



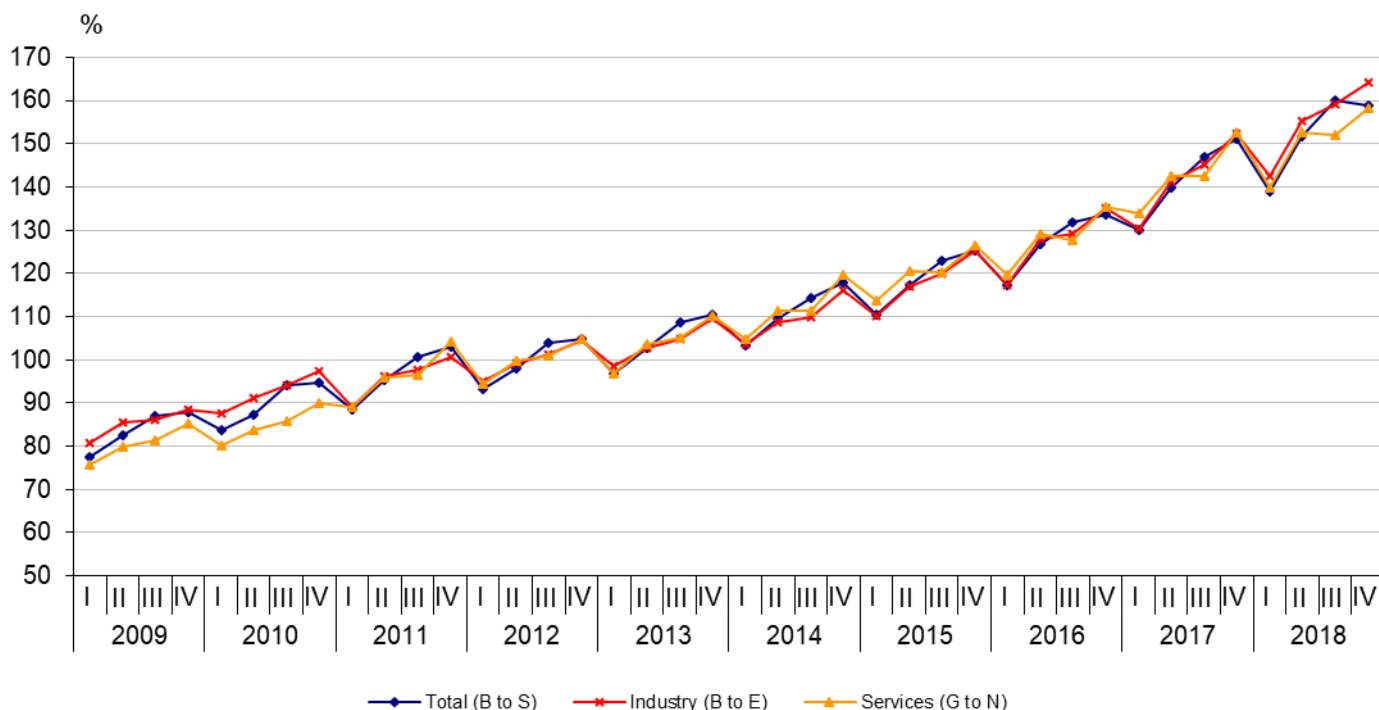
QUARTERLY LABOUR COST INDEX FOURTH QUARTER OF 2018

Preliminary data of the NSI for the fourth quarter of 2018 indicate that the total hourly labour cost rose by 5.1% compared to the fourth quarter of 2017. The total hourly labour cost grew by 7.7% in industry, by 3.6% in services and by 2.2% in construction.

The breakdown by economic activities showed that the highest annual growths in total labour costs were recorded in 'Information and communication' - 11.6%, 'Electricity, gas, steam and air conditioning supply' - 11.3% and 'Arts, entertainment and recreation' - 8.6%. A decrease in total labour costs was observed in 'Real estate activities' by 9.1% and in 'Wholesale and retail trade; repair of motor vehicles and motorcycles' by 3.5%.

In the structure of the total labour costs, the wages and salaries costs per hour worked grew by 4.8% in comparison with a year earlier, while the other (non-wage) costs rose by 6.8%. Among the economic activities in the fourth quarter of 2018 compared to the fourth quarter of 2017 the growth rate of wages and salaries component ranged from 12.3% in 'Information and communication' to (-9.7%) in 'Real estate activities'.

**Figure 1. Total labour cost index
(Working day adjusted, 2012 = 100)**





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 2015 it has been calculated broken down by economic activities at section level according to the new NACE Rev. 2 classification and with a reference year 2012 = 100. Indices are based on Regulation (EC) No. 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) include 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 the NSI official website - <http://www.nsi.bg/en> .

Hourly labour cost index for the period fourth quarter of 2016 - fourth quarter of 2018
(Working day adjusted)

Code NCEA - 2008 ¹	Economic activities	(Percentage change compared to corresponding period of the previous year)																										
		q4 2016			q1 2017 ²			q2 2017 ²			q3 2017 ²			q4 2017 ²			q1 2018 ²			q2 2018 ²			q3 2018 ²			q4 2018 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	6.6	6.7	6.1	10.9	10.8	11.9	10.3	10.1	11.8	11.5	11.5	11.7	13.2	13.0	14.0	6.8	6.3	9.0	8.5	8.3	9.4	8.9	8.6	10.3	5.1	4.8	6.8
B to E	Industry (except construction)	7.6	7.8	6.7	11.1	10.5	13.9	10.4	10.3	11.0	12.4	12.2	13.8	13.0	12.5	14.9	9.3	9.3	9.6	10.0	9.8	10.7	9.6	9.4	10.8	7.7	7.3	9.4
G to N	Services (excluding public administration)	6.9	6.8	7.6	11.8	11.8	11.5	10.3	10.2	10.8	11.5	11.4	11.6	12.7	12.7	12.6	4.5	4.0	7.8	7.0	6.8	8.1	6.8	6.7	7.3	3.6	3.4	4.6
B	Mining and quarrying	5.7	4.9	9.0	12.0	11.4	14.0	10.9	10.6	12.0	14.6	14.6	14.3	16.0	16.0	16.2	12.2	13.7	6.8	9.4	9.7	8.2	6.1	5.8	7.1	6.9	6.8	7.2
C	Manufacturing	8.5	8.5	8.5	10.9	10.2	14.2	11.2	11.1	11.6	12.9	12.6	14.5	13.8	13.2	16.6	10.4	10.1	11.5	10.4	10.3	11.4	10.6	10.3	11.8	7.6	7.5	7.6
D	Electricity,gas,steam and air conditioning supply	5.2	7.0	-1.8	11.4	11.5	11.2	5.8	5.6	6.7	8.5	8.4	9.1	5.7	5.7	5.7	0.8	1.0	-0.1	8.6	8.2	10.0	6.5	6.0	8.8	11.3	7.9	25.6
E	Water supply,sewerage,waste management and remediation activities	3.1	3.4	1.6	12.1	11.4	15.8	7.8	7.1	11.3	9.4	8.8	12.5	12.5	12.6	11.9	7.1	6.8	8.5	6.1	6.3	5.4	5.3	5.3	5.6	4.6	4.6	4.3
F	Construction	1.5	1.3	2.6	4.9	5.3	2.7	7.6	8.0	5.5	8.2	9.0	3.9	12.3	13.2	8.0	7.8	7.3	10.6	10.5	10.2	12.2	10.0	9.3	13.6	2.2	1.6	5.5
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	8.7	8.7	8.9	14.6	14.8	13.3	13.9	14.1	12.3	12.9	13.5	9.7	17.8	17.8	17.4	-0.4	-1.3	4.8	1.0	0.3	4.4	2.5	2.0	5.1	-3.5	-4.2	0.2
H	Transportation and storage	5.1	4.4	8.1	13.3	13.1	13.9	11.3	11.5	10.7	14.1	13.9	15.2	14.3	14.5	13.3	7.6	6.6	12.3	9.3	8.0	15.5	7.6	6.7	11.4	6.0	5.4	8.6
I	Accommodation and food service activities	7.0	7.2	6.4	4.1	3.6	6.5	8.3	7.3	13.4	10.7	10.2	12.8	12.2	11.7	14.7	5.9	5.2	9.3	11.5	11.6	11.1	13.7	13.4	15.6	5.6	5.6	5.5
J	Information and communication	9.2	9.5	7.4	11.7	12.0	9.7	5.8	5.6	6.7	7.8	7.8	8.2	6.6	6.8	5.3	9.4	9.2	10.5	14.9	15.8	8.8	12.4	13.2	7.0	11.6	12.3	6.7
K	Financial and insurance activities	2.6	2.2	5.0	6.0	5.2	10.7	3.7	3.4	5.2	8.6	7.6	14.1	6.4	5.9	8.8	5.8	5.8	5.4	4.4	4.4	4.0	4.4	5.3	-0.2	7.2	7.4	5.7
L	Real estate activities	7.9	6.9	13.2	4.3	4.1	5.6	10.3	9.8	12.8	4.1	3.0	10.0	5.6	6.8	-0.8	-4.2	-5.3	2.4	-7.5	-8.0	-4.8	1.2	1.8	-2.3	-9.1	-9.7	-6.0
M	Professional,scientific and technical activities	1.6	1.4	2.8	13.3	14.3	7.7	12.6	12.7	12.0	13.7	13.9	12.3	13.2	13.4	12.1	5.7	5.6	6.6	8.9	8.9	8.8	7.2	6.8	9.5	5.7	5.5	7.3
N	Administrative and support service activities	9.6	9.6	9.9	11.8	11.3	14.8	11.1	10.5	14.2	12.2	11.7	14.9	12.4	12.4	12.9	7.9	7.4	10.7	12.7	12.7	12.8	9.3	9.1	10.3	7.5	7.3	9.0
O	Public administration and defence;compulsory social security	5.2	7.4	-1.8	9.9	9.6	10.9	10.3	9.0	15.1	8.6	7.4	12.6	12.8	11.3	18.0	7.7	7.4	8.6	10.1	10.0	10.6	10.1	9.8	10.9	7.3	6.9	8.4
P	Education	2.9	2.3	5.6	11.9	11.3	14.7	12.1	10.3	19.8	14.2	14.9	11.6	20.6	20.5	20.9	10.3	9.8	12.5	11.1	12.2	6.8	14.8	14.6	15.9	4.1	3.9	4.9
Q	Human health and social work	7.4	7.6	6.4	8.5	8.2	10.1	9.1	8.8	11.2	9.7	9.7	9.6	10.2	10.4	9.4	7.5	7.1	9.4	7.2	6.4	11.1	8.0	7.6	10.1	6.9	6.3	9.8
R	Arts,entertainment and recreation	15.8	15.8	15.8	10.2	10.1	10.5	15.5	15.9	13.5	11.9	12.2	9.9	8.7	9.0	7.3	9.9	9.4	12.3	11.6	11.2	13.5	15.6	15.0	18.7	8.6	8.1	11.4
S	Other service activities	9.0	9.2	7.6	11.1	10.8	12.9	9.6	9.3	11.5	16.8	16.8	16.5	21.0	21.5	18.3	8.8	7.5	15.4	11.4	11.1	12.9	6.2	4.4	15.5	3.2	1.7	11.0

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 2014 - 2018
(Working day adjusted, 2012=100)

Code NCEA - 2008 ¹	Economic activities	2014				2015				2016				2017 ²				2018 ²				(Per cent)			
		Q1	Q2	Q3	Q4	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	103.3	109.5	114.3	117.9	110.3	117.4	122.9	125.2	117.2	126.8	131.8	133.5	130.0	139.9	147.0	151.1	138.8	151.8	160.0	158.8				
B to E	Industry (except construction)	103.5	108.8	109.9	116.0	110.1	116.9	119.8	125.4	117.4	128.1	129.2	135.0	130.4	141.4	145.2	152.4	142.5	155.4	159.2	164.2				
G to N	Services (excluding public administration)	104.9	111.3	111.2	119.6	113.6	120.5	120.2	126.6	119.7	129.2	127.8	135.4	133.8	142.5	142.5	152.6	139.9	152.5	152.1	158.1				
B	Mining and quarrying	106.5	105.2	104.8	123.9	104.6	109.4	107.9	122.2	104.4	114.1	112.3	129.2	116.9	126.6	128.7	149.9	131.1	138.4	136.5	160.2				
C	Manufacturing	104.4	108.8	111.3	116.0	112.6	118.1	123.0	127.7	122.6	131.5	134.7	138.5	135.9	146.2	152.1	157.6	150.0	161.5	168.2	169.5				
D	Electricity,gas,steam and air conditioning supply	94.2	109.9	104.0	109.1	98.7	114.4	109.4	114.7	98.1	119.3	111.1	120.7	109.3	126.3	120.5	127.6	110.2	137.1	128.4	142.0				
E	Water supply,sewerage,waste management and remediation activities	107.4	112.7	112.6	120.3	110.0	115.9	117.0	124.1	108.4	122.4	120.5	127.9	121.6	131.9	131.8	143.9	130.3	140.1	138.9	150.5				
F	Construction	107.4	109.4	107.3	117.1	112.5	114.4	113.1	127.7	119.9	118.0	117.0	129.6	125.7	126.9	126.6	145.6	135.5	140.3	139.2	148.8				
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	105.3	111.2	111.5	114.8	114.7	121.6	121.2	125.2	120.7	129.4	128.8	136.1	138.3	147.3	145.4	160.3	137.8	148.7	149.0	154.7				
H	Transportation and storage	98.8	105.0	107.1	110.5	105.4	112.9	112.5	112.8	107.6	117.0	116.5	118.6	121.9	130.3	132.9	135.5	131.2	142.4	143.0	143.6				
I	Accommodation and food service activities	104.9	107.3	103.0	114.3	106.3	108.0	106.6	115.3	116.6	116.8	111.4	123.4	121.4	126.4	123.3	138.5	128.5	141.0	140.3	146.2				
J	Information and communication	108.1	113.5	114.6	131.9	117.2	121.8	125.8	132.7	123.6	134.7	136.9	145.0	138.1	142.4	147.6	154.5	151.0	163.6	165.9	172.4				
K	Financial and insurance activities	99.7	112.6	106.9	117.3	104.9	117.5	108.6	121.3	109.7	126.5	116.4	124.5	116.3	131.1	126.3	132.4	123.0	136.8	132.0	141.9				
L	Real estate activities	97.9	102.8	100.8	111.8	111.9	122.4	117.6	131.8	122.2	128.1	126.4	142.2	127.5	141.3	131.6	150.2	122.2	130.6	133.1	136.5				
M	Professional,scientific and technical activities	106.5	112.1	118.9	129.0	120.1	125.9	130.1	141.9	121.9	132.4	134.4	144.2	138.2	149.1	152.8	163.3	146.1	162.3	163.9	172.6				
N	Administrative and support service activities	115.9	124.2	119.5	134.2	130.1	138.4	138.3	146.8	146.8	155.7	152.1	160.9	164.1	172.9	170.6	180.9	177.1	194.9	186.5	194.6				
O	Public administration and defence;compulsory social security	103.8	109.6	118.0	117.9	106.5	112.8	120.1	120.5	113.0	121.9	131.7	126.7	124.2	134.6	142.9	143.0	133.8	148.2	157.3	153.4				
P	Education	89.6	99.3	148.9	115.0	92.5	105.6	158.6	117.8	100.9	113.9	172.2	121.2	113.0	127.7	196.6	146.2	124.6	141.9	225.8	152.1				
Q	Human health and social work activities	105.4	113.5	118.4	119.5	113.1	121.6	125.6	128.4	120.5	134.1	138.0	137.9	130.7	146.3	151.4	152.1	140.5	156.8	163.5	162.5				
R	Arts,entertainment and recreation	102.9	104.2	108.0	116.9	108.2	113.8	123.1	124.7	118.8	121.3	133.8	144.4	130.9	140.1	149.7	157.0	143.8	156.3	173.0	170.5				
S	Other service activities	95.7	100.4	106.0	105.7	102.7	108.7	112.1	112.0	110.4	117.7	120.9	122.0	122.7	129.0	141.2	147.7	133.4	143.8	149.9	152.4				

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

² Preliminary data.