

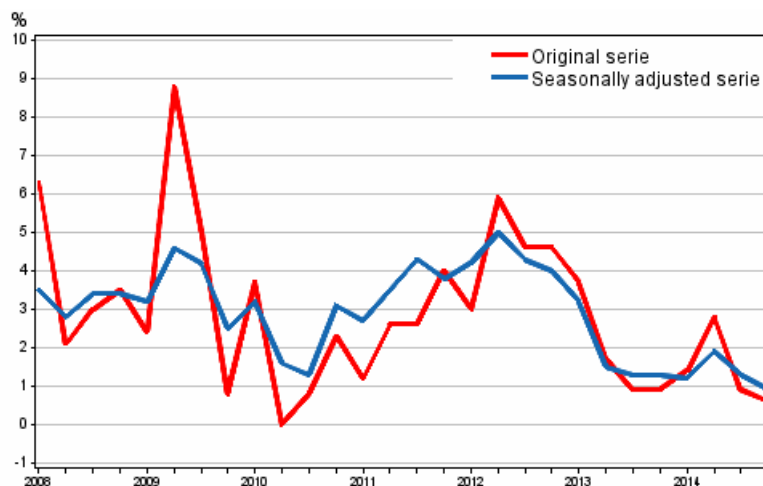
Labour Cost Index

2014, 4th quarter

Cost of an hour worked went up by 0.6 per cent in October to December

Private sector labour costs rose by 0.6 per cent in October to December 2014 when compared with the respective period of the year before. Seasonally adjusted labour costs rose by 0.9 per cent in October to December 2014. Labour costs without one-off pay items, such as performance-based bonuses, went up by 0.6 per cent compared to the corresponding period one year ago. Over the same period, the index of wage and salary earnings for the private sector went up by 1.4 per cent.

Year-on-year change in labour costs in the private sector from the respective quarter of previous year



In the central government sector, labour costs went down by 0.7 per cent in October to December 2014 when compared with the respective period of the year before. Labour costs without one-off pay items went down by 0.9 per cent over the same period. Seasonally adjusted labour costs went up by 0.1 per cent. In the local government sector, labour costs rose by 0.2 per cent in October to December 2014 when compared with the respective period of the year before. Costs without one-off pay items remained unchanged year-on-year.

The fourth quarter of 2014 had one working day more than in 2013. The variation in the number of working days in the same quarter between different years has an effect on labour costs, because the cost is calculated per hours worked.

Compared to the year before, the average increase of labour costs during 2014 was 1.5 per cent in the private sector, 2.1 per cent in the central government sector and 1.6 per cent in the local government sector. Seasonally adjusted average increase of 2014 compared to the year before was 1.3 per cent in the private sector and 1.9 per cent in the central government sector. The increase in social insurance contributions raised the cost of an hour worked in all sectors in 2014. Without social security contributions, the cost of an hour worked grew by 1.3 per cent in the private sector, by 1.3 per cent in the central government sector, and by 1.4 per cent in the local government sector.

Annual changes in labour costs according to Standard Industrial Classification 2008, 4th quarter 2014

Code	Industry	Labour Costs, Year-on-year change		
		Labour costs	Labour costs, excluding one-off items	Labour Costs, seasonally adjusted
B-S	Total	0,6	0,6	0,9
B-E	Industry	-0,1	-0,2	0,3
F	Construction	0,7	-0,2	0,8
G-N	Business service sector	0,7	0,8	0,7
J-R	State sector	-0,7	-0,9	0,1
D-S	Local government sector	0,2	0,0	..

Calculated by industry, the cost of an hour worked went down by 0.1 per cent in all manufacturing in October to December 2014 when compared with the respective period of the year before. In the chemical industry, the cost of an hour worked grew by 3.0 per cent and in the metal industry it decreased by 1.2 per cent. Growth in the construction industry amounted to 0.7 per cent. The cost of an hour worked in business service activities went up by 0.7 per cent. In services, the cost of an hour worked increased most in information and communication, by 3.5 per cent, and the biggest decline was seen in wholesale and retail trade, by 1.2 per cent.

The seasonally adjusted cost of an hour worked in all manufacturing went up by 0.3 per cent in October to December 2014 compared with the corresponding period last year. In the chemical industry, the cost of an hour worked went up by 1.1 per cent and in the metal industry it decreased by 1.5 per cent in the October to December period of 2014 from the same period of the previous year. In construction, the seasonally adjusted cost of an hour worked grew by 0.8 per cent. The respective rise in business service activities was 0.7 per cent. In wholesale and retail trade, the cost of an hour worked went down by 0.4 per cent, while in information and communication activities the costs grew by 0.2 per cent.

The labour cost index measures the change in labour costs calculated per hour worked. The change in average labour costs is affected by contractual pay increase of earnings and the wage drift, one-off pay components, social insurance tariffs, changes in the number of worked hours and structural change in labour force.

Contents

Tables

Appendix tables

Appendix table 1. Labour costs, Labour Cost Index 2008=100.....	4
Appendix table 2. Labour costs, percentage changes, Labour Cost Index 2008=100.....	5
Appendix table 3. Labour costs, excluding one-off items, Labour Cost Index 2008=100.....	6
Appendix table 4. Labour costs, excluding one-off items, percentage changes, Labour Cost Index 2008=100.....	7
Appendix table 5. Seasonally adjusted labour costs, Labour Cost Index 2008=100.....	8
Appendix table 6. Seasonally adjusted labour costs, percentage changes, Labour Cost Index 2008=100.....	9
Appendix table 7. Standard Industrial Classification 2008.....	9
Revisions in these statistics.....	10

Appendix tables

Appendix table 1. Labour costs, Labour Cost Index 2008=100

		2013/1*	2013/2*	2013/3*	2013/4*	Whole year 2013*	2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	113,3	124,4	119,2	105,9	115,7	114,9	127,8	120,2	106,6	117,4
B-E	Industry	112,9	121,6	116,5	101,0	113,0	113,6	127,0	117,4	100,9	114,7
C	Manufacturing	113,6	122,8	117,2	101,3	113,7	114,1	128,1	117,6	101,3	115,3
10, 11	Food industry	113,7	120,4	117,4	102,4	113,5	116,9	123,6	117,0	101,4	114,7
16, 17	Forest industry	110,4	130,7	118,7	104,4	116,0	116,6	140,1	116,9	103,9	119,4
19-22	Chemical industry	117,9	127,8	120,9	100,0	116,6	120,6	125,1	120,0	102,9	117,2
24-30	Metal industry	114,6	121,0	116,2	100,0	112,9	111,4	126,1	115,3	98,8	112,9
F	Construction	116,0	125,1	120,4	109,8	117,8	117,8	125,9	124,6	110,5	119,7
G-N	Services of the business economy	112,3	124,8	119,2	107,3	115,9	114,5	128,0	119,3	108,1	117,5
G	Wholesale and retail trade	110,3	119,5	112,1	103,0	111,2	114,3	122,6	113,9	101,7	113,1
H	Transportation and storage	96,0	109,3	106,2	92,9	101,1	95,0	110,8	107,8	95,3	102,2
J	Information and communication	116,5	128,3	124,3	108,5	119,4	120,8	132,4	124,5	112,3	122,5
K	Financial and insurance activities	114,6	145,0	108,7	110,4	119,7	115,3	151,9	110,7	109,4	121,8
State sector, J-R	Total	107,9	135,0	126,1	110,2	119,8	110,8	143,0	125,9	109,4	122,3
Local government sector, D-S	Total	107,5	118,1	132,0	105,3	115,7	108,7	120,9	135,4	105,5	117,6

*Preliminary data

Appendix table 2. Labour costs, percentage changes, Labour Cost Index 2008=100

		2013/1*	2013/2*	2013/3*	2013/4*	Change 2013/ 2012*	2014/1*	2014/2*	2014/3*	2014/4*	Change 2014/ 2013*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	3,7	1,7	0,9	0,9	1,8	1,4	2,8	0,9	0,6	1,5
B-E	Industry	3,2	1,6	0,0	-0,7	1,0	0,6	4,5	0,7	-0,1	1,5
C	Manufacturing	2,9	2,1	-0,1	-1,0	1,0	0,4	4,3	0,3	0,0	1,3
10, 11	Food industry	3,9	0,5	1,8	0,7	1,7	2,8	2,7	-0,3	-0,9	1,1
16, 17	Forest industry	6,0	2,9	1,4	3,0	3,2	5,6	7,2	-1,5	-0,5	2,9
19-22	Chemical industry	4,0	2,8	2,8	-1,4	2,2	2,3	-2,1	-0,7	3,0	0,5
24-30	Metal industry	2,7	3,8	-1,2	-2,4	0,8	-2,8	4,2	-0,8	-1,2	0,0
F	Construction	8,7	4,3	2,3	2,9	4,5	1,6	0,6	3,5	0,7	1,6
G-N	Services of the business economy	3,3	1,4	1,4	1,7	1,9	2,0	2,5	0,1	0,7	1,3
G	Wholesale and retail trade	5,0	1,7	1,5	2,7	2,7	3,6	2,6	1,6	-1,2	1,7
H	Transportation and storage	1,3	0,9	-0,5	-0,2	0,3	-1,0	1,4	1,5	2,6	1,1
J	Information and communication	4,3	2,2	0,2	1,6	2,0	3,7	3,2	0,2	3,5	2,6
K	Financial and insurance activities	2,6	9,0	-1,9	3,5	3,6	0,6	4,7	1,9	-0,8	1,8
State sector, J-R	Total	3,7	0,3	4,0	2,5	2,5	2,7	5,9	-0,1	-0,7	2,1
Local government sector, D-S	Total	2,8	1,5	3,0	3,3	2,6	1,2	2,3	2,6	0,2	1,6

*Preliminary data

Appendix table 3. Labour costs, excluding one-off items, Labour Cost Index 2008=100

		2013/1*	2013/2*	2013/3*	2013/4*	Whole year 2013*	2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	113,9	119,3	120,6	110,2	116,0	115,9	121,9	121,7	110,9	117,6
B-E	Industry	112,2	117,6	119,7	106,5	114,0	114,1	121,8	120,5	106,4	115,7
C	Manufacturing	112,5	118,2	120,1	106,5	114,3	114,3	122,3	120,4	106,3	115,8
10, 11	Food industry	112,3	117,8	116,7	106,6	113,4	115,8	120,3	117,3	105,6	114,8
16, 17	Forest industry	113,2	124,0	119,0	107,3	115,9	117,0	129,2	119,2	107,9	118,3
19-22	Chemical industry	115,4	119,8	123,2	105,7	116,0	116,8	119,8	122,2	106,4	116,3
24-30	Metal industry	112,4	116,7	121,4	106,7	114,3	112,7	121,0	119,7	105,4	114,7
F	Construction	116,7	121,6	119,6	111,8	117,4	117,7	122,1	121,9	111,6	118,3
G-N	Services of the business economy	113,1	118,5	120,0	111,0	115,7	115,3	121,0	120,6	111,9	117,2
G	Wholesale and retail trade	109,8	113,2	114,8	106,0	111,0	113,4	115,8	116,9	105,4	112,9
H	Transportation and storage	98,6	105,8	105,1	96,3	101,4	97,5	107,8	107,0	98,5	102,7
J	Information and communication	117,5	121,7	124,3	114,0	119,4	121,2	125,0	124,7	118,0	122,2
K	Financial and insurance activities	115,8	124,9	115,0	118,0	118,4	117,6	128,7	116,7	116,3	119,8
State sector, J-R	Total	111,7	123,5	129,3	114,3	119,7	114,7	131,0	129,3	113,3	122,0
Local government sector, D-S	Total	109,6	116,4	124,6	108,9	114,9	111,3	119,7	127,3	108,9	116,8

*Preliminary data

Appendix table 4. Labour costs, excluding one-off items, percentage changes, Labour Cost Index 2008=100

		2013/1*	2013/2*	2013/3*	2013/4*	Change 2013/ 2012*	2014/1*	2014/2*	2014/3*	2014/4*	Change 2014/ 2013*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	4,3	0,7	1,3	1,1	1,8	1,8	2,2	0,9	0,6	1,4
B-E	Industry	3,8	0,3	1,3	-0,2	1,3	1,7	3,6	0,6	-0,2	1,5
C	Manufacturing	3,7	0,5	1,2	-0,4	1,2	1,6	3,4	0,3	-0,2	1,3
10, 11	Food industry	3,6	0,1	1,1	0,5	1,3	3,2	2,1	0,5	-0,9	1,2
16, 17	Forest industry	6,4	2,4	1,8	2,6	3,2	3,4	4,1	0,1	0,6	2,1
19-22	Chemical industry	5,3	0,8	2,3	-0,6	1,9	1,2	0,0	-0,8	0,7	0,2
24-30	Metal industry	3,9	0,9	1,8	-0,9	1,4	0,2	3,6	-1,5	-1,1	0,3
F	Construction	7,5	2,6	2,9	2,8	3,9	0,9	0,5	2,0	-0,2	0,8
G-N	Services of the business economy	4,0	0,6	1,4	1,9	1,9	1,9	2,1	0,5	0,8	1,3
G	Wholesale and retail trade	5,8	0,9	2,4	3,1	3,0	3,3	2,3	1,8	-0,6	1,7
H	Transportation and storage	1,8	0,1	0,2	-0,1	0,5	-1,1	1,8	1,8	2,4	1,2
J	Information and communication	3,8	1,1	-0,6	1,9	1,5	3,1	2,7	0,4	3,5	2,4
K	Financial and insurance activities	4,4	2,2	-1,7	3,0	1,9	1,5	3,1	1,4	-1,4	1,2
State sector, J-R	Total	4,3	0,1	4,4	2,3	2,7	2,7	6,1	0,0	-0,9	2,0
Local government sector, D-S	Total	3,6	1,0	2,8	3,7	2,7	1,5	2,8	2,1	0,0	1,7

*Preliminary data

Appendix table 5. Seasonally adjusted labour costs, Labour Cost Index 2008=100

		2013/1*	2013/2*	2013/3*	2013/4*	Whole year 2013*	2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	116,4	116,3	116,8	117,4	116,7	117,8	118,4	118,3	118,5	118,2
B-E	Industry	113,0	111,7	112,5	113,1	112,6	113,6	115,2	113,7	113,4	114,0
C	Manufacturing	114,0	113,0	113,5	113,9	113,6	114,5	116,1	114,5	114,3	114,9
10, 11	Food industry	112,1	112,1	112,7	113,5	112,6	113,8	114,0	113,9	113,8	113,9
16, 17	Forest industry	115,1	115,9	117,9	118,9	116,9	120,1	120,7	119,3	119,9	120,0
19-22	Chemical industry	117,0	117,3	117,1	116,6	117,0	117,0	116,8	117,3	118,0	117,3
24-30	Metal industry	115,3	116,9	115,6	115,5	115,8	115,0	117,4	115,2	113,7	115,3
F	Construction	118,6	119,8	118,0	120,3	119,2	120,5	120,6	122,0	121,2	121,0
G-N	Services of the business economy	116,7	116,7	117,6	118,2	117,3	118,4	119,0	118,7	119,0	118,8
G	Wholesale and retail trade	109,0	110,5	110,9	111,0	110,4	113,7	113,9	111,7	110,6	112,4
H	Transportation and storage	100,5	99,9	99,3	99,7	99,9	99,2	101,7	101,0	102,0	101,0
J	Information and communication	120,9	121,4	122,4	123,0	121,9	125,1	124,8	123,0	123,2	124,0
K	Financial and insurance activities	122,0	123,8	124,4	125,2	123,9	125,6	126,5	125,8	125,8	125,9
State sector, J-R	Total	118,1	118,8	121,0	121,6	119,9	122,3	122,7	121,9	121,7	122,1

*Preliminary data

Appendix table 6. Seasonally adjusted labour costs, percentage changes, Labour Cost Index 2008=100

		2013/1*	2013/2*	2013/3*	2013/4*	Change 2013/ 2012*	2014/1*	2014/2*	2014/3*	2014/4*	Change 2014/ 2013*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	3,2	1,5	1,3	1,3	1,8	1,2	1,9	1,3	0,9	1,3
B-E	Industry	3,0	0,5	-0,1	0,3	0,9	0,6	3,1	1,1	0,3	1,3
C	Manufacturing	3,0	0,8	-0,2	0,1	0,9	0,4	2,8	0,9	0,4	1,1
10, 11	Food industry	3,3	2,0	1,7	1,7	2,2	1,5	1,7	1,0	0,3	1,1
16, 17	Forest industry	4,7	3,5	3,8	4,0	4,0	4,3	4,1	1,1	0,9	2,6
19-22	Chemical industry	3,9	2,3	1,4	0,3	2,0	0,0	-0,4	0,2	1,1	0,2
24-30	Metal industry	0,9	3,5	1,9	-0,4	1,5	-0,3	0,4	-0,3	-1,5	-0,4
F	Construction	7,1	4,1	3,1	2,9	4,3	1,6	0,6	3,3	0,8	1,6
G-N	Services of the business economy	3,3	1,5	1,9	1,8	2,1	1,5	2,0	0,9	0,7	1,3
G	Wholesale and retail trade	4,5	1,5	1,6	1,5	2,2	4,3	3,1	0,7	-0,4	1,9
H	Transportation and storage	3,6	-0,1	-1,0	-0,1	0,6	-1,4	1,9	1,7	2,3	1,1
J	Information and communication	3,7	2,1	2,4	1,5	2,4	3,4	2,8	0,5	0,2	1,7
K	Financial and insurance activities	3,9	5,3	4,2	3,5	4,2	2,9	2,2	1,1	0,5	1,7
State sector, J-R	Total	3,0	2,3	3,8	2,9	3,0	3,6	3,2	0,7	0,1	1,9

*Preliminary data

Appendix table 7. Standard Industrial Classification 2008

Standard Industrial Classification	Code
Mining and quarrying	B
Manufacturing	C
Electricity, gas, steam and air conditioning supply	D
Water supply; sewerage; 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

Revisions in these statistics

The data of the statistics have become revised according to the table below. For more information about data revisions, see Section 3 of the quality description (in Finnish).

Revisions to data on annual changes in the labour cost index¹⁾

Labour cost index	Quarter	Year-on-year change, %		Revision, %-points
		Latest release 11.3.2015	1st release	
Private sector, original series	02/2013	1,7	2,2	-0,5
	03/2013	0,9	0,6	0,3
	04/2013	0,9	1,1	-0,2
	01/2014	1,4	1,6	-0,2
	02/2014	2,8	2,9	-0,1
	03/2014	0,9	0,8	0,1
State sector, original series	02/2013	0,3	0,3	0,0
	03/2013	4,0	4,0	0,0
	04/2013	2,5	2,5	0,0
	01/2014	2,7	2,7	0,0
	02/2014	5,9	5,9	0,0
	03/2014	-0,1	-0,1	0,0
Local government sector, original series	02/2013	1,5	1,6	-0,1
	03/2013	3,0	2,9	0,1
	04/2013	3,3	3,3	0,0
	01/2014	1,2	1,2	0,0
	02/2014	2,3	2,2	0,1
	03/2014	2,6	2,6	0,0

1) 1st release refers to the point of time when data for the reference period were first published. Revision describes the difference on annual change percentages between the first and the latest release. The revisions are calculated from rounded numbers.

Revisions to data on annual changes in the seasonally adjusted labour cost index

Labour cost index	Quarter	Year-on-year change, %		Revision, %-points
		Latest release 11.3.2015	1st release	
Private sector, seasonally adjusted series	02/2013	1,5	1,6	-0,1
	03/2013	1,3	2,1	-0,8
	04/2013	1,3	2,1	-0,8
	01/2014	1,2	1,2	0,0
	02/2014	1,9	2,9	-1,0
	03/2014	1,3	1,6	-0,3

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Source: Wages, Salaries and Labour Costs, Statistics Finland