

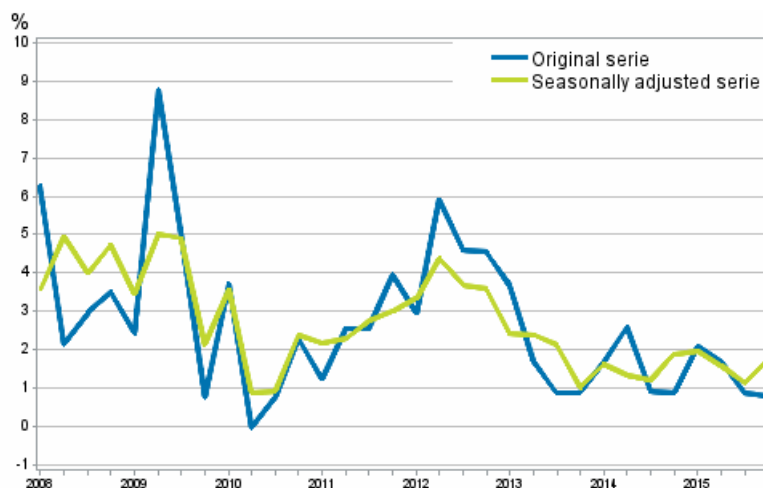
Labour Cost Index

2015, 4th quarter

Cost of an hour worked went up by 0,8 per cent in October to December year-on-year

Private sector labour costs rose by 0.8 per cent in October to December 2015 when compared with the respective period of the year before. Seasonally adjusted labour costs rose by 1.8 per cent in October to December 2015. Labour costs without one-off pay items, such as performance-based bonuses, increased by 0.2 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 1.2 per cent.

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



In the central government sector, the cost of an hour worked increased by 0.8 per cent in October to December 2015 when compared with the respective period of the year before. Labour costs without one-off pay items increased by 1.0 per cent over the same period. Seasonally adjusted labour costs went up by 1.0 per cent. Over the same period, the index of wage and salary earnings in the central government sector went up by 1.2 per cent.

In the local government sector, the cost of an hour worked rose by 1.0 per cent in October to December 2015 when compared with the respective period of the year before. Labour costs without one-off pay items

rose by 1.0 per cent. Over the same period, the index of wage and salary earnings in the local government sector went up by 0.7 per cent.

The fourth quarter of 2015 had one working day more than year earlier.

Year-on-year change in labour costs according to TOL 2008, 4rd quarter 2015

Code	Industry	Labour costs, year-on-year change		
		Labour costs	Labour costs, without one-off pay items	Labour costs, seasonally adjusted
B to S	Total, private sector	0,8	0,2	1,8
B to E	Manufacturing	2,3	0,8	3,5
F	Construction	1,4	1,3	2,2
G to N	Business service activities	0,2	-0,0	0,9
J to R	Central government	0,8	1,0	1,0
D to S	Local government	1,0	1,0	..

The cost per an hour worked in manufacturing industries (B to E) grew by 2.3 per cent, increased by 1.4 per cent in construction (F), and increased by 0.2 per cent in business service activities (G to N). In manufacturing industries, the decline in the number of hours worked (3.9 per cent) compared to the corresponding quarter last year sped up the growth in costs. Over the same period, wages and salaries subject to preliminary withholding tax contracted by 2.0 per cent according to the data of the Labour Cost Index. In construction, both wage and salary costs and hours worked diminished. In business service activities, wage and salary costs declined by 1.0 per cent and hours worked decreased by 0.6 per cent.

In manufacturing industries, the highest growth in the cost of an hour worked was found in the metal industry, 5.8 per cent. Labour costs without one-off pay items rose by 1,3 per cent in the metal industry. In the forest industry, the cost went up by 1.9 per cent. Among service industries, growth was biggest in information and communication activities, 1.6 per cent. In transportation and storage, the costs went down by 2.8 per cent.

The seasonally adjusted cost of an hour worked in all manufacturing (B to E) went up by 3.5 per cent in October to December 2015 compared with the corresponding period last year. In construction, the seasonally adjusted cost of an hour worked went up by 2.2 per cent and in business service activities it increased by 0.9 per cent.

In the forest industry, the seasonally adjusted cost of an hour worked went up by 3.8 per cent and in the metal industry by 7.6 per cent in the October to December period of 2015 from the same period of the previous year. In information and communication activities, costs increased by 3.3 per cent.

The labour cost index measures the change in wage and salary costs calculated per hour worked. Hours actually worked refer to the working hours an employee has spent on his/her actual duties. Hours worked include Sunday and overtime work but not paid hours off work, like the hours of annual leaves, national holidays or paid sickness absences.

In the index, hours worked or the age structure of personnel have not been standardised. The cost of an hour worked is calculated directly as the ratio of industry-specific wages and salaries sum and social insurance contributions to the hours worked for each quarter. The change in average labour costs is affected by changes in regular earnings, performance-based bonuses and other one-off pay components, social insurance contributions, as well as changes in the number of hours worked and the structure of the labour force.

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Appendix table 1. Labour costs, Labour Cost Index 2012=100

		2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*	2015/1*	2015/2*	2015/3*	2015/4*	Whole year 2015*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	101,3	112,3	105,8	94,0	103,4	103,4	114,1	106,7	94,8	104,8
B-E	Industry	102,3	113,6	105,5	91,1	103,1	105,5	113,9	107,8	93,2	105,1
C	Manufacturing	102,0	113,8	105,1	90,8	102,9	105,5	114,0	107,6	93,1	105,1
10, 11	Food industry	105,1	110,4	105,1	91,0	102,9	107,2	116,3	107,6	92,7	105,9
16, 17	Forest industry	103,0	123,8	103,6	92,2	105,7	111,9	128,8	108,0	93,9	110,6
19-22	Chemical industry	106,7	111,2	106,2	94,7	104,7	110,2	113,4	108,3	89,7	105,4
24-30	Metal industry	100,4	113,0	104,1	89,0	101,6	103,4	111,0	109,1	94,1	104,4
F	Construction	104,8	111,8	110,4	97,8	106,2	107,5	113,2	109,6	99,1	107,3
G-N	Services of the business economy	100,9	112,4	105,0	94,9	103,3	102,9	115,2	105,4	95,1	104,7
G	Wholesale and retail trade	104,3	112,4	104,7	93,8	103,8	104,6	115,6	103,6	94,5	104,5
H	Transportation and storage	97,5	111,4	108,4	95,5	103,2	97,4	114,1	108,5	92,8	103,2
J	Information and communication	103,2	112,8	105,8	94,3	104,0	107,9	119,4	110,3	95,8	108,4
K	Financial and insurance activities	100,5	130,1	97,0	95,8	105,8	104,0	131,6	98,1	95,4	107,3
State sector, J-R	Total	94,9	122,3	107,8	93,6	104,7	95,7	121,6	107,6	94,4	104,8
Local government sector, D-S	Total	94,8	109,4	122,0	93,4	104,9	97,0	111,8	122,4	94,3	106,4

*Preliminary data

Appendix table 2. Labour costs, percentage changes, Labour Cost Index 2012=100

		2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*	2015/1*	2015/2*	2015/3*	2015/4*	Whole year 2015*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	1,7	2,6	0,9	0,9	1,6	2,1	1,7	0,9	0,8	1,4
B-E	Industry	1,3	4,5	1,3	0,9	2,0	3,2	0,3	2,2	2,3	1,9
C	Manufacturing	1,1	4,4	0,9	0,9	1,9	3,4	0,2	2,4	2,6	2,1
10, 11	Food industry	3,0	2,3	-0,2	-0,8	1,1	2,0	5,4	2,4	1,8	3,0
16, 17	Forest industry	4,9	6,5	-1,9	-0,8	2,4	8,6	4,0	4,2	1,9	4,7
19-22	Chemical industry	3,3	-0,7	0,3	8,2	2,5	3,3	2,0	2,0	-5,3	0,7
24-30	Metal industry	-1,8	4,7	0,4	-0,3	0,8	3,0	-1,8	4,8	5,8	2,7
F	Construction	1,9	0,8	3,5	0,4	1,7	2,6	1,2	-0,8	1,4	1,0

		2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*	2015/1*	2015/2*	2015/3*	2015/4*	Whole year 2015*
G-N	Services of the business economy	2,2	2,4	0,2	0,5	1,4	2,0	2,5	0,3	0,2	1,3
G	Wholesale and retail trade	2,4	1,9	1,2	-1,3	1,1	0,3	2,8	-1,1	0,7	0,7
H	Transportation and storage	2,3	2,7	2,9	3,5	2,8	-0,1	2,4	0,1	-2,8	0,0
J	Information and communication	3,6	2,9	-0,3	1,7	2,0	4,6	5,8	4,2	1,6	4,2
K	Financial and insurance activities	1,3	3,6	3,1	0,3	2,2	3,5	1,2	1,2	-0,4	1,4
State sector, J-R	Total	2,7	5,9	-0,1	-0,7	2,1	0,9	-0,6	-0,2	0,8	0,2
Local government sector, D-S	Total	2,8	2,8	2,6	0,2	2,1	2,3	2,2	0,3	1,0	1,4

*Preliminary data

Appendix table 3. Labour costs, excluding one-off items, Labour Cost Index 2012=100

		2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*	2015/1*	2015/2*	2015/3*	2015/4*	Whole year 2015*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	101,9	107,0	107,0	97,5	103,3	103,5	108,4	107,3	97,7	104,2
B-E	Industry	101,9	108,4	107,7	95,2	103,3	104,3	108,5	109,0	96,0	104,4
C	Manufacturing	101,7	108,5	107,4	94,8	103,1	104,3	108,7	108,8	95,7	104,4
10, 11	Food industry	103,5	107,0	105,1	94,5	102,5	106,5	112,8	106,7	96,2	105,6
16, 17	Forest industry	103,6	114,5	105,8	95,9	104,9	109,7	117,9	110,1	97,0	108,7
19-22	Chemical industry	103,5	105,9	108,3	95,0	103,2	106,7	107,7	110,2	94,1	104,7
24-30	Metal industry	100,6	108,0	107,4	94,6	102,7	103,0	106,4	110,5	95,8	103,9
F	Construction	104,5	108,2	107,9	98,5	104,7	106,8	109,0	107,5	99,8	105,8
G-N	Services of the business economy	101,9	106,7	106,6	98,5	103,4	103,3	108,7	106,5	98,5	104,2
G	Wholesale and retail trade	104,3	106,8	108,1	97,7	104,2	104,3	108,5	106,8	98,3	104,5
H	Transportation and storage	99,4	108,0	107,4	98,5	103,3	99,5	109,9	107,1	95,8	103,1
J	Information and communication	103,0	106,0	106,3	99,0	103,6	106,7	110,7	109,3	100,2	106,7
K	Financial and insurance activities	101,8	111,1	101,5	101,1	103,9	104,9	112,9	101,7	99,7	104,8
State sector, J-R	Total	98,4	112,4	111,0	97,2	104,8	99,1	111,1	111,5	98,2	105,0
Local government sector, D-S	Total	98,2	108,0	116,5	97,2	105,0	100,5	110,0	117,4	98,1	106,5

*Preliminary data

Appendix table 4. Labour costs, excluding one-off items, percentage changes, Labour Cost Index 2012=100

		2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*	2015/1*	2015/2*	2015/3*	2015/4*	Whole year 2015*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	1,9	2,2	1,1	0,8	1,5	1,6	1,3	0,3	0,2	0,9
B-E	Industry	2,2	3,8	1,3	0,6	2,0	2,4	0,1	1,2	0,8	1,1
C	Manufacturing	2,1	3,7	1,0	0,5	1,8	2,6	0,1	1,4	0,9	1,2
10, 11	Food industry	3,1	1,7	0,8	-0,8	1,2	2,9	5,4	1,6	1,8	3,0
16, 17	Forest industry	2,7	3,6	-0,2	0,3	1,6	5,9	3,0	4,1	1,2	3,6
19-22	Chemical industry	2,1	0,6	0,0	2,4	1,2	3,1	1,7	1,8	-0,9	1,5
24-30	Metal industry	0,9	4,3	-0,3	-0,0	1,2	2,3	-1,5	2,9	1,3	1,2
F	Construction	1,1	0,6	1,9	-0,4	0,8	2,2	0,8	-0,4	1,3	1,0
G-N	Services of the business economy	2,2	2,1	0,8	0,7	1,4	1,5	1,9	-0,1	-0,0	0,8
G	Wholesale and retail trade	2,3	1,6	1,4	-0,7	1,2	-0,0	1,6	-1,2	0,6	0,2
H	Transportation and storage	1,7	3,0	3,2	3,3	2,8	0,1	1,7	-0,2	-2,8	-0,3
J	Information and communication	3,1	2,5	0,7	2,2	2,1	3,6	4,5	2,8	1,2	3,0
K	Financial and insurance activities	2,2	3,4	2,5	-0,5	1,9	3,0	1,6	0,2	-1,4	0,9
State sector, J-R	Total	2,7	6,1	-0,0	-0,9	2,0	0,7	-1,2	0,5	1,0	0,2
Local government sector, D-S	Total	3,0	3,1	1,9	0,1	2,0	2,3	1,9	0,8	1,0	1,4

*Preliminary data

Appendix table 5. Seasonally adjusted labour costs, Labour Cost Index 2012=100

		2014/1*	2014/2*	2014/3*	2014/4*	Whole year 2014*	2015/1*	2015/2*	2015/3*	2015/4*	Whole year 2015*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	102,8	103,5	103,7	104,1	103,5	104,8	105,2	104,9	105,9	105,2
B-E	Industry	102,1	104,1	103,3	103,5	103,3	105,1	104,9	105,7	107,1	105,7
C	Manufacturing	101,8	104,4	102,9	103,1	103,0	105,1	104,7	105,5	107,1	105,6
10, 11	Food industry	103,7	102,1	103,0	103,3	103,0	105,7	107,3	105,6	106,4	106,3
16, 17	Forest industry	104,7	107,1	105,2	107,2	106,0	112,0	110,9	110,3	111,2	111,1
19-22	Chemical industry	103,7	103,0	104,1	109,2	105,0	106,8	105,3	106,2	104,8	105,8
24-30	Metal industry	100,0	105,1	100,9	100,5	101,7	103,1	103,4	105,8	108,2	105,1
F	Construction	105,1	105,4	107,1	106,0	105,9	107,2	107,1	107,0	108,3	107,4
G-N	Services of the business economy	103,0	103,3	103,6	104,1	103,5	104,9	105,5	104,2	105,1	104,9
G	Wholesale and retail trade	104,4	103,9	104,2	103,1	103,9	104,7	106,8	103,0	104,5	104,7
H	Transportation and storage	102,5	102,9	102,9	104,6	103,2	102,7	105,0	103,0	102,0	103,2
J	Information and communication	103,8	103,6	104,0	106,3	104,4	108,0	109,1	108,9	109,8	108,9
K	Financial and insurance activities	104,2	105,3	106,0	106,3	105,4	106,7	106,8	107,1	107,4	107,0
State sector, J-R	Total	104,9	105,6	104,9	104,9	105,1	105,0	105,1	105,4	106,0	105,3

*Preliminary data

Appendix table 6. Seasonally adjusted labour costs, percentage changes, Labour Cost Index 2012=100

		2014/1*	2014/2*	2014/3*	2014/4*	Change 2014/ 2013*	2015/1*	2015/2*	2015/3*	2015/4*	Change 2015/ 2014*
Industry code	Standard Industrial Classification										
B-S	Total, private sector	1,6	1,3	1,2	1,9	1,5	2,0	1,6	1,1	1,8	1,6
B-E	Industry	1,2	2,2	1,5	2,5	1,8	2,9	0,7	2,3	3,5	2,4
C	Manufacturing	1,0	2,2	1,2	2,5	1,8	3,3	0,3	2,5	4,0	2,5
10, 11	Food industry	2,8	1,0	0,0	0,5	1,1	1,9	5,1	2,5	3,0	3,1
16, 17	Forest industry	3,7	4,0	-0,3	1,6	2,2	7,0	3,5	4,8	3,8	4,8
19-22	Chemical industry	2,8	-1,3	0,5	8,9	2,7	3,0	2,2	2,0	-4,0	0,7
24-30	Metal industry	-1,6	2,0	0,5	1,7	0,7	3,0	-1,7	4,8	7,6	3,4
F	Construction	1,8	0,6	3,1	1,0	1,6	2,0	1,6	-0,1	2,2	1,4
G-N	Services of the business economy	2,1	1,5	0,6	1,2	1,4	1,8	2,2	0,6	0,9	1,4
G	Wholesale and retail trade	2,4	1,3	1,2	-0,6	1,1	0,3	2,8	-1,1	1,3	0,8
H	Transportation and storage	2,4	2,0	3,0	3,9	2,8	0,1	2,1	0,1	-2,5	-0,1
J	Information and communication	2,8	1,2	0,9	3,2	2,0	4,1	5,3	4,7	3,3	4,3
K	Financial and insurance activities	2,0	1,9	2,7	2,5	2,3	2,4	1,4	1,0	1,1	1,5
State sector, J-R	Total	3,3	3,3	0,9	0,7	2,1	0,0	-0,5	0,4	1,0	0,2

*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

Revision of data

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 9.12.2015	1st release	
Private sector, original series	01/2014	1,7	1,6	0,1
	02/2014	2,6	2,9	-0,3
	03/2014	0,9	0,8	0,1
	04/2014	0,9	0,6	0,3
	01/2015	2,1	1,9	0,2
	02/2015	1,7	1,3	0,4
	03/2015	0,9	1,0	-0,1
State sector, original series	01/2014	2,7	2,7	0,0
	02/2014	5,9	5,9	0,0
	03/2014	-0,1	-0,1	0,0
	04/2014	-0,7	-0,7	0,0
	01/2015	0,9	0,9	0,0
	02/2015	-0,6	-0,6	0,0
	03/2015	-0,2	-0,2	0,0
Local government sector, original series	01/2014	2,8	1,2	1,6
	02/2014	2,8	2,2	0,6
	03/2014	2,6	2,6	0,0
	04/2014	0,2	0,2	0,0
	01/2015	2,3	2,1	0,2
	02/2015	2,2	2,1	0,1
	03/2015	0,3	0,1	0,2

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 9.12.2015	1st release	
Private sector, seasonally adjusted series	01/2014	1,6	1,2	0,4
	02/2014	1,3	2,9	-1,6
	03/2014	1,2	1,6	-0,4
	04/2014	1,9	0,9	1,0
	01/2015	2,0	1,7	0,3
	02/2015	1,6	1,3	0,3
	03/2015	1,1	1,2	-0,1

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Source: Wages, Salaries and Labour Costs, Statistics Finland