

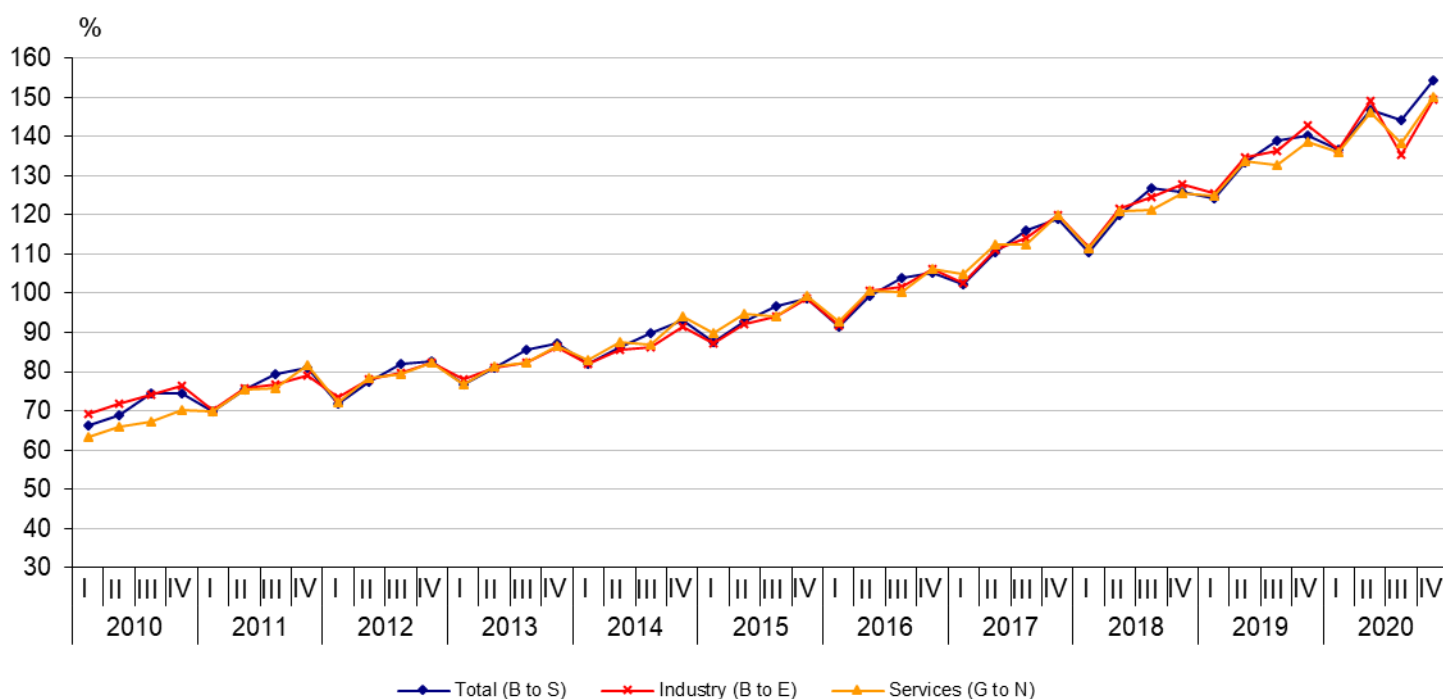
QUARTERLY LABOUR COST INDEX **FOURTH QUARTER OF 2020**

Preliminary data of the NSI for the fourth quarter of 2020 indicate that the total hourly labour cost rose by 10.0% compared to the fourth quarter of 2019. The total hourly labour cost grew by 4.6% in industry, by 8.2% in services and by 6.0% in construction.

The breakdown by economic activities showed that the highest annual growths in total labour costs were recorded in 'Education' - 25.6%, 'Human health and social work activities' - 24.7% and 'Real estate activities' by 20.5%. Decrease in total labour costs were recorded in 'Arts, entertainment and recreation' by 2.4% and in 'Accommodation and food service activities' by 0.9%.

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 10.1%. Among the economic activities in the fourth quarter of 2020 compared to the fourth quarter of 2019 the growth rate of wages and salaries component ranged from 24.8% in 'Education' to (-3.1%) in 'Arts, entertainment and recreation'.

Figure 1. Total labour cost index
(Working day adjusted, 2016 = 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 2019 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 2016 = 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.

Since second quarter of 2020 the amounts received under government measures to support the employers labour costs are excluded.

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 2018 - fourth quarter of 2020
(Working day adjusted)

Code NCEA - 2008 ¹	Economic activities	(Percentage change compared to corresponding period of the previous year)																										
		q4 2018			q1 2019*			q2 2019*			q3 2019*			q4 2019*			q1 2020*			q2 2020*			q3 2020*			q4 2020*		
		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	5.7	5.3	7.3	12.5	12.2	13.6	11.3	11.2	11.8	9.7	9.4	10.9	11.6	11.4	12.6	10.0	10.0	10.1	10.0	9.8	10.9	3.6	3.5	4.1	10.0	10.0	10.1
B to E	Industry (except construction)	6.5	5.9	9.2	12.2	11.7	14.4	10.8	10.4	12.6	9.4	9.1	10.8	11.8	12.0	10.9	8.9	9.0	8.6	10.8	10.7	11.2	-0.6	-0.7	-0.1	4.6	4.6	4.7
G to N	Services (excluding public administration)	4.7	4.5	5.5	12.0	12.0	12.0	10.8	10.9	10.6	9.2	9.0	10.1	10.3	9.9	12.2	9.1	9.0	9.2	9.3	9.1	10.2	4.4	4.5	3.7	8.2	8.4	6.9
B	Mining and quarrying	6.2	6.2	6.2	7.7	7.4	9.0	5.1	4.8	6.2	3.6	1.8	9.7	3.5	3.2	4.8	3.7	3.4	4.7	13.8	13.6	14.7	1.8	3.0	-2.2	11.7	12.8	7.5
C	Manufacturing	6.0	5.7	7.4	12.7	12.4	14.1	11.0	10.8	12.0	9.9	9.9	9.9	12.8	13.0	11.7	9.0	9.1	8.1	10.9	11.0	10.6	-1.8	-1.9	-1.4	3.4	3.4	3.2
D	Electricity,gas,steam and air conditioning supply	11.3	7.9	25.7	12.7	9.9	24.7	13.2	10.8	22.9	9.5	7.0	19.4	9.6	9.7	9.2	11.3	11.4	10.8	7.1	6.6	9.1	4.5	4.2	5.6	5.1	4.5	7.4
E	Water supply,sewerage,waste management and remediation activities	6.0	6.2	5.3	9.3	9.7	7.1	8.1	8.1	8.0	8.3	8.4	7.7	11.8	11.6	12.6	10.5	9.2	16.7	13.3	12.1	18.6	5.9	5.6	7.5	11.9	11.8	12.3
F	Construction	3.5	3.0	6.3	7.5	7.4	7.9	10.5	10.1	12.3	9.0	9.0	9.2	12.8	12.8	12.8	8.0	8.0	8.3	6.2	6.5	4.9	3.2	3.8	0.6	6.0	6.4	3.6
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	0.8	0.1	4.5	10.2	10.5	8.4	9.9	10.1	8.6	9.0	8.9	9.4	9.8	10.1	8.3	11.2	11.3	10.8	11.0	11.1	10.4	6.2	6.4	5.2	12.1	12.5	9.8
H	Transportation and storage	5.6	5.2	7.9	15.1	14.7	16.9	15.4	15.6	14.8	15.8	15.8	15.5	17.3	16.8	19.5	7.0	6.4	9.4	7.2	6.4	10.7	-3.3	-4.1	0.4	1.0	0.1	4.7
I	Accommodation and food service activities	5.1	4.6	7.3	13.9	13.9	13.5	12.1	12.7	9.3	9.7	9.8	9.3	11.4	11.3	12.3	13.7	11.7	23.3	7.0	3.2	26.2	-4.2	-5.1	0.1	-0.9	-2.6	7.4
J	Information and communication	8.0	8.5	4.8	12.4	12.3	12.8	11.1	11.1	11.2	10.2	9.7	13.6	10.3	9.7	14.9	8.4	9.0	4.3	7.7	8.3	3.6	5.9	6.5	2.0	9.4	9.9	5.5
K	Financial and insurance activities	8.0	8.7	4.2	11.3	11.2	11.4	12.0	12.3	10.2	7.7	8.5	3.5	7.8	7.4	10.3	5.4	5.7	3.6	10.7	10.7	10.8	5.8	6.1	4.2	6.3	7.0	2.4
L	Real estate activities	-4.7	-5.1	-2.2	10.2	10.8	7.0	9.2	8.7	12.0	3.0	1.5	11.9	12.0	11.2	16.2	23.9	25.0	18.2	24.3	25.1	19.9	21.8	23.2	14.1	20.5	22.5	10.0
M	Professional,scientific and technical activities	7.5	7.9	4.8	12.0	11.5	14.6	8.1	7.6	11.4	2.2	1.7	5.0	6.0	4.9	12.6	6.9	6.6	8.8	9.2	9.4	7.9	5.8	5.8	5.2	7.6	7.8	6.9
N	Administrative and support service activities	6.3	5.7	9.0	12.7	12.8	12.3	7.9	7.7	9.0	8.5	8.4	8.8	7.3	7.0	8.7	5.3	5.4	4.8	7.2	6.9	8.6	5.6	5.6	5.8	8.5	8.8	7.1
O	Public administration and defence;compulsory social security	7.3	6.9	8.5	14.8	13.6	18.8	10.1	10.2	9.5	9.2	8.7	10.6	15.9	15.1	18.7	8.2	9.0	5.5	4.4	4.0	5.9	15.9	16.2	15.0	20.3	21.1	18.0
P	Education	3.9	3.8	4.6	17.8	17.7	18.3	18.1	17.6	20.2	13.4	12.8	15.6	16.9	16.8	17.4	25.8	25.5	27.2	18.5	18.6	18.0	1.7	0.5	6.5	25.6	24.8	29.1
Q	Human health and social work activities	8.6	8.3	10.3	12.4	12.4	11.9	10.3	10.7	8.1	9.9	9.8	10.3	10.2	10.3	9.9	9.3	9.1	9.9	10.5	9.8	13.7	8.1	8.2	7.6	24.7	24.3	26.8
R	Arts,entertainment and recreation	12.5	12.1	14.5	9.3	8.9	11.2	10.0	9.5	12.6	7.3	7.0	9.5	9.0	8.4	12.1	13.2	12.2	18.6	11.8	9.5	24.2	-11.3	-12.0	-7.3	-2.4	-3.1	1.1
S	Other service activities	11.6	10.0	20.0	19.6	20.1	17.3	17.4	18.3	13.4	14.3	15.2	9.8	11.6	13.0	5.0	4.1	3.9	5.3	9.3	8.5	13.3	1.0	0.8	1.9	0.9	0.1	5.2

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

Table 2

Labour Cost Index - Total labour costs for the period 2016 - 2020
(Working day adjusted, 2016=100)

Code NCEA - 2008 ¹	Economic activities	2016				2017				2018				2019*				2020*			
		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	91.4	99.5	103.9	105.1	102.4	110.5	116.0	119.1	110.4	120.0	126.8	125.9	124.2	133.5	139.1	140.4	136.7	146.9	144.1	154.4
B to E	Industry (except construction)	91.7	100.5	101.7	106.1	102.6	111.0	114.1	120.0	111.9	121.5	124.6	127.8	125.6	134.6	136.3	142.9	136.8	149.1	135.4	149.6
G to N	Services (excluding public administration)	92.8	100.7	100.4	106.1	104.8	112.6	112.4	120.1	111.5	120.8	121.4	125.7	124.8	133.8	132.6	138.6	136.1	146.2	138.4	150.0
B	Mining and quarrying	91.2	98.9	97.7	112.3	102.1	111.3	113.1	132.4	115.2	121.4	119.4	140.6	124.1	127.6	123.6	145.5	128.6	145.2	125.8	162.5
C	Manufacturing	92.3	99.9	102.5	105.3	103.8	111.0	115.4	120.0	113.7	121.8	127.0	127.2	128.2	135.3	139.5	143.5	139.7	150.0	136.9	148.3
D	Electricity, gas, steam and air conditioning supply	87.3	105.6	99.4	107.6	95.7	111.4	106.7	113.4	98.5	121.8	114.2	126.3	111.0	137.8	125.1	138.4	123.5	147.6	130.7	145.5
E	Water supply, sewerage, waste management and remediation activities	91.4	101.4	100.7	106.5	100.2	109.5	110.5	118.9	107.6	116.3	116.1	126.0	117.6	125.8	125.7	140.9	129.9	142.5	133.1	157.7
F	Construction	99.0	97.4	96.6	107.0	105.3	105.8	106.2	120.5	113.0	116.5	116.4	124.7	121.4	128.7	127.0	140.6	131.2	136.7	131.1	149.0
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	92.8	100.2	100.8	106.1	105.7	113.3	112.5	122.4	110.6	118.7	119.6	123.3	121.9	130.4	130.3	135.5	135.6	144.8	138.4	151.9
H	Transportation and storage	93.0	101.8	101.7	103.5	103.8	110.9	112.4	115.2	112.8	121.1	121.3	121.7	129.9	139.8	140.5	142.7	138.9	149.9	135.9	144.1
I	Accommodation and food service activities	97.9	99.8	96.2	106.1	104.7	109.6	107.3	118.9	112.4	122.0	121.0	125.0	128.0	136.8	132.8	139.2	145.5	146.3	127.3	138.0
J	Information and communication	91.2	99.9	101.3	107.5	105.8	110.3	114.3	120.3	113.8	123.6	125.0	129.9	127.9	137.4	137.7	143.3	138.7	148.0	145.9	156.7
K	Financial and insurance activities	91.4	106.1	97.8	104.7	99.1	113.0	105.6	112.5	104.1	114.8	112.3	121.5	115.8	128.6	121.0	131.0	122.1	142.4	128.0	139.2
L	Real estate activities	93.6	99.0	97.9	109.4	98.9	110.4	111.1	119.3	99.2	107.8	112.9	113.6	109.3	117.8	116.3	127.2	135.5	146.4	141.6	153.4
M	Professional, scientific and technical activities	91.8	98.3	101.5	108.3	103.1	112.5	115.0	122.8	109.4	120.6	126.0	132.0	122.4	130.5	128.7	139.9	130.9	142.4	136.1	150.6
N	Administrative and support service activities	93.9	100.6	99.8	105.7	111.2	119.8	116.8	125.4	120.4	130.8	127.2	133.3	135.7	141.1	138.0	142.9	142.9	151.2	145.7	155.2
O	Public administration and defence; compulsory social security	91.3	98.8	107.0	103.0	100.9	109.7	116.0	116.1	109.4	120.1	127.8	124.6	125.6	132.2	139.5	144.4	135.8	138.1	161.7	173.7
P	Education	78.0	90.1	136.0	95.8	89.7	100.7	154.3	115.4	99.3	112.1	177.7	120.0	116.9	132.4	201.5	140.2	147.2	157.0	205.0	176.2
Q	Human health and social work activities	90.1	101.0	104.5	104.3	98.0	109.7	113.4	113.3	106.9	118.4	123.6	123.1	120.2	130.5	135.8	135.6	131.3	144.2	146.9	169.2
R	Arts, entertainment and recreation	90.7	93.1	104.4	111.7	100.3	105.7	113.2	120.9	114.3	123.3	139.7	136.0	124.9	135.7	149.9	148.2	141.5	151.7	133.0	144.7
S	Other service activities	93.7	99.2	103.4	103.7	104.2	109.0	117.3	122.4	113.0	121.3	127.3	136.7	135.2	142.4	145.4	152.6	140.8	155.6	146.9	154.0

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

* Preliminary data.