

## **Annual Labour Cost Survey (ALCS) 2008**

### **Main results**

–The **total cost per worker**, in gross terms, was **29,610.14 euros** during the year 2008, for a **5.1%** increase over the previous year.

–The **net cost** was **29,363.52 euros per worker**, after deducting **246.62 euros** for **subsidies and deductions** received by the Public Administrations in order to promote employment and professional training.

–**73.08%** of the total cost was for **wages (21,638.86 euros/worker)** and **22.38%** for **obligatory contributions to Social Security (6,627.54 euros/worker)**.

–Of the remaining items comprising the cost, **538.84** annual euros per worker were for **social benefits**, **361.35** for **expenses from work**, **339.06** euros corresponded to **compensation for dismissal** and **104.49** to **professional training**.

– **Adaptation to the CNAE-2009.** The INE is publishing today, for the first time, data from the Annual Labour Cost Survey under the new National Classification of Economic Activities (CNAE-2009). This year it offers, for the first time, data on Public Administration employees attached to the General Social Security Regime.

In order to compare data in a homogeneous way, interannual variations have been calculated by removing the Public Administration for the year 2008, and by estimating data for 2007 with the new classification CNAE-2009.

The process of implementing the CNAE-2009 will not be completed until the end of this year, therefore **the data provided by these statistics will be of a provisional nature.**

## Annual labour cost per worker

The labour cost per worker in gross terms was 29,610.14 euros in 2008 according to the results of the Annual Labour Cost Survey (ALCS), which completes those conducted quarterly from the Quarterly Labour Cost Survey (QLCS). In comparable terms, this cost represents an increase of 5.1% as compared with the year 2007. After subtracting the subsidies and deductions received by the Public Administrations from this figure, a net cost of 29,363.52 euros was obtained, for a comparable interannual growth also reaching 5.2%.

Salaries and wages plus contributions to Social Security, together, constituted 95.5% of the gross cost.

In addition to wages and contributions, 538.84 euros per annum per worker were for social benefits (voluntary contributions to insurance and pension plans, complementary benefits from Social Security and expenses of a social nature), 361.35 for other expenses from work (end of contract payouts, small tools and workwear, transport to the workplace, selection of personnel...), 339.06 euros corresponded to compensation for dismissal and 104.49 to professional training.

### Components of the annual cost

	Euros
<b>GROSS COST<sup>1</sup></b>	<b>29,610.14</b>
Wages and salaries	21,638.86
Obligatory contributions	6,627.54
Social benefits	538.84
-Voluntary contributions	206.24
-Direct corporate contributions	290.67
-Social expenditure	41.93
Compensation for dismissal	339.06
Expenditure on professional training	104.49
Expenditure from work	361.35
-Expenditure on transport	18.74
-Remainder of costs <sup>2</sup>	342.61
Subsidies and deductions (-)	246.62
<b>NET COST<sup>3</sup></b>	<b>29,363.52</b>

1 Excludes allowances and travel expenses

2 End of contract payouts, payments of compensation, small tools, workwear, selection of personnel...

3 After subtracting subsidies and deductions

## Labour cost by economic activity

Industry, with a total net cost per worker of 32,892.09 euros during the year 2008, was the economic sector with the highest labour costs and the smallest interannual increase (4.9%) of those costs.

The construction sector experienced the greatest growth in net cost (6.4% as compared with the previous year), with the increase in wage costs worth noting (6.5%). In this sector, compensation for dismissal and payments of compensation caused the *other costs from work* to rise; in contrast, this was the sector presenting the lowest costs due to dismissals.

The services sector, with an increase of 5.1% in net cost, was the sector that registered the most homogeneous evolution in wage costs (5.1%) and non-wage costs (5.1%).

Economic sectors	Net cost		Wages and salaries		Non-wage cost	
	Euros	Tasa	Euros	Tasa	Euros	Tasa
Industry	32.892,09	4,9	23.942,55	5,6	8.949,54	3,2
Construction	28.913,36	6,4	20.435,24	6,5	8.478,12	6,0
Services	28.600,65	-	21.305,25	-	7.295,40	-
Services (excluding Public Administrations)	27.864,80	5,1	20.713,40	5,1	7.151,40	5,1

The differences between the **labour cost** per worker, according to the different activities of the new classification of activities CNAE09, were worth noting, with a broad register fluctuating between 18,041.23 gross annual euros per worker in accommodation (I) and 50,000 euros per employee in the energy (D) and financial (K) sections.

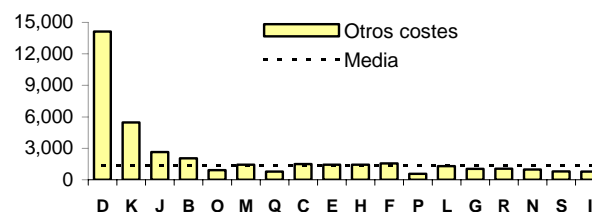
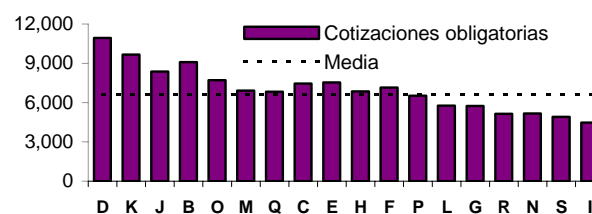
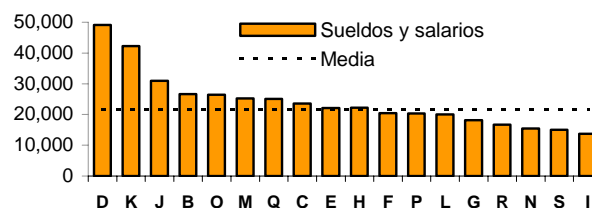
#### Total gross cost per worker during the year 2008

	Euros
D-. Supply of electrical energy, gas, steam air conditi	74,188.02
K-. Financial and insurance activities	57,422.26
J-. Information and communications	41,960.18
B-. Extractive industries	37,857.32
O-. Public administration, Defence, Social Security	35,062.36
M-. Professional, scientific and technical activities	33,567.38
Q-. Health activities and social services	32,631.49
C-. Manufacturing industry	32,517.09
E-. Water supply, waste management and decontam	31,059.83
H-. Transport and storage	30,486.38
<b>Activities total</b>	<b>29,610.14</b>
F-. Construction	29,143.67
P-. Education	27,442.25
L-. Real estate activities	27,131.76
G-. Trade; repair of motor vehicles and motorcycles	24,927.31
R-. Arts, recreation and entertainment activities	22,884.47
N-. Administrative and support service activities	21,548.86
S-. Other services	20,770.56
I-. Accommodation	19,041.45

**Industry** composed by sections B, C, D, E.

**Construction:** composed by section F.

**Services** composed by sections G, H, I, J, K, M, N, O, P, Q, R, S.



The energy (D) and financial (K) sections were of particular note because they paid the highest salaries and wages to their workers and took on the highest cost in social benefits. They were also the sections that invested the most in the professional training of their workers.

Extractive Industries (B) and construction (F) were the activities with the most expenses from work (workwear, small tools, transport, end of contract payouts, payments of compensation...). The construction sector was also worth noting because it presented the greatest weight in obligatory contributions to Social Security, over the total cost, as compared with the remaining activities.

Compensation for dismissal accounted for the greatest labour cost in the energy industry (D) industry. At the other end of the spectrum were education (P) and Public administration (O) with dismissal costs way below the average.

The lowest subsidies and tax deductions due to the creation of employment and the promotion of professional training were in Public Administration (O), although the cost variable showed less dispersion as compared with the average values.

## Highest and lowest cost by economic section

<u>Wages and salaries</u>		<u>Social benefits</u>	
D.- Supply of electrical energy, gas, steam, A/C	49,115.56	D.- Supply of electrical energy, gas, steam, A/C	10,478.98
K.- Financial and insurance activities	42,273.97	K.- Financial and insurance activities	4,110.26
<b>Total activities</b>	<b>21,638.86</b>	<b>Total activities</b>	<b>538.84</b>
S.- Other services	15,056.26	S.- Other services	182.84
I.- Accommodation	13,785.95	I.- Accommodation	122.97
<u>Expenses from work</u>		<u>Compensation for dismissal</u>	
B.- Extractive industries	788.60	D.- Supply of electrical energy, gas, steam, A/C	576.54
F.- Construction	766.41	J.- Information Technologies and Telecommunications	551.64
<b>Total activities</b>	<b>361.35</b>	<b>Total activities</b>	<b>246.15</b>
D.- Supply of electrical energy, gas, steam, A/C	112.17	P.- Education	41.79
O.- Public Administration, Defence and Comp, Social Security	89.12	O.- Public Administration, Defence and Comp, Social Security	- 1
<u>Professional training</u>		<u>Subsidies and deductions</u>	
D.- Supply of electrical energy, gas, steam, A/C	1,376.44	D.- Supply of electrical energy, gas, steam, A/C	446.89
K.- Financial and insurance activities	507.47	S.- Other services	358.00
<b>Total activities</b>	<b>104.49</b>	<b>Total activities</b>	<b>246.62</b>
R.- Arts, recreation and entertainment activities	26.60	I.- Accommodation	173.99
I.- Accommodation	15.41	O.- Public Administration, Defence and Comp, Social	89.36

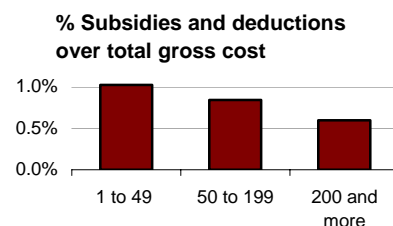
## Labour cost by company size

The largest companies paid the largest salaries per worker as compared with the medium-sized and small companies. As a result, contributions to Social Security were also larger for the former.

The behaviour of subsidies and tax deductions was similar for all companies, irrespective of their size.

Company Size <sup>1</sup>	Total gross cost	Wages and salaries	Obligatory contributions	Subsidies and deductions
1 to 49	24,848.17	17,954.49	5,868.45	254.88
50 to 199	31,594.65	23,044.94	7,055.22	266.56
200 and more	36,635.79	27,164.14	7,676.49	219.40

<sup>1</sup> Number of workers



Social benefits and expenditure on professional training were significantly higher in the largest centres, while costs from work were highest in the small and medium-sized centres.

Company Size <sup>1</sup>	Social banafits	Expenses from work	Compensation for dismissal	Professional training
1 to 49	239.33	384.15	352.38	49.37
50 to 199	586.70	401.83	381.39	124.57
200 and more	1,026.70	292.78	289.11	186.57

<sup>1</sup> Number of workers

## Labour cost by Autonomous Community

By Community, the highest labour cost was in País Vasco and Comunidad de Madrid, and the lowest, in Extremadura and Canarias.



The companies in the Communities of Madrid and País Vasco paid the highest wages and had the highest expenses on social benefits and on the professional training of their workers.

The lowest costs for vocational training were in Baleares (Illes) and in Murcia (Región de).

Companies in Navarra (Comunidad Foral de) and País Vasco received the highest subsidies and tax deductions linked to employment and professional training.

### Autonomous Communities with the highest and lowest costs per worker

Wages and salaries		Social benefits		Expenses from work	
País Vasco	25,288.70	País Vasco	862.84	Madrid (Comunidad de)	454.42
Madrid (Comunidad de)	25,269.06	Madrid (Comunidad de)	773.92	Andalucía	450.18
<b>National total</b>	<b>21,638.86</b>	<b>National total</b>	<b>538.84</b>	<b>National total</b>	<b>361.35</b>
Canarias	18,288.60	Comunitat Valenciana	386.38	Castilla y León	214.77
Extremadura	17,951.19	Extremadura	324.12	Asturias (Principado de)	195.64
Compensation for dismissal		Professional training		Subsidies and deductions	
Cataluña	536.49	Madrid (Comunidad de)	159.86	Navarra (Comunidad Foral de)	344.21
Madrid (Comunidad de)	474.96	País Vasco	120.92	País Vasco	342.05
<b>National total</b>	<b>339.06</b>	<b>National total</b>	<b>104.49</b>	<b>National total</b>	<b>246.62</b>
Extremadura	134.16	Balears (Illes)	57.61	Castilla-La Mancha	183.20
Navarra (Comunidad Foral de)	107.58	Murcia (Región de)	55.82	Canarias	170.01

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# Annual Labour Cost 2008

## Results by activity sector

### 1.- Labour cost by worker and year

	Total	Industry	Construction	Services
	Euros	Euros	Euros	Euros
GROSS COST	29.610,14	33.219,40	29.143,67	28.830,79
Wages and salaries	21.638,86	23.942,55	20.435,24	21.305,25
Obligatory contributions	6.627,54	7.544,76	7.164,66	6.310,62
Voluntary contributions	206,24	305,67	140,50	195,36
Direct corporate contributions	290,67	356,46	125,17	305,04
Compensation for dismissal	41,93	64,10	16,26	41,40
Expenditure on vocational training	339,06	568,89	446,25	265,23
Expenditure on transport	104,49	129,07	49,18	108,53
Corporate expenditure	18,74	50,44	32,37	9,32
Others (1)	342,61	257,46	734,04	290,04
Subsidies and deductions	246,62	327,31	230,31	230,14
NET COST	29.363,52	32.892,09	28.913,36	28.600,65

(1) Others: Includes end of contract and payment compensations, tools, work clothing and other expenses.  
Excludes allowances and travel expenses.

### 2.- Percentage structure over gross cost

	Total	Industry	Construction	Services
	%	%	%	%
GROSS COST	100,00	100,00	100,00	100,00
Wages and salaries	73,08%	72,07%	70,12%	73,90%
Obligatory contributions	22,38%	22,71%	24,58%	21,89%
Voluntary contributions	0,70%	0,92%	0,48%	0,68%
Direct corporate contributions	0,98%	1,07%	0,43%	1,06%
Compensation for dismissal	0,14%	0,19%	0,06%	0,14%
Expenditure on vocational training	1,15%	1,71%	1,53%	0,92%
Expenditure on transport	0,35%	0,39%	0,17%	0,38%
Corporate expenditure	0,06%	0,15%	0,11%	0,03%
Others (1)	1,16%	0,78%	2,52%	1,01%

(1) Others: Includes end of contract and payment compensations, tools, work clothing and other expenses.  
Excludes allowances and travel expenses.

# Annual Labour Cost 2008

## Results by Autonomous Community

### 1.- Labour Cost by worker and year

	GROSS COST	Wages and salaries	Obligatory contributions	Voluntary contributions	Direct corporate contributions	Others (2)	Subsidies and deductions	NET COST
	Euros	Euros	Euros	Euros	Euros	Euros	Euros	Euros
TOTAL	29.610,14	21.638,86	6.627,54	206,24	290,67	846,83	246,62	29.363,52
Andalucía	27.562,10	19.998,51	6.350,16	144,87	260,18	808,38	213,48	27.348,62
Aragón	29.082,54	21.277,73	6.700,80	166,38	273,17	664,46	297,70	28.784,84
Asturias (Principado de)	29.121,24	21.344,49	6.795,45	262,03	286,66	432,61	264,08	28.857,16
Balears (Illes)	28.018,77	20.378,85	6.287,07	143,98	318,62	890,25	222,37	27.796,40
Canarias	25.323,52	18.288,60	5.889,69	140,63	273,76	730,84	170,01	25.153,51
Cantabria	27.909,32	20.162,59	6.504,03	183,58	359,31	699,81	248,98	27.660,34
Castilla y León	27.112,00	19.864,76	6.223,59	186,25	248,79	588,61	229,12	26.882,88
Castilla-La Mancha	26.361,09	19.101,21	6.124,59	140,67	278,17	716,45	183,20	26.177,89
Cataluña	31.949,66	23.376,41	7.102,74	186,72	283,29	1.000,50	272,57	31.677,09
Comunitat Valenciana	26.574,39	19.258,94	6.148,38	154,21	211,01	801,85	241,23	26.333,16
Extremadura	24.606,58	17.951,19	5.789,25	121,00	195,40	549,74	223,97	24.382,61
Galicia	25.798,26	18.756,01	5.954,46	207,64	243,29	636,86	258,36	25.539,90
Madrid (Comunidad de)	34.163,11	25.269,06	7.030,89	321,10	361,54	1.180,52	244,60	33.918,51
Murcia (Región de)	25.954,84	18.869,31	6.050,04	140,18	255,28	640,03	230,62	25.724,22
Navarra (Comunidad Foral de)	31.431,10	23.040,95	7.410,18	183,25	323,68	473,04	344,21	31.086,89
País Vasco	34.545,61	25.288,70	7.765,68	378,72	450,95	661,56	342,05	34.203,56
Rioja (La)	27.647,16	20.214,05	6.413,91	181,68	277,39	560,13	220,62	27.426,54

(2) Others: Includes compensation for dismissal, expenditure on vocational training and transport, corporate expenditure, end of contract and payment compensations, tools - work clothing and other expenses. Excludes allowances and travel expenses.

### 2.- Percentage structure over gross cost

	GROSS COST	Wages and salaries	Obligatory contributions	Voluntary contributions	Direct corporate contributions	Others (2)
	%	%	%	%	%	%
TOTAL	100,00	73,08	22,38	0,70	0,98	2,86
Andalucía	100,00	72,56	23,04	0,53	0,94	2,93
Aragón	100,00	73,16	23,04	0,57	0,94	2,28
Asturias (Principado de)	100,00	73,30	23,34	0,90	0,98	1,49
Balears (Illes)	100,00	72,73	22,44	0,51	1,14	3,18
Canarias	100,00	72,22	23,26	0,56	1,08	2,89
Cantabria	100,00	72,24	23,30	0,66	1,29	2,51
Castilla y León	100,00	73,27	22,96	0,69	0,92	2,17
Castilla-La Mancha	100,00	72,46	23,23	0,53	1,06	2,72
Cataluña	100,00	73,17	22,23	0,58	0,89	3,13
Comunitat Valenciana	100,00	72,47	23,14	0,58	0,79	3,02
Extremadura	100,00	72,95	23,53	0,49	0,79	2,23
Galicia	100,00	72,70	23,08	0,80	0,94	2,47
Madrid (Comunidad de)	100,00	73,97	20,58	0,94	1,06	3,46
Murcia (Región de)	100,00	72,70	23,31	0,54	0,98	2,47
Navarra (Comunidad Foral de)	100,00	73,31	23,58	0,58	1,03	1,51
País Vasco	100,00	73,20	22,48	1,10	1,31	1,92
Rioja (La)	100,00	73,11	23,20	0,66	1,00	2,03

(2) Others: Includes compensation for dismissal, expenditure on vocational training and transport, corporate expenditure, end of contract and payment compensations, tools - work clothing and other expenses. Excludes allowances and travel expenses.

# Annual Labour Cost 2008

## Variation as compared with the previous year

### 1.- National results

	Net cost		Wages and salaries		Other costs(2)	
	Euros	Rates (1)	Euros	Rates (1)	Euros	Rates (1)
TOTAL	29.363,52	-	21.638,86	-	7.724,66	-
TOTAL (excluding Public Administrations) <sup>3</sup>	28.922,42	5,2	21.261,90	5,4	7.660,52	4,5
Industry	32.892,09	4,9	23.942,55	5,6	8.949,54	3,2
Construction	28.913,36	6,4	20.435,24	6,5	8.478,12	6,0
Services	28.600,65	-	21.305,25	-	7.295,40	-
Services (excluding Public Administrations) <sup>3</sup>	27.864,80	5,1	20.713,40	5,1	7.151,40	5,1

### 2. - Results by Autonomous Community

	Net cost		Wages and salaries		Other costs(2)	
	Euros	Rates (1)	Euros	Rates (1)	Euros	Rates (1)
TOTAL	29.363,52	5,2	21.638,86	5,4	7.724,66	4,5
Andalucía	27.348,62	6,3	19.998,51	6,0	7.350,11	7,1
Aragón	28.784,84	3,5	21.277,73	3,8	7.507,11	2,7
Asturias (Principado de)	28.857,16	4,9	21.344,49	4,9	7.512,67	4,9
Baleares (Illes)	27.796,40	5,5	20.378,85	5,0	7.417,55	7,0
Canarias	25.153,51	5,9	18.288,60	6,1	6.864,91	5,4
Cantabria	27.660,34	4,9	20.162,59	3,9	7.497,75	7,7
Castilla y León	26.882,88	4,2	19.864,76	5,8	7.018,12	0,0
Castilla-La Mancha	26.177,89	5,7	19.101,21	5,5	7.076,68	6,1
Cataluña	31.677,09	4,6	23.376,41	4,8	8.300,68	4,0
Comunitat Valenciana	26.333,16	5,6	19.258,94	5,9	7.074,22	4,7
Extremadura	24.382,61	6,8	17.951,19	6,9	6.431,42	6,6
Galicia	25.539,90	4,7	18.756,01	4,9	6.783,89	4,2
Madrid (Comunidad de)	33.918,51	4,8	25.269,06	5,3	8.649,45	3,2
Murcia (Región de)	25.724,22	6,3	18.869,31	6,1	6.854,91	6,9
Navarra (Comunidad Foral de)	31.086,89	3,0	23.040,95	3,5	8.045,94	1,6
País Vasco	34.203,56	5,1	25.288,70	5,8	8.914,86	3,3
Rioja (La)	27.426,54	6,1	20.214,05	5,9	7.212,49	6,9

(1) Compared with the previous year

(2) Other costs: Excludes allowances and travel expenses

(3) Rates for comparable data for the year 2007 excluding Public Administrations