

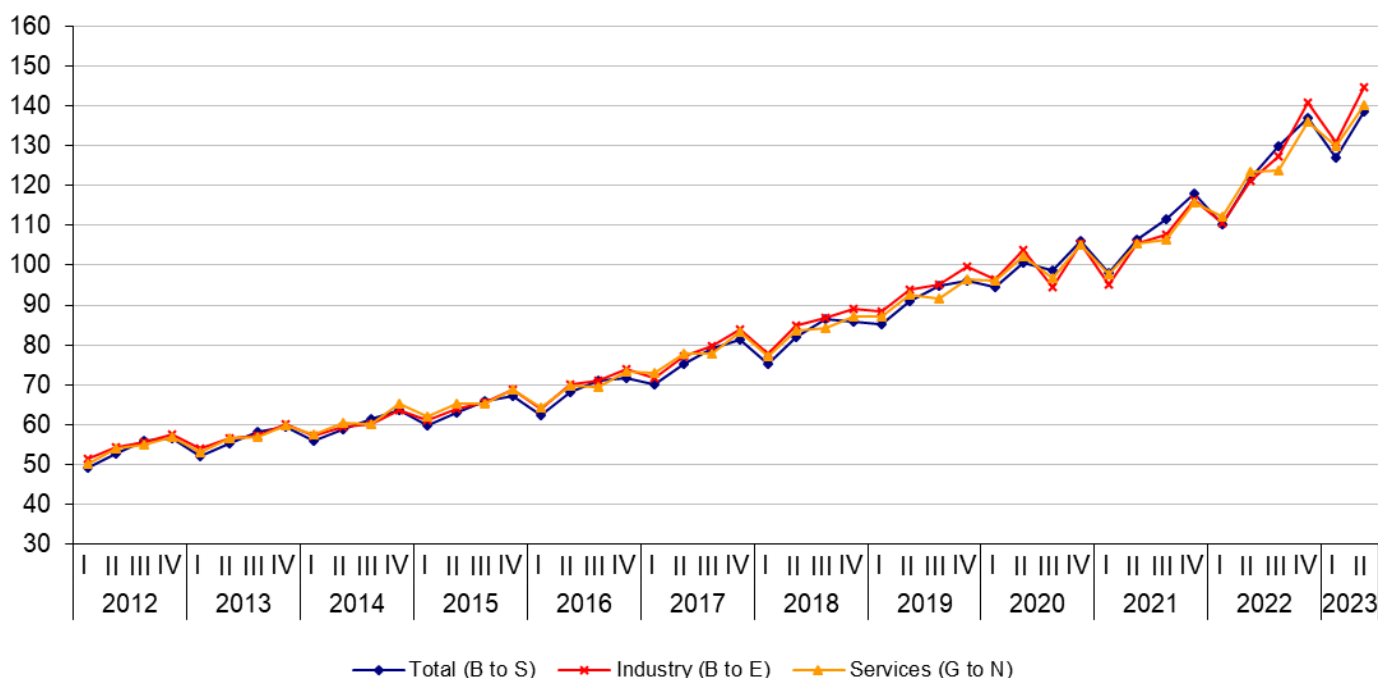
QUARTERLY LABOUR COST INDEX SECOND QUARTER OF 2023

In the second quarter of 2023, compared to the second quarter of 2022, the total hourly labour cost rose by 13.8% (preliminary data). The total hourly labour cost increased by 19.3% in industry, 13.7% in services and 16.1% in construction.

The highest annual growth in total labour costs was recorded in ‘Accommodation and food service activities’ - by 24.0%, ‘Manufacturing’ - by 20.1%, and ‘Electricity,gas,steam and air conditioning supply’ - by 18.3%.

In the structure of the total labour costs, the wages and salaries costs per hour worked grew by 14.2% in comparison with a year earlier, while the other (non-wage) costs rose by 11.9%. Among the economic activities in the second quarter of 2023 compared to the second quarter of 2022, the growth rate of wages and salaries component ranged from 24.9% in ‘Accommodation and food service activities’ to 5.5% in ‘Public administration and defence; compulsory social security’.

**Figure 1. Total labour cost index - %
(Calendar adjusted, 2020 = 100)**





Methodological notes

The Labour Cost Index is a short-term indicator measuring the quarterly development of hourly labour costs incurred by employers as a result of engaging the labour workforce. 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.

The Labour Cost Index (LCI) is defined as a Laspeyres index of labour costs per hour worked. Since the first quarter of 2023, it has been calculated as a breakdown by economic activities at a section level according to the new NACE Rev. 2 classification and with the reference year 2020 = 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 include wages and salaries paid by the employer in cash or in kind, employers' actual and imputed social contributions plus taxes, regarded as labour costs;

Wage and salary costs (WAG) cover 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 contributions plus taxes, regarded as labour costs.

Since the second quarter of 2020, the amounts received under government measures to support 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>.



Table 1

Hourly labour cost index for the period second quarter of 2021 - second quarter of 2023
(Calendar adjusted)

(Percentage change compared to corresponding period of the previous year)

Code NCEA - 2008 ¹	Economic activities	Q2 2021*			Q3 2021*			Q4 2021*			Q1 2022*			Q2 2022*			Q3 2022*			Q4 2022*			Q1 2023*			Q2 2023*		
		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	6.1	3.2	13.2	13.4	11.9	11.1	11.6	8.5	12.5	12.6	12.1	14.4	14.5	13.5	16.3	16.4	15.9	16.1	16.6	13.9	15.1	15.7	12.4	13.8	14.2	11.9
B to E	Industry (except construction)	1.5	2.1	-1.3	13.9	14.5	11.3	10.4	11.0	8.0	16.0	15.7	17.8	15.1	15.2	14.4	18.1	18.3	17.0	21.2	21.7	18.9	18.2	19.2	13.3	19.3	20.0	16.1
G to N	Services (excluding public administration)	3.4	4.0	-0.1	10.0	10.5	7.5	10.1	10.6	6.7	14.8	15.2	13.1	16.8	17.0	15.3	16.4	16.5	15.9	17.6	18.1	14.9	15.7	16.1	13.5	13.7	13.9	12.5
B	Mining and quarrying	1.1	2.0	-2.1	12.7	15.1	4.5	5.3	6.4	1.0	11.5	11.3	12.3	17.5	17.8	16.3	19.4	17.8	25.1	22.9	24.7	15.3	15.1	15.5	13.6	14.1	14.8	11.6
C	Manufacturing	1.7	2.1	-0.4	15.7	15.9	14.6	12.7	12.9	11.8	17.9	17.5	19.9	15.4	15.6	14.5	18.8	19.2	16.9	19.5	20.1	16.5	18.8	19.8	14.1	20.1	20.7	17.1
D	Electricity, gas, steam and air conditioning supply	-0.4	1.4	-7.3	5.8	8.1	-2.3	6.1	8.8	-3.5	10.5	9.9	13.2	14.1	13.7	15.6	14.7	14.5	15.6	32.9	32.4	35.0	13.9	15.3	8.3	18.3	19.7	12.7
E	Water supply, sewerage, waste management and remediation activities	3.6	3.9	2.1	8.1	7.6	10.6	-3.2	-3.5	-1.7	7.0	6.5	9.4	9.9	10.3	8.1	12.8	13.0	11.8	21.1	21.5	19.2	19.6	21.5	11.1	16.0	15.8	16.6
F	Construction	9.5	10.4	5.1	10.8	11.1	9.2	11.4	11.7	9.6	10.7	10.6	11.4	11.5	11.0	14.1	16.0	15.9	16.6	10.8	10.7	11.7	14.1	14.2	13.8	16.1	16.4	14.5
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.9	3.3	1.3	9.9	10.3	7.8	10.1	10.3	8.8	15.2	15.2	15.4	18.2	18.7	15.7	18.2	18.5	16.4	17.8	18.4	14.4	16.2	17.0	11.6	14.1	14.1	13.8
H	Transportation and storage	-0.9	-0.9	-1.2	9.7	9.9	9.2	10.4	10.6	9.5	7.9	7.3	10.3	14.5	15.3	11.3	16.5	17.6	11.9	16.1	17.5	10.5	23.6	25.8	14.0	18.1	18.9	14.5
I	Accommodation and food service activities	-3.5	-0.1	-17.1	14.7	14.8	14.3	13.2	14.9	5.7	19.4	20.1	16.2	17.7	17.8	17.2	23.4	23.6	22.3	32.6	34.1	25.7	23.5	24.4	19.0	24.0	24.9	19.3
J	Information and communication	9.1	9.8	4.1	11.5	12.3	5.8	11.8	13.0	3.0	14.3	15.0	9.1	14.8	14.9	14.4	14.1	14.1	14.4	15.0	15.1	14.7	11.7	11.5	13.0	13.2	13.1	13.9
K	Financial and insurance activities	-4.6	-4.4	-5.7	3.7	4.4	-0.6	1.0	1.1	0.3	18.9	19.4	15.6	17.3	17.0	19.1	12.2	11.6	15.8	21.5	22.1	17.8	15.3	15.8	12.5	5.4	5.8	2.8
L	Real estate activities	-0.8	-1.0	0.2	-5.7	-6.3	-2.1	-1.0	-2.4	6.8	9.2	9.8	6.0	12.8	13.6	8.2	16.9	17.4	13.8	14.0	15.7	4.6	14.8	15.2	12.5	9.5	10.6	3.3
M	Professional, scientific and technical activities	2.2	2.5	0.3	8.4	8.9	4.9	7.7	8.8	0.9	15.3	15.9	11.6	15.1	15.2	14.6	16.6	16.3	18.3	16.0	15.8	17.1	12.3	11.8	15.6	12.7	13.0	11.4
N	Administrative and support service activities	11.6	12.5	7.3	14.5	14.7	13.0	16.1	16.5	14.2	19.6	20.1	16.9	22.2	22.4	21.0	15.9	15.6	17.9	18.3	18.7	16.3	15.8	15.8	15.9	12.4	13.0	9.3
O	Public administration and defence; compulsory social security	23.0	23.2	22.5	8.9	9.1	8.2	12.1	11.5	13.7	3.4	1.8	8.8	13.6	14.0	12.0	18.9	19.3	17.8	9.2	10.8	4.2	15.0	16.4	10.7	5.9	5.5	7.1
P	Education	7.7	7.3	9.5	25.0	25.2	24.5	10.1	10.6	7.8	3.7	3.5	4.8	12.3	12.4	12.2	15.7	15.4	16.8	14.8	14.6	15.5	13.3	14.0	10.4	6.3	6.8	4.5
Q	Human health and social work activities	21.2	22.5	14.7	16.1	15.5	19.1	17.4	19.0	9.5	7.5	7.8	5.8	1.9	1.7	2.9	7.2	7.7	4.3	2.0	1.5	4.5	3.4	3.3	3.8	11.5	12.1	8.3
R	Arts, entertainment and recreation	-2.8	-0.9	-11.4	27.2	28.2	22.0	18.0	18.0	17.9	10.1	10.5	8.2	19.6	19.4	20.4	17.9	17.3	21.3	25.0	25.0	24.9	18.1	18.8	14.5	14.0	14.0	14.1
S	Other service activities	2.1	2.2	1.5	13.6	13.7	13.0	14.3	13.9	16.2	12.2	14.3	2.6	19.4	19.7	17.9	18.0	18.7	14.4	18.9	20.7	10.4	11.7	10.6	17.6	7.3	6.8	9.9

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

² Preliminary data.



Table 2

Labour Cost Index - Total labour costs for the period 2019 - 2023
(Calendar adjusted, 2020 = 100)

Code NCEA - 2008 ¹	Economic activities	(Per cent)																	
		2019				2020				2021*				2022*				2023*	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
B to S	All NACE branches except agriculture, fishing, private households with employed persons	85.2	91.1	94.9	96.0	94.5	100.7	98.7	106.1	98.0	106.4	111.7	117.9	110.2	121.7	129.9	136.9	126.9	138.5
B to E	Industry (except construction)	88.3	94.0	95.2	99.6	96.3	103.8	94.6	105.3	95.3	105.4	107.8	116.3	110.6	121.2	127.3	140.9	130.7	144.6
G to N	Services (excluding public administration)	87.0	92.6	91.7	96.3	96.0	102.2	96.8	105.1	97.8	105.6	106.5	115.6	112.3	123.3	123.9	136.0	129.9	140.3
B	Mining and quarrying	87.1	89.0	85.7	100.5	91.4	102.8	89.5	116.4	96.6	103.9	100.8	122.6	107.7	122.0	120.4	150.6	123.9	139.3
C	Manufacturing	89.6	94.2	97.0	99.5	97.8	103.8	94.9	103.5	95.8	105.6	109.8	116.6	112.9	121.8	130.4	139.3	134.2	146.3
D	Electricity,gas,steam and air conditioning supply	81.7	99.8	91.8	100.7	90.3	107.1	95.9	106.7	91.2	106.7	101.5	113.2	100.8	121.7	116.4	150.5	114.8	144.0
E	Water supply,sewerage,waste management and remediation activities	84.3	87.2	87.1	98.5	92.6	98.6	94.0	114.8	95.4	102.1	101.6	111.2	102.1	112.2	114.6	134.6	122.1	130.1
F	Construction	89.0	93.8	92.2	101.8	96.4	99.5	96.0	108.1	102.3	109.0	106.4	120.4	113.3	121.5	123.4	133.4	129.3	141.1
G	Wholesale and retail trade;repair of motor vehicles and motorcycles	86.5	91.9	91.2	94.9	96.4	101.2	96.4	106.0	98.0	104.2	106.0	116.6	112.9	123.2	125.3	137.4	131.2	140.6
H	Transportation and storage	89.9	96.1	96.6	97.8	99.2	104.8	94.9	101.1	96.5	103.9	104.2	111.6	104.1	118.9	121.4	129.6	128.6	140.4
I	Accommodation and food service activities	90.0	95.2	93.1	97.8	103.2	105.0	91.4	100.4	92.4	101.4	104.9	113.6	110.3	119.4	129.3	150.7	136.2	148.0
J	Information and communication	85.2	90.6	90.8	96.4	94.4	100.0	99.0	106.7	101.1	109.1	110.3	119.2	115.6	125.3	125.9	137.1	129.1	141.9
K	Financial and insurance activities	83.9	93.7	87.0	93.8	93.1	107.5	95.6	103.8	89.7	102.6	99.1	104.8	106.6	120.3	111.2	127.3	123.0	126.8
L	Real estate activities	82.4	88.2	87.7	93.9	91.9	99.1	100.0	109.0	91.3	98.3	94.3	107.9	99.7	110.8	110.2	122.9	114.4	121.3
M	Professional,scientific and technical activities	86.9	91.4	92.0	100.5	93.6	101.1	97.6	107.7	96.4	103.3	105.7	115.9	111.1	118.9	123.3	134.5	124.8	134.1
N	Administrative and support service activities	90.6	94.5	92.6	95.6	94.7	101.9	98.8	104.6	104.1	113.7	113.1	121.5	124.5	139.0	131.1	143.7	144.2	156.2
O	Public administration and defence;compulsory social security	82.7	86.6	91.5	94.7	89.1	90.2	106.3	114.4	104.7	111.0	115.8	128.2	108.3	126.0	137.7	140.0	124.5	133.4
P	Education	68.3	77.5	117.5	83.1	86.9	92.2	118.9	102.0	87.9	99.3	148.6	112.2	91.2	111.6	171.9	128.8	103.3	118.6
Q	Human health and social work activities	80.9	87.7	91.2	91.2	89.5	97.2	99.2	114.2	110.1	117.8	115.1	134.0	118.3	120.0	123.3	136.7	122.3	133.8
R	Arts,entertainment and recreation	87.7	95.9	107.8	105.6	98.4	106.9	92.8	101.9	104.7	103.9	118.1	120.2	115.3	124.3	139.2	150.3	136.1	141.7
S	Other service activities	88.0	91.8	94.2	96.2	95.4	104.2	97.5	102.9	101.2	106.4	110.7	117.6	113.6	127.1	130.7	139.8	126.9	136.4

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

* Preliminary data.