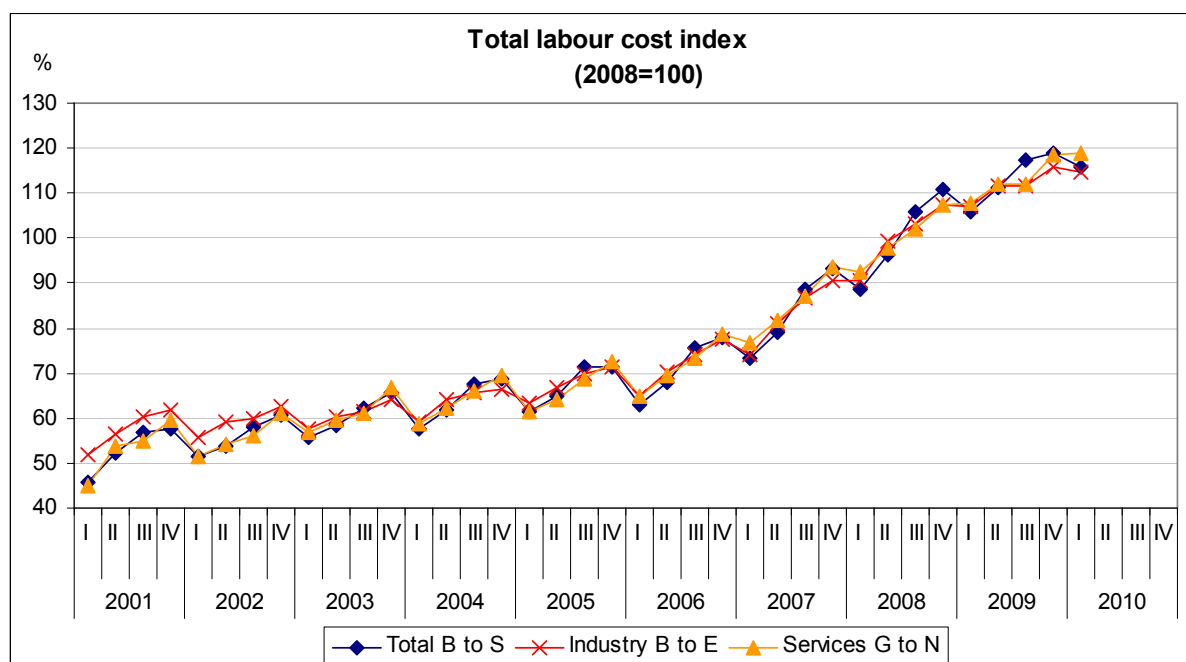


QUARTERLY LABOUR COST INDEX¹

Preliminary data for the first quarter of 2010 indicated that the total hourly labour cost rose by 9.4% compared to the first quarter of 2009. The total hourly labour cost grew by 7.0% in industry, by 10.4% in services and by 14.7% in construction.

The breakdown by economic activities showed that the highest annual growths were recorded in ‘Information and communication’ - 30.8%, ‘Other service activities’ - 22.4% and ‘Professional, scientific and technical activities’ - 17.3%, while the lowest were in ‘Arts, entertainment and recreation’ and ‘Transportation and storage’ respectively 4.1% and 4.8%..

In the structure of the total labour costs, the wages and salaries costs per hour worked grew by 10.0% in comparison with a year earlier, while the other (non-wage) costs rose by 6.5%. Among the economic activities in first quarter of 2010 compared to the first quarter of 2009 the growth rate of wages and salaries component ranged from 4.2% in ‘Arts, entertainment and recreation’ to 31.1% in ‘Information and communication’.



¹ Since first quarter of 2009 the data are published according to the new classification of economic activities NACE rev. 2. Reclassified data for the period 2000-2008 are available on the NSI official web page (<http://www.nsi.bg/otrasalen.php?otr=51>)



Hourly labour cost index for the period first quarter of 2008 first quarter of 2010
 Percentage change compared to corresponding period of the previous year
 Not seasonally adjusted

Table 1 (%)

Code NCEA 2008 ¹⁾	Economic activities	q1 / 2008 ²⁾			q2 / 2008 ²⁾			q3 / 2008 ²⁾			q4 / 2008 ²⁾			q1 / 2009 ²⁾			q2 / 2009 ²⁾			q3 / 2009 ²⁾			q4 / 2009 ²⁾			q1 / 2010 ²⁾		
		TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH	TOT	WAG	OTH
B to S	All NACE branches except agriculture, fishing, private households with employed persons	21.2	24.5	8.6	21.5	24.3	10.9	19.5	21.6	11.4	18.9	19.8	15.2	19.2	21.0	11.7	15.6	17.7	6.8	11.0	13.0	2.6	7.2	8.9	0.2	9.5	10.1	6.6
B to E	Industry (except construction)	21.9	25.6	8.8	23.1	25.3	15.4	19.0	21.8	9.1	18.7	18.7	18.6	18.5	20.1	12.1	12.0	14.5	2.3	8.2	10.0	0.9	7.7	9.5	0.6	7.1	8.2	2.4
G to N	Services (excluding public administration)	20.3	23.4	7.3	19.7	23.0	6.3	17.1	18.9	9.2	14.7	15.7	10.5	16.3	17.7	9.6	14.1	15.6	7.4	9.6	11.5	1.1	10.4	12.2	1.7	10.4	11.1	7.0
B	Mining and quarrying	27.2	31.2	15.4	24.5	26.9	17.6	12.1	13.4	8.3	8.7	6.7	15.4	11.3	11.0	12.4	3.8	4.8	0.6	2.4	3.6	-1.7	8.0	10.2	1.4	13.4	17.1	1.5
C	Manufacturing	21.3	25.2	7.1	22.6	24.7	15.0	19.0	22.0	7.7	18.2	18.7	16.3	18.7	20.3	12.0	11.6	13.9	2.2	8.1	10.0	0.1	8.3	10.2	0.6	6.5	7.5	1.7
D	Electricity, gas, steam and air conditioning supply	23.5	26.2	14.9	25.1	26.8	19.1	23.6	25.1	18.8	27.2	24.9	35.9	26.8	29.6	17.2	23.0	27.8	4.9	13.1	14.8	7.1	5.5	6.8	0.7	5.3	5.6	3.9
E	Water supply, sewerage, waste management and remediation activities	20.5	23.9	7.1	24.0	28.2	7.5	20.2	23.0	8.8	21.4	22.7	16.0	8.9	11.0	-0.3	3.6	4.5	-0.9	6.9	8.4	0.4	3.5	4.6	-1.2	12.5	12.5	12.2
F	Construction	25.8	29.1	13.1	22.4	26.3	7.9	18.5	22.0	5.0	25.0	27.4	15.4	32.2	35.1	19.7	30.2	33.1	17.7	29.3	31.3	20.5	25.1	27.0	16.3	14.7	15.2	12.6
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	15.0	17.9	2.9	14.2	17.5	1.3	12.1	14.5	2.0	8.6	9.8	3.3	23.6	25.5	14.7	20.3	22.5	10.3	18.0	20.2	7.8	18.3	19.9	10.3	6.4	7.1	2.7
H	Transportation and storage	19.3	21.2	12.0	18.3	19.6	13.2	15.2	15.3	14.4	14.6	15.9	9.7	18.7	20.4	11.7	14.1	16.0	6.3	6.6	8.3	-0.1	5.9	8.5	-4.1	4.8	4.7	5.4
I	Accommodation and food service	16.2	18.7	6.4	14.4	17.7	1.6	11.4	14.1	0.8	12.4	14.9	2.6	20.6	22.9	10.5	18.5	20.5	9.4	15.3	17.1	7.1	15.6	16.9	10.3	14.4	15.3	9.9
J	Information and communication	15.9	18.9	2.1	7.0	10.9	-8.8	10.9	10.7	11.8	3.2	1.4	12.6	6.4	7.2	2.0	7.2	6.4	10.9	2.5	4.4	-6.5	0.7	2.7	-8.6	30.8	31.1	29.1
K	Financial and insurance activities	22.6	26.1	6.3	28.0	31.9	9.6	14.5	15.7	8.8	14.8	14.6	15.6	5.1	5.2	4.5	6.7	7.1	4.5	2.4	4.2	-6.5	6.0	8.3	-5.9	9.5	11.4	-1.2
L	Real estate activities	17.9	21.5	3.6	23.2	27.8	5.4	19.3	21.7	9.3	23.0	24.4	16.9	27.1	28.4	21.2	22.1	25.0	8.3	16.9	20.5	0.3	16.7	19.9	2.3	16.5	19.1	3.4
M	Professional, scientific and technical activities	37.3	43.2	13.9	40.5	45.5	19.8	45.4	50.8	23.1	41.9	45.7	25.3	9.9	11.7	1.0	4.9	5.8	0.9	-4.0	-3.1	-8.8	-4.3	-4.1	-5.4	17.3	17.1	18.3
N	Administrative and support service activities	42.1	47.1	21.5	43.7	47.8	26.8	41.0	45.2	23.5	41.8	44.1	31.4	8.9	10.2	2.3	13.5	15.8	2.5	12.4	14.4	2.7	20.9	23.5	8.5	6.5	6.8	4.5
O	Public administration and defence; compulsory social security	17.1	19.4	9.6	21.9	24.0	14.9	12.2	13.2	9.1	18.9	21.0	11.8	19.3	21.8	10.5	15.9	18.1	7.9	9.5	10.4	6.3	-14.0	-15.4	-8.8	11.5	10.8	14.2
P	Education	24.6	28.5	10.9	22.5	25.3	12.5	34.3	35.4	30.4	26.5	27.8	21.7	19.6	21.4	12.2	22.0	24.0	13.9	10.9	14.0	-0.4	4.1	6.2	-4.1	8.0	8.3	6.6
Q	Human health and social work activities	19.6	22.9	6.6	21.2	24.5	7.9	22.3	25.4	9.6	28.8	30.4	22.3	26.3	29.1	13.9	18.0	20.2	7.8	12.5	14.6	3.0	2.4	4.3	-5.7	7.0	7.0	7.3
R	Arts, entertainment and recreation	22.3	25.6	8.9	33.7	33.0	36.6	29.6	29.3	31.1	31.7	33.6	23.3	26.2	29.2	12.2	20.3	27.1	-7.5	20.5	27.3	-7.2	18.4	20.7	7.7	4.1	4.2	3.9
S	Other service activities	14.1	17.4	0.6	15.9	18.9	3.6	11.8	14.7	-0.1	15.3	16.0	11.9	13.2	14.5	7.2	15.2	17.2	5.3	16.2	17.3	10.9	13.4	15.5	3.8	22.4	24.1	14.0

1) NCEA 2008 - National Classification of economic activities comparable with NACE Rev.2

2) Preliminary data

TOT – Total labour costs

WAG – Wages and salaries costs

OTH – Other (non-wage) costs

Labour Cost Index - Total labour costs for the period 2006- 2010

Index, 2008=100
Not seasonally adjusted

Table 2
(%)

Code NCEA 2008 ¹⁾	Economic activities	2006 ²⁾				2007 ²⁾				2008 ²⁾				2009 ²⁾				2010 ²⁾			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
B to S	All NACE branches except agriculture, fishing, private households with employed persons	62.9	68.1	75.7	77.9	73.2	79.2	88.6	93.3	88.7	96.3	105.9	110.9	105.8	111.3	117.5	118.9	115.9			
B to E	Industry (except construction)	64.8	70.2	74.0	77.4	74.2	80.8	86.7	90.6	90.4	99.5	103.2	107.5	107.2	111.5	111.7	115.8	114.8			
G to N	Services (excluding public administration)	64.9	69.5	73.5	78.5	76.9	81.9	87.2	93.6	92.5	98.0	102.1	107.4	107.6	111.9	112.0	118.5	118.8			
B	Mining and quarrying	65.0	71.0	72.8	87.3	73.0	81.0	88.3	98.6	92.9	100.9	99.1	107.2	103.4	104.7	101.4	115.8	117.2			
C	Manufacturing	65.3	69.2	74.5	76.1	75.5	80.5	87.5	90.0	91.6	98.7	104.1	106.4	108.7	110.1	112.5	115.2	115.7			
D	Electricity,gas,steam and air conditioning supply	61.8	76.0	70.7	78.9	66.6	83.7	81.7	89.0	82.2	104.7	101.0	113.2	104.3	128.7	114.2	119.4	109.8			
E	Water supply,sewerage,waste management and remediation activities	64.0	68.8	75.6	80.0	73.9	78.8	85.1	91.6	89.1	97.7	102.3	111.2	97.0	101.2	109.4	115.1	109.1			
F	Construction	64.8	64.5	68.8	74.5	75.6	79.2	82.7	88.1	95.1	97.0	98.0	110.2	125.7	126.3	126.8	137.8	144.2			
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	66.5	69.5	74.5	77.1	82.2	86.2	90.9	96.7	94.5	98.5	101.9	105.0	116.8	118.5	120.2	124.2	124.3			
H	Transportation and storage	67.1	72.0	77.2	80.0	76.4	81.9	89.5	95.4	91.2	96.9	103.0	109.3	108.3	110.6	109.8	115.7	113.5			
I	Accommodation and food service activities	66.9	67.9	70.9	75.2	82.0	85.9	89.4	95.1	95.4	98.3	99.5	106.9	115.0	116.5	114.7	123.6	131.6			
J	Information and communication	67.3	76.0	77.3	99.0	78.9	89.0	93.3	107.2	91.5	95.2	103.4	110.6	97.4	102.0	106.1	111.4	127.4			
K	Financial and insurance activities	64.2	73.8	75.8	81.1	73.4	80.4	86.8	93.2	90.0	102.9	99.4	107.0	94.6	109.8	101.8	113.4	103.5			
L	Real estate activities	61.4	66.2	71.1	69.4	74.7	79.3	85.7	91.5	88.1	97.7	102.2	112.5	111.9	119.3	119.5	131.3	130.4			
M	Professional,scientific and technical activities	56.1	58.5	66.8	69.2	64.2	67.6	73.6	77.4	88.1	95.0	107.0	109.8	96.9	99.7	102.7	105.0	113.6			
N	Administrative and support service activities	59.3	61.6	61.7	63.4	67.7	68.1	70.9	74.7	96.1	97.8	100.0	105.9	104.7	111.1	112.4	128.0	111.4			
O	Public administration and defence;compulsory social security	57.4	63.6	74.3	91.5	65.8	73.1	88.1	113.2	77.0	89.1	98.9	134.6	91.9	103.3	108.3	115.8	102.5			
P	Education	54.0	63.4	98.8	67.6	60.0	68.2	108.9	89.6	74.8	83.6	146.3	113.3	89.5	102.0	162.2	118.0	96.6			
Q	Human health and social work activities	59.5	68.0	75.9	76.0	70.7	78.8	86.3	89.2	84.5	95.5	105.5	115.0	106.7	112.7	118.7	117.8	114.2			
R	Arts,entertainment and recreation	59.4	59.3	73.3	77.2	68.8	70.9	84.9	85.5	84.2	94.8	110.0	112.6	106.3	114.1	132.6	133.3	110.6			
S	Other service activities	64.3	65.2	73.7	75.5	80.6	83.9	93.2	92.8	91.9	97.2	104.2	107.0	104.1	112.0	121.0	121.2	127.4			

1) NCEA 2008 - National Classification of economic activities comparable with NACE Rev.2

2) Preliminary data

Methodological notes

Labour Cost Index is a short-term indicator measuring the quarterly development of hourly labour costs incurred by the employers as a result of engaging the labour work force. The Quarterly Survey on employees, hours worked, wages and salaries and other expenditures paid by the employer is the main source used for the labour cost index data calculation.

Labour cost index (LCI) is defined as a Laspeyres index of labour costs per hour worked. Since first quarter of 2009 it is calculated broken down by economic activities at section level according to the new NACE Rev.2 classification and with a reference year 2008=100. Indices are based on Regulation (EC) 450/2003 of the European Parliament and of the Council according to which requirements Labour costs indices shall be provided separately for the following three labour costs categories:

Total labour costs (TOT), which includes wages and salaries paid by the employer in cash or in kind, employers' actual and imputed social contribution plus taxes regarded as labour costs;

Wage and salary costs (WAG) covers wages and salaries paid in cash or in kind;

Labour costs other than wages and salaries (OTH – non-wage costs) includes the employers' actual and imputed social contribution plus taxes regarded as labour costs;

Economic activity coverage (NACE Rev.2)

- **Total (sections B to S)** - Mining and quarrying (B), Manufacturing (C), Electricity, gas, steam and air conditioning supply (D), Water supply, sewerage, waste management and remediation activities (E), Construction (F), Wholesale and retail trade; repair of motor vehicles and motorcycles (G), Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Financial and insurance activities (K), Real estate activities (L), Professional, scientific and technical activities (M), Administrative and support service activities (N), Public administration and defence; compulsory social security (O), Education (P), Human health and social work activities (Q), Arts, entertainment and recreation (R), Other service activities (S);

- **Industry (section B to E)** - Mining and quarrying (B), Manufacturing (C), Electricity, gas, steam and air conditioning supply (D), Water supply, sewerage, waste management and remediation activities (E);

- **Services (sections G to N)** - Wholesale and retail trade; repair of motor vehicles and motorcycles (G), Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Financial and insurance activities (K), Real estate activities (L), Professional, scientific and technical activities (M), Administrative and support service activities (N).

More methodological information on the labour cost index and data could be found on NSI official web page – <http://www.nsi.bg/otrasalen.php?otr=51>.