation method: Chained Laspeyres.

The LPI is calculated as a weighted aggregation of simple indices, each of which represents a grouping of job positions. These groupings, made up of a set of job with common characteristics, constitute the basic elements for the calculation of the LPI. All these groups together constitute a representative sample of job positions in the economy.

For each grouping of job positions, their wage/hour in the reference year is measured. The weightings are measured based on the hourly earnings and hours worked by the workers associated with each job group in the previous year. The weightings structure establishes the importance of each job compared to the rest, based on wage costs incurred by the employer.

The Wage Structure Surveys are the source of information used for the preparation of the LPI, since they allow the allocation of earnings and working hours to the sample of jobs considered, based on individual employee data. In addition, the sample size of these surveys allows a very detailed study of the characteristics of the workers. On the other hand, the use of pre-existing sources does not increase the response burden on companies and minimises the cost of the statistical operation.

For more information you can access the methodology at:

https://www.ine.es/en/metodologia/t22/t2230185_en.pdf

And the standardized methodological report in:

<https://www.ine.es/dynt3/metadatos/en/RespuestaDatos.html?oe=30185>

For further information see **INEbase:** www.ine.es/en/ Twitter: [@es_ine](https://twitter.com/es_ine)

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Labour Price Index. Base 2016 Year 2018

1. Labour Price Index: Overall and by activity sector

	Index	Annual rate (%)
ACTIVITY TOTAL	105.3	5.6
B. Mining and quarrying industries	102.0	5.2
C. Manufacturing industry	105.0	4.8
D. Energy supply	97.5	1.6
E. Water supply	102.2	4.6
F. Construction	106.6	6.2
G. Trade	105.8	3.6
H. Transport and storage	106.8	8.0
I. Accommodation	109.0	7.0
J. Information and communications	103.1	4.9
K. Financial activities	110.2	10.1
L. Real estate activities	102.8	3.8
M. Professional activities	104.5	6.2
N. Administrative activities	105.0	5.1
O. Public Administration	101.9	5.0
P. Education	106.7	7.5
Q. Health activities	103.3	4.7
R. Artistic activities	106.5	8.8
S. Other Services	108.6	8.0

2. Labour Price Index: Overall and by occupation

	Index	Annual rate (%)
All occupations	105.3	5.6
1. Executives and managers	109.3	8.1
2. Technicians and associate professional	104.9	7.3
3. Technical and support professionals	104.6	5.0
4. Financial and insurance activities	106.1	5.9
5. Protection and security service workers and 0. Armed forces occupations	105.6	4.5
6. Skilled agricultural, forestry, and fishery workers and 7. Craft and related trades workers	102.1	2.3
8. Plant and machine operators, and assemblers	107.1	7.1
9. Elementary occupations	105.1	4.4

3. Labour Price Index: Overall and by contract type

	Index	Annual rate (%)
TOTAL	105.3	5.6
Temporary	107.7	8.7
Permanent	104.9	5.1

4. Labour Price Index: Overall and by Working time

	Índice	Tasa Anual (%)
TOTAL	105.3	5.6
Full time	105.1	5.2
Part time	106.5	8.6

5. Labour Price Index: Overall and by sex

	Index	Annual rate (%)
TOTAL	105.3	5.6
Women	105.6	5.0
Men	105.0	6.0

6. Labour Price Index: Overall and by age group

	Index	Annual rate (%)
TOTAL	105.3	5.6
Under 25 years old	114.4	10.2
Between 25 and 34 years old	107.3	6.8
Between 35 and 44 years old	105.4	5.7
Between 45 and 54 years old	104.7	5.5
Aged 55 and over	104.0	4.4

7. Labour Price Index: Overall and by Autonomous Community

	Index	Annual rate (%)
NATIONAL	105.3	5.6
Andalucía	104.6	5.2
Aragón	105.3	4.9
Asturias, Principado de	105.0	4.2
Balears, Illes	103.8	5.4
Canarias	106.3	6.0
Cantabria	104.4	3.1
Castilla y León	104.8	5.3
Castilla-La Mancha	106.4	7.8
Cataluña	106.3	5.9
Comunitat Valenciana	105.6	6.3
Extremadura	105.5	6.7
Galicia	106.4	5.2
Madrid, Comunidad de	104.8	5.7
Murcia, Región de	105.6	4.8
Navarra, Comunidad Foral de	103.8	3.9
País Vasco	103.9	4.9
Rioja, La	103.5	4.8