

November, 15th 2010

Labour Cost Index

3rd quarter of 2010

In the 3rd quarter of 2010, the Labour Cost Index decreased by 0.5 %, compared to the 3rd quarter of 2009

In the 3rd quarter of 2010, the Labour Cost Index (LCI) working day adjusted, excluding Public Administration, decreased by 0.5% compared to the same period of the previous year (it was 4.8% in the 3rd quarter of 2009).

In the 3rd quarter of 2010, the Labour Cost Index (LCI)¹ decreased by 0.5%. This rate of change resulted from an increase in the average labour costs (1.3%) and, by a larger amount, in the number of hours actually worked (1.9%).

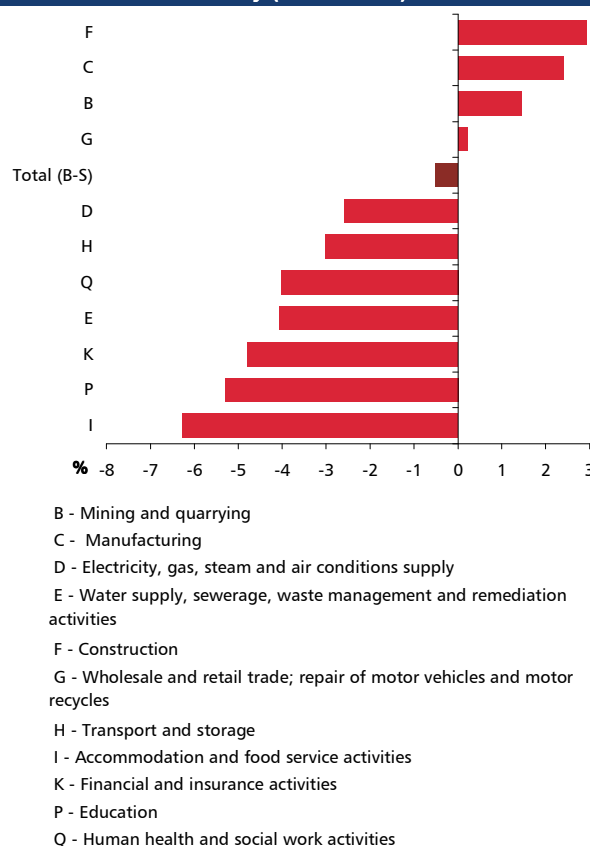
1. Economic activity

In the 3rd quarter of 2010, the LCI decreased in the majority of economic activities, compared to the same quarter of 2009.

In the following activities, the LCI year-on-year rates of decrease were larger than the global rate (0.5%): "Accommodation and food service activities (6.3%), "Education" (5.3%), "Financial and insurance activities" (4.8%), "Water supply, sewerage, waste management and remediation activities" (4.1%) , "Human health and social work activities" (4.0%), "Transport and storage" (3.0%), and "Electricity, gas, steam and air conditions supply" (2.6%).

In turn, the LCI registered year-on-year increases in "Construction" (2.9%), "Manufacturing" (2.4%), "Mining and quarrying" (1.4%), and "Wholesale and retail trade; repair of motor vehicles and motor cycles" (0.2%).

Figure 1: LCI year-on-year rate of change by economic activity (Nace-Rev. 2)



In "Accommodation and food service activities", "Education", "Financial and insurance activities", "Human health and social work activities", and "Electricity, gas, steam and air conditions supply", the year-on-year rates of decrease resulted from an increase in the average

¹ The indices report to the reference year of 2008. The data exclude Public Administration and are adjusted for working days.

labour costs and, by a larger amount, in the number of hours actually worked.

Table 1 - Year-on-year rate of change of average labour cost, hours actually worked by worker and LCI by economic activity (Nace-Rev.2)

Economic activity (Nace-Rev. 2)	Average labour cost by worker	Hours actually worked by worker	Unit: %
			Labour Cost Index (LCI)
Total (B-S)	1,3	1,9	-0,5
Of which:			
B - Mining and quarrying	-1,2	-2,6	1,4
C - Manufacturing	2,4	0,0	2,4
D - Electricity, gas, steam and air conditions supply	3,1	5,9	-2,6
E - Water supply, sewerage, waste management and remediation activities	-4,1	0,0	-4,1
F - Construction	2,9	0,0	2,9
G - Wholesale and retail trade; repair of motor vehicles and motor cycles	0,2	0,0	0,2
H - Transport and storage	-0,2	2,9	-3,0
I - Accommodation and food service activities	1,3	8,0	-6,3
K - Financial and insurance activities	1,6	6,7	-4,8
P - Education	2,9	8,6	-5,3
Q - Human health and social work activities	2,0	6,3	-4,0

Source: INE, Labour Cost Index and Employment Statistics - 3rd quarter of 2010.

In "Water supply, sewerage, waste management and remediation activities", the LCI rate of decrease was due uniquely to a decrease in the average labour costs, as the number of hours actually worked remained unchanged from the same quarter of the previous year.

The decrease of the LCI in "Transport and storage" was justified by a decrease in the average labour costs and an increase in the number of hours actually worked.

In "Construction", "Manufacturing", and "Wholesale and retail trade; repair of motor vehicles and motor cycles", the increase in the LCI rate of change resulted uniquely from an increase in the average labour costs, as the number of hours actually worked remained unchanged from the same quarter of the previous year.

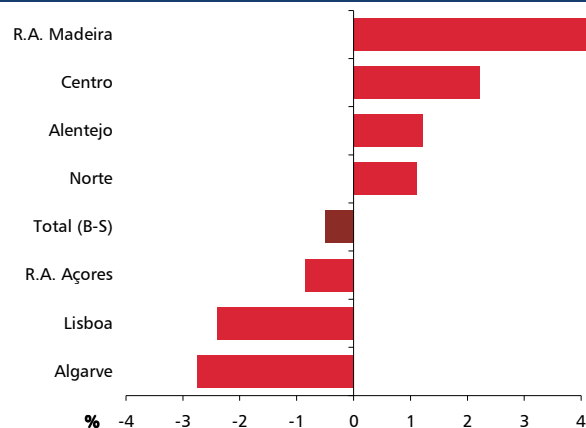
In "Mining and quarrying", the LCI year-on-year increase was explained by a decrease in the average labour costs

and by a decrease in a larger amount, in the number of hours actually worked.

2. Regions NUTS II

In the 3rd quarter of 2010, *Algarve*, Lisbon and *Região Autónoma dos Açores* registered LCI year-on-year rates of decrease that were larger than the overall average (0.5%), of 2.8%, 2.4% and 0.9%, respectively.

Figure 2: LCI year-on-year rate of change by region NUTS II (2002)



The *Região Autónoma da Madeira*, *Centro*, *Alentejo* and *Norte* recorded LCI year-on-year rates of increase of 4.4%, 2.2%, 1.2% and 1.1%, respectively.

In *Lisboa* and *Região Autónoma dos Açores*, the decrease of the LCI rate of change was explained by an increase in the average labour costs and, by a larger amount, in the number of hours actually worked.

In *Algarve*, the decrease of the LCI rate of change was justified by a decrease in the average labour costs and an increase in the number of hours actually worked.

For the LCI year-on-year increase in *Região Autónoma da Madeira* contributed an increase in the average labour costs and a decrease in the number of hours actually worked.

Table 2 - Year-on-year rate of change of average labour cost, hours actually worked by worker and LCI by region NUTS II (2002)

Unit: %

NUTS II (2002)	Average labour cost by worker	Hours actually worked by worker	Labour Cost Index (LCI)
Total (B-S)	1,3	1,9	-0,5
Norte	1,8	0,7	1,1
Centro	0,0	-1,9	2,2
Lisboa	1,3	3,8	-2,4
Alentejo	1,5	0,6	1,2
Algarve	-1,0	2,1	-2,8
R.A. Açores	2,0	3,2	-0,9
R.A. Madeira	2,8	-1,3	4,4

Source: INE, Labour Cost Index and Employment Statistics - 3rd quarter of 2010.

The increase of the rates of change in *Norte* and *Alentejo* was justified by an increase in both, the average labour costs and the number of hours actually worked, the former being larger than the latter.

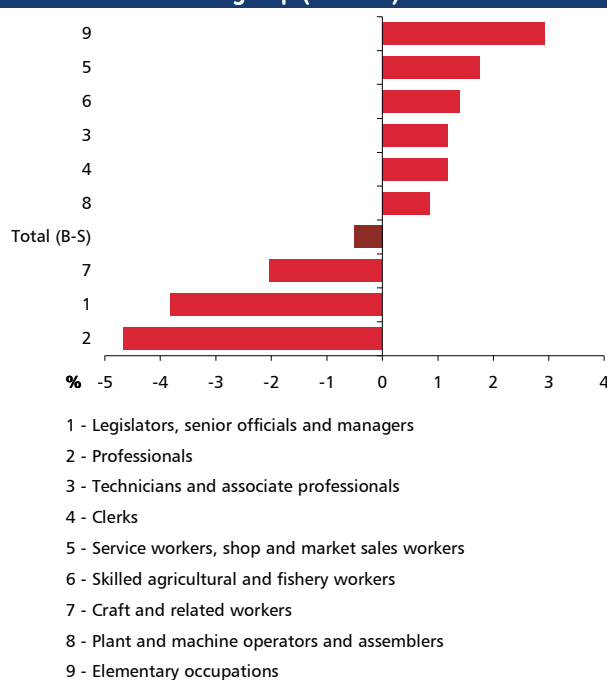
In region *Centro*, the increase of the LCI rate of change was due uniquely to a decrease in the number of hours actually worked, as the average labour costs remained unchanged from the same quarter of the previous year.

3. Occupational groups

In the 3rd quarter of 2010, in the following occupational groups, the LCI year-on-year rates of decrease were larger than the overall rate (0.5%): "Professionals" (4.7%), "Legislators, senior officials and managers" (3.8%), and "Craft and related workers" (2.0%).

In turn, the following occupational groups recorded LCI year-on-year rates of increase: "Elementary occupations" (2.9%), "Service workers, shop and market sales workers" (1.8%), "Skilled agricultural and fishery workers" (1.4%), "Clerks" (1.2%), "Technicians and associate professionals" (1.2%), and "Plant and machine operators and assemblers" (0.8%).

Figure 3: LCI year-on-year rate of change by occupational group (ISCO-88)



The LCI year-on-year rates of decrease in the occupational groups "Professionals" and "Craft and related workers", resulted from an increase in the average labour costs and, by a larger amount, in the number of hours actually worked.

In "Legislators, senior officials and managers", the LCI year-on-year rate of decrease was due to a decrease in the average labour costs and by an increase in the number of hours actually worked.

The LCI year-on-year rate of increase for the occupational groups "technicians and associate professionals" and "Elementary occupations" was explained by an increase in the average labour costs and by a decrease in the number of hours actually worked.

The increase of the LCI rate of change in "Service workers, shop and market sales workers", "Skilled, agricultural and fishery workers", "Clerks", and "Plant and machine operators and assemblers" was justified by an increase in both, the average labour costs and the number of hours actually worked, the former being larger than the latter.

Table 3 - Year-on-year rate of change of average labour cost, hours actually worked by worker and LCI by occupational group (ISCO-88)

Occupational groups (ISCO-88)	Average labour cost by worker	Hours actually worked by worker	Unit: %
			Labour Cost Index (LCI)
Total (B-5)	1,3	1,9	-0,5
Legislators, senior officials and managers	-1,8	2,1	-3,8
Professionals	1,5	6,4	-4,7
Technicians and associate professionals	1,2	-0,1	1,2
Clerks	1,7	0,5	1,2
Service workers, shop and market sales workers	2,4	0,9	1,8
Skilled agricultural and fishery workers	2,1	0,9	1,4
Craft and related workers	0,4	2,7	-2,0
Plant and machine operators and assemblers	2,5	2,0	0,8
Elementary occupations	1,5	-1,3	2,9

Source: INE, Labour Cost Index and Employment Statistics -3rd quarter of 2010.

4. International comparison

Figure 4 presents the year-on-year rates of change of the LCI, by country, for the last quarter available (2nd quarter of 2010)² for the whole economy (B to N), published by Eurostat under the title "LCI – Labour Cost Index", in the 14th of September of 2010.

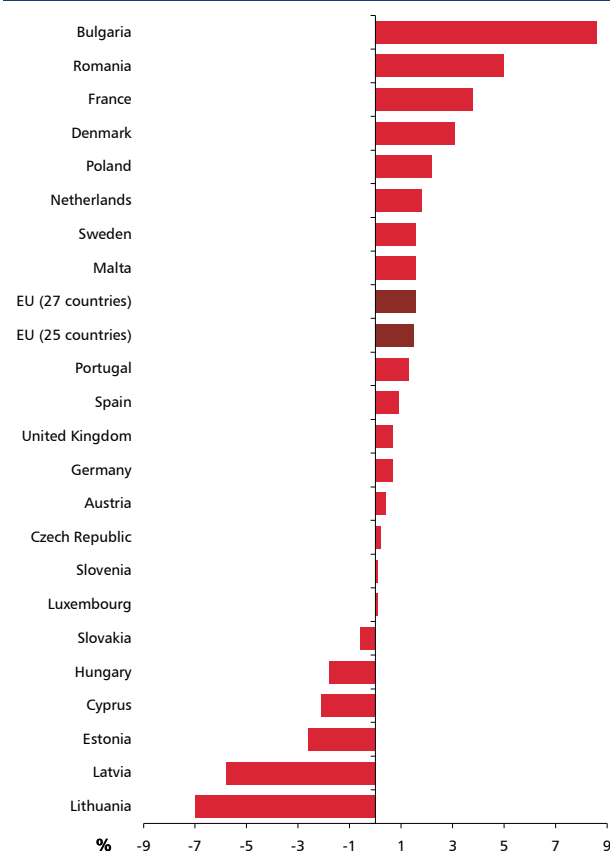
In the 2nd quarter of 2010, the LCI year-on-year rate of change for the European Union (27 countries) was 1.6%. In Portugal, this rate was 1.3%.

Bulgaria recorded a LCI rate of increase (8.6%) that was larger, at least five times, than the registered for the European Union.

Concerning the increases that were smaller than the European Union's, those of Czech Republic (0.2%), Slovenia (0.1%), and Luxembourg (0.1%) stand out.

Lithuania and Latvia recorded decreases in the LCI, of 7.0% and 5.8%, respectively.

Figure 4: LCI year-on-year rate of change (B-N) in European Union countries (27)



² Provisional data for the United Kingdom, Portugal, Sweden, Cyprus, Spain, Netherlands, Latvia, Slovenia, Hungary, Romania, Slovakia, Austria and Bulgaria.



Table 4: Labour Cost Index (LCI) by economic activity, region NUTS II and occupational group (2008=100)

Unit: 2008=100

	2007Q1	2007Q2	2007Q3	2007Q4	2007	2008Q1	2008Q2	2008Q3	2008Q4	2008	2009Q1	2009Q2	2009Q3	2009Q4	2009	2010Q1	2010Q2	2010Q3
By economic activities (Nace-Rev. 2)																		
Total (B_S, excluding public administration)	83,4	84,9	106,8	108,5	95,9	86,6	87,5	112,4	113,5	100,0	88,8	91,7	117,9	116,8	103,8	88,6	92,8	117,3
Total (B_N)	83,7	84,9	106,4	108,6	95,9	86,7	87,5	112,2	113,6	100,0	89,0	91,8	117,7	116,9	103,9	88,8	92,9	117,5
B - Mining and quarrying	87,5	94,0	109,9	119,1	102,6	86,8	90,9	107,9	114,4	100,0	91,1	96,6	118,7	120,8	106,8	92,4	95,6	120,4
C - Manufacturing	80,5	85,0	112,8	111,8	97,5	83,0	85,5	118,7	112,8	100,0	85,8	91,3	123,3	119,5	105,0	85,3	92,5	126,2
D - Electricity, gas, steam and air conditions supply	83,3	112,0	98,8	101,4	98,9	78,7	116,5	97,5	107,3	100,0	85,5	125,7	101,1	112,4	106,2	92,2	120,9	98,5
E - Water supply, sewerage, waste management and remediation activities	80,5	86,1	96,4	110,0	93,2	85,3	88,2	104,9	121,6	100,0	92,0	99,3	111,7	120,3	105,8	88,1	85,5	107,2
F - Construction	82,2	84,4	107,2	111,3	96,3	84,7	88,1	109,9	117,3	100,0	86,3	92,3	114,6	123,1	104,0	88,6	96,5	117,9
G - Wholesale and retail trade; repair of motor vehicles and motor cycles	85,7	84,4	104,9	106,8	95,4	88,5	88,0	110,2	113,3	100,0	87,4	92,2	114,8	114,7	102,3	88,1	90,7	115,1
H - Transport and storage	81,7	85,9	106,3	106,0	95,0	83,8	89,0	115,7	111,6	100,0	89,0	95,0	126,1	114,0	106,0	86,8	95,6	122,3
I - Accommodation and food service activities	86,5	84,2	108,1	110,8	97,4	86,2	84,7	113,3	115,7	100,0	88,4	85,4	117,7	117,0	102,1	88,8	91,6	110,3
K - Financial and insurance activities	98,1	82,4	81,2	99,1	90,2	102,5	88,8	94,8	113,9	100,0	105,0	84,4	104,6	109,3	100,8	103,6	86,6	99,6
P - Education (excluding public administration)	73,0	80,4	131,9	105,3	97,7	80,7	81,6	132,4	105,2	100,0	77,9	88,0	138,2	106,7	102,7	77,6	86,1	130,8
Q - Human health and social work activities (excluding public administration)	78,4	90,1	108,9	116,0	98,4	81,5	92,9	110,8	114,8	100,0	82,7	95,8	117,3	115,5	102,8	84,4	99,3	112,6
By region NUTS II (2002) (B_S, excluding public administration)																		
101 - Norte	83,0	83,5	108,2	110,0	96,2	86,9	86,1	112,6	114,4	100,0	88,6	89,1	116,8	114,0	102,1	88,0	89,3	118,1
106 - Centro	83,6	86,0	107,5	107,7	96,2	87,3	89,0	111,0	112,8	100,0	89,0	91,7	114,2	114,3	102,3	89,4	94,3	116,7
107 - Lisboa	83,7	85,0	103,9	107,3	95,0	86,2	87,1	113,9	112,8	100,0	87,6	90,8	116,5	110,9	101,4	86,5	90,7	113,7
108 - Alentejo	87,6	91,9	105,3	117,3	100,5	86,1	89,1	108,5	116,3	100,0	90,0	94,3	115,5	116,9	104,2	90,3	95,5	117,0
109 - Algarve	85,2	89,1	102,0	113,2	97,4	85,2	90,3	108,6	116,0	100,0	88,5	96,0	116,9	119,7	105,3	89,1	96,5	113,7
201 - R.A. Açores	82,2	86,1	105,5	111,0	96,2	84,7	88,1	112,1	115,1	100,0	87,0	90,6	117,0	113,6	102,1	87,6	93,7	116,0
301 - R.A. Madeira	81,5	87,2	106,0	114,7	97,3	90,5	85,2	108,3	116,1	100,0	92,8	94,9	119,8	120,2	106,9	95,2	101,0	125,1
By occupational group (ISCO-88) (B_S, excluding public administration)																		
1 - Legislators, senior officials and managers	88,1	79,7	102,4	100,2	92,6	91,7	87,7	108,1	112,5	100,0	95,5	91,2	116,2	115,1	104,5	95,0	90,0	111,8
2 - Professionals	81,8	85,6	109,1	110,3	96,7	84,4	90,8	112,8	112,0	100,0	85,7	93,5	121,6	115,4	104,0	86,3	94,5	115,9
3 - Technicians and associate professionals	85,4	84,6	102,2	107,5	94,9	86,9	87,5	112,3	113,2	100,0	87,6	91,1	115,1	114,2	102,0	86,9	90,6	116,4
4 - Clerks	82,4	85,4	106,2	109,6	95,9	85,5	88,6	112,0	113,9	100,0	85,9	91,0	117,6	114,6	102,3	85,6	92,1	119,0
5 - Service workers, shop and market sales workers	78,9	84,7	100,3	112,4	94,1	82,7	89,1	110,6	117,7	100,0	87,8	89,9	114,5	118,5	102,7	88,8	95,9	116,5
6 - Skilled agricultural and fishery workers	83,0	84,3	112,3	110,1	97,5	85,4	92,8	110,1	111,6	100,0	82,7	91,8	116,1	119,8	102,6	85,5	92,2	117,8
7 - Craft and related workers	81,4	86,1	111,3	111,5	97,6	81,8	87,9	114,9	115,4	100,0	86,8	95,1	122,2	116,1	105,1	87,0	94,7	119,7
8 - Plant and machine operators and assemblers	81,4	84,7	107,4	107,9	95,4	82,1	87,2	115,9	114,8	100,0	84,8	91,2	116,7	115,6	102,1	86,1	92,2	117,7
9 - Elementary occupations	81,0	82,8	104,2	109,5	94,4	83,8	88,3	111,2	116,7	100,0	86,3	94,1	116,6	118,6	103,9	88,2	98,0	120,0

Source: INE, Labour Cost Index and Employment Statistics - 3rd quarter of 2010.

Note: The series are working day adjusted.



Table 5: Year-on-year rate of change by economic activity, region NUTS II and occupational group

	2007Q1	2007Q2	2007Q3	2007Q4	2007	2008Q1	2008Q2	2008Q3	2008Q4	2008	2009Q1	2009Q2	2009Q3	2009Q4	2009	2010Q1	2010Q2	2010Q3
Unit: %																		
By economic activities (Nace-Rev. 2)																		
Total (B_S, excluding public administration)	4,4	4,1	5,4	6,4	5,2	3,8	3,1	5,3	4,5	4,3	2,5	4,8	4,8	2,9	3,8	-0,2	1,2	-0,5
Total (B_N)	4,6	4,4	5,5	6,4	5,3	3,6	3,1	5,5	4,6	4,3	2,7	4,8	5,0	2,9	3,9	-0,3	1,2	-0,2
B - Mining and quarrying	8,2	15,1	3,2	12,5	9,5	-0,9	-3,3	-1,8	-4,0	-2,6	5,0	6,2	9,9	5,6	6,8	1,5	-1,0	1,4
C - Manufacturing	4,5	6,7	5,4	8,1	6,3	3,1	0,5	5,2	0,9	2,5	3,4	6,9	3,9	5,9	5,0	-0,6	1,3	2,4
D - Electricity, gas, steam and air conditions supply	1,9	-5,3	12,3	-5,8	0,0	-5,5	4,0	-1,4	5,8	1,1	8,6	8,0	3,7	4,7	6,2	7,8	-3,9	-2,6
E - Water supply, sewerage, waste management and remediation activities	1,6	9,3	5,2	6,1	5,6	6,0	2,5	8,8	10,5	7,3	7,8	12,6	6,5	-1,1	5,8	-4,3	-13,9	-4,1
F - Construction	6,5	1,3	5,7	6,8	5,2	3,0	4,4	2,6	5,4	3,9	1,9	4,7	4,2	4,9	4,0	2,6	4,6	2,9
G - Wholesale and retail trade; repair of motor vehicles and motor cycles	5,7	4,2	7,1	6,2	5,9	3,3	4,3	5,1	6,1	4,8	-1,2	4,7	4,2	1,3	2,3	0,8	-1,6	0,2
H - Transport and storage	2,1	2,6	1,8	3,1	2,4	2,5	3,6	8,8	5,2	5,3	6,3	6,7	9,0	2,2	6,0	-2,5	0,7	-3,0
I - Accommodation and food service activities	8,0	4,2	3,5	6,9	5,6	-0,3	0,6	4,9	4,4	2,7	2,5	0,8	3,9	1,1	2,1	0,5	7,3	-6,3
K - Financial and insurance activities	4,7	4,4	-2,8	-1,3	1,2	4,6	7,7	16,7	15,0	10,9	2,4	-4,9	10,3	-4,0	0,8	-1,3	2,7	-4,8
P - Education (excluding public administration)	2,5	0,0	1,9	8,8	3,4	10,5	1,4	0,4	-0,1	2,4	-3,6	7,8	4,3	1,4	2,7	-0,3	-2,1	-5,3
Q - Human health and social work activities (excluding public administration)	4,4	1,2	2,6	7,6	4,1	4,0	3,1	1,8	-1,0	1,7	1,4	3,1	5,8	0,7	2,8	2,1	3,7	-4,0
By region NUTS II (2002) (B_S, excluding public administration)																		
101 - Norte	5,9	5,2	5,4	8,6	6,4	4,7	3,2	4,1	3,9	4,0	1,9	3,4	3,7	-0,3	2,1	-0,6	0,2	1,1
106 - Centro	3,2	3,6	3,3	4,3	3,6	4,4	3,5	3,2	4,7	4,0	2,1	3,0	2,9	1,4	2,3	0,3	2,8	2,2
107 - Lisboa	3,1	2,8	4,2	6,9	4,4	3,0	2,5	9,6	5,1	5,3	1,6	4,2	2,3	-1,7	1,4	-1,3	-0,1	-2,4
108 - Alentejo	5,4	3,7	3,9	7,9	5,3	-1,6	-3,0	3,1	-0,9	-0,5	4,5	5,8	6,5	0,5	4,2	0,3	1,3	1,2
109 - Algarve	2,2	0,2	3,1	5,0	2,7	0,0	1,4	6,4	2,5	2,7	4,0	6,3	7,7	3,2	5,3	0,6	0,6	-2,8
201 - R.A. Açores	2,5	0,9	0,9	6,1	2,7	3,0	2,3	6,2	3,7	3,9	2,8	2,8	4,3	-1,3	2,1	0,7	3,4	-0,9
301 - R.A. Madeira	4,0	6,5	10,9	11,3	8,5	11,0	-2,3	2,1	1,2	2,7	2,5	11,4	10,6	3,5	6,9	2,7	6,5	4,4
By occupational group (ISCO-88) (B_S, excluding public administration)																		
1 - Legislators, senior officials and managers	3,0	0,9	2,7	-1,0	1,3	4,1	10,1	5,6	12,2	8,0	4,1	4,0	7,5	2,4	4,5	-0,5	-1,3	-3,8
2 - Professionals	-1,2	2,6	4,8	7,6	3,7	3,2	6,0	3,4	1,6	3,4	1,5	2,9	7,8	3,0	4,0	0,7	1,1	-4,7
3 - Technicians and associate professionals	4,9	2,6	1,7	6,8	4,0	1,8	3,5	9,9	5,3	5,3	0,8	4,1	2,4	0,8	2,0	-0,7	-0,5	1,2
4 - Clerks	5,2	3,1	5,1	6,9	5,2	3,8	3,7	5,4	4,0	4,3	0,4	2,7	5,1	0,6	2,3	-0,3	1,2	1,2
5 - Service workers, shop and market sales workers	3,8	4,5	1,6	14,9	6,4	4,8	5,1	10,3	4,7	6,3	6,2	0,9	3,6	0,7	2,7	1,2	6,7	1,8
6 - Skilled agricultural and fishery workers	2,4	-7,3	11,1	6,2	3,4	2,9	10,0	-2,0	1,4	2,6	-3,2	-1,0	5,4	7,3	2,6	3,4	0,4	1,4
7 - Craft and related workers	3,8	4,0	5,6	8,3	5,6	0,5	2,1	3,3	3,5	2,5	6,0	8,2	6,4	0,7	5,1	0,3	-0,4	-2,0
8 - Plant and machine operators and assemblers	3,2	3,5	3,9	2,9	3,4	0,8	2,9	7,9	6,3	4,8	3,4	4,6	0,7	0,7	2,1	1,5	1,0	0,8
9 - Elementary occupations	1,3	0,6	2,9	4,7	2,6	3,5	6,7	6,7	6,5	6,0	2,9	6,6	4,8	1,7	3,9	2,2	4,2	2,9

Source: INE, Labour Cost Index and Employment Statistics - 3rd quarter of 2010.

Note: The series are working day adjusted.



Table 6: Labour Cost Index (LCI) by economic activity, region NUTS II and occupational group (2008=100)

Unit: 2008=100

	2007Q1	2007Q2	2007Q3	2007Q4	2007	2008Q1	2008Q2	2008Q3	2008Q4	2008	2009Q1	2009Q2	2009Q3	2009Q4	2009	2010Q1	2010Q2	2010Q3
By economic activities (Nace-Rev. 2)																		
Total (B_S, excluding public administration)	85,4	86,9	107,6	104,1	96,0	90,0	89,6	111,5	108,8	100,0	92,3	92,4	115,1	111,8	102,9	92,1	92,0	114,6
Total (B_N)	85,6	87,0	107,1	104,1	96,0	90,2	89,6	111,2	109,0	100,0	92,5	92,4	115,0	111,9	103,0	92,3	92,1	114,7
B - Mining and quarrying	89,5	96,2	110,7	114,2	102,7	90,2	93,1	107,0	109,7	100,0	94,7	97,2	115,9	117,7	106,4	96,1	94,7	117,5
C - Manufacturing	82,4	87,1	113,7	107,3	97,6	86,4	87,6	117,8	108,3	100,0	89,3	92,1	120,5	110,3	103,0	88,7	91,7	123,4
D - Electricity, gas, steam and air conditions supply	85,1	114,5	99,4	97,1	99,0	81,7	119,0	96,5	102,8	100,0	88,7	126,4	98,5	109,3	105,8	95,6	119,6	96,0
E - Water supply, sewerage, waste management and remediation activities	82,4	88,2	97,1	105,6	93,4	88,8	90,4	104,1	116,7	100,0	95,7	100,1	109,2	117,3	105,6	91,6	84,8	104,8
F - Construction	84,1	86,4	108,0	106,9	96,4	88,1	90,3	109,1	112,6	100,0	89,8	93,0	111,9	120,0	103,7	92,1	95,6	115,2
G - Wholesale and retail trade; repair of motor vehicles and motor cycles	87,6	86,4	105,7	102,4	95,5	92,0	90,1	109,3	108,6	100,0	90,9	92,8	112,1	111,8	101,9	91,6	89,9	112,4
H - Transport and storage	83,7	88,0	107,1	101,7	95,1	87,1	91,1	114,8	107,0	100,0	92,6	95,7	123,2	111,1	105,6	90,3	94,7	119,5
I - Accommodation and food service activities	88,5	86,3	108,9	106,4	97,5	89,7	86,8	112,5	111,1	100,0	91,9	86,1	115,0	114,1	101,8	92,4	90,8	107,8
K - Financial and insurance activities	100,1	84,3	81,7	94,8	90,2	106,4	90,7	93,8	109,0	100,0	109,0	84,8	101,9	106,3	100,5	107,5	85,7	97,0
P - Education (excluding public administration)	74,8	82,4	132,9	101,1	97,8	84,0	83,6	131,4	101,0	100,0	81,0	88,6	135,0	104,0	102,2	80,7	85,4	127,9
Q - Human health and social work activities (excluding public administration)	80,3	92,3	109,7	111,3	98,4	84,8	95,1	110,0	110,1	100,0	86,0	96,5	114,6	112,7	102,4	87,8	98,4	110,0
By region NUTS II (2002) (B_S, excluding public administration)																		
101 - Norte	85,0	85,5	109,0	105,6	96,2	90,4	88,2	111,7	109,7	100,0	92,1	89,7	114,1	111,2	101,8	91,6	88,5	115,4
106 - Centro	85,5	88,1	108,3	103,3	96,3	90,7	91,1	110,0	108,1	100,0	92,6	92,4	111,5	111,4	102,0	92,9	93,4	114,0
107 - Lisboa	85,7	87,1	104,7	102,9	95,1	89,6	89,2	112,9	108,2	100,0	91,0	91,5	113,8	108,1	101,1	89,9	89,9	111,0
108 - Alentejo	89,6	94,1	106,0	112,5	100,6	89,6	91,3	107,6	111,5	100,0	93,6	95,0	112,9	113,9	103,8	93,9	94,7	114,3
109 - Algarve	87,2	91,2	102,8	108,6	97,4	88,6	92,5	107,7	111,3	100,0	92,1	96,7	114,2	116,7	104,9	92,6	95,7	111,1
201 - R.A. Açores	84,1	88,2	106,3	106,5	96,3	88,1	90,3	111,2	110,4	100,0	90,5	91,3	114,3	110,8	101,7	91,1	92,9	113,3
301 - R.A. Madeira	83,4	89,3	106,8	110,0	97,4	94,1	87,2	107,4	111,3	100,0	96,5	95,5	117,0	117,1	106,5	99,0	100,1	122,1
By occupational group (ISCO-88) (B_S, excluding public administration)																		
1 - Legislators, senior officials and managers	90,1	81,5	103,0	96,1	92,7	95,3	89,8	107,1	107,8	100,0	99,2	91,8	113,4	112,1	104,2	98,7	89,1	109,1
2 - Professionals	83,7	87,7	109,8	105,8	96,7	87,7	93,0	111,8	107,4	100,0	89,1	94,2	118,8	112,5	103,6	89,7	93,6	113,2
3 - Technicians and associate professionals	87,4	86,6	103,0	103,2	95,0	90,4	89,6	111,4	108,6	100,0	91,1	91,7	112,4	111,3	101,6	90,4	89,8	113,7
4 - Clerks	84,3	87,5	107,0	105,1	96,0	88,9	90,7	111,0	109,3	100,0	89,3	91,7	114,9	111,7	101,9	89,0	91,3	116,2
5 - Service workers, shop and market sales workers	80,8	86,8	101,1	107,9	94,1	86,0	91,3	109,8	113,0	100,0	91,3	90,6	111,9	115,6	102,4	92,4	95,1	113,9
6 - Skilled agricultural and fishery workers	84,9	86,3	113,1	105,6	97,5	88,8	95,0	109,2	107,0	100,0	85,9	92,4	113,4	116,7	102,1	88,8	91,3	115,0
7 - Craft and related workers	83,4	88,2	112,1	107,0	97,7	85,1	90,1	114,1	110,7	100,0	90,3	95,9	119,5	113,3	104,7	90,5	94,0	117,0
8 - Plant and machine operators and assemblers	83,4	86,8	108,3	103,6	95,5	85,4	89,3	115,1	110,2	100,0	88,3	91,9	114,1	112,8	101,8	89,6	91,4	115,1
9 - Elementary occupations	82,9	84,8	105,0	105,1	94,5	87,2	90,5	110,4	112,0	100,0	89,7	94,9	113,9	115,7	103,5	91,7	97,2	117,3

Source: INE, Labour Cost Index and Employment Statistics - 3rd quarter of 2010.

Note: The series are non-adjusted data.



Table 7: Year-on-year rate of change by economic activity, region NUTS II and occupational group

	2007Q1	2007Q2	2007Q3	2007Q4	2007	2008Q1	2008Q2	2008Q3	2008Q4	2008	2009Q1	2009Q2	2009Q3	2009Q4	2009	2010Q1	2010Q2	2010Q3
Unit: %																		
By economic activities (Nace-Rev. 2)																		
Total (B_S, excluding public administration)	6,1	5,9	5,4	1,4	4,5	5,5	3,1	3,7	4,5	4,2	2,5	3,1	3,3	2,7	2,9	-0,2	-0,4	-0,5
Total (B_N)	6,2	6,2	5,5	1,3	4,6	5,3	3,1	3,8	4,6	4,2	2,7	3,1	3,4	2,7	3,0	-0,3	-0,4	-0,2
B - Mining and quarrying	9,9	17,0	3,2	7,2	8,8	0,7	-3,3	-3,3	-4,0	-2,6	5,0	4,5	8,3	7,3	6,4	1,5	-2,6	1,4
C - Manufacturing	6,2	8,4	5,4	3,0	5,6	4,8	0,5	3,6	0,9	2,4	3,4	5,1	2,3	1,8	3,0	-0,6	-0,4	2,4
D - Electricity, gas, steam and air conditions supply	3,5	-3,7	12,3	-10,3	-0,5	-4,0	4,0	-2,9	5,8	1,0	8,6	6,2	2,1	6,4	5,8	7,8	-5,4	-2,6
E - Water supply, sewerage, waste management and remediation activities	3,2	11,1	5,2	1,1	4,8	7,7	2,5	7,2	10,5	7,1	7,8	10,8	4,9	0,5	5,6	-4,3	-15,3	-4,1
F - Construction	8,2	3,0	5,7	1,8	4,5	4,7	4,4	1,0	5,4	3,8	1,9	3,0	2,6	6,6	3,7	2,6	2,9	2,9
G - Wholesale and retail trade; repair of motor vehicles and motor recycles	7,4	5,9	7,1	1,2	5,3	4,9	4,3	3,4	6,1	4,7	-1,2	3,0	2,6	2,9	1,9	0,8	-3,1	0,2
H - Transport and storage	3,7	4,3	1,8	-1,8	1,8	4,1	3,6	7,2	5,2	5,1	6,3	5,0	7,4	3,8	5,6	-2,5	-1,0	-3,0
I - Accommodation and food service activities	9,7	5,9	3,5	1,8	4,9	1,3	0,6	3,3	4,4	2,5	2,5	-0,8	2,3	2,8	1,8	0,5	5,6	-6,3
K - Financial and insurance activities	6,4	6,1	-2,8	-6,0	0,7	6,2	7,7	14,9	15,0	10,8	2,4	-6,5	8,6	-2,5	0,5	-1,3	1,0	-4,8
P - Education (excluding public administration)	4,1	1,7	1,9	3,6	2,7	12,3	1,4	-1,2	-0,1	2,2	-3,6	6,0	2,8	3,0	2,2	-0,3	-3,7	-5,3
Q - Human health and social work activities (excluding public administration)	6,0	2,9	2,6	2,5	3,3	5,7	3,1	0,2	-1,0	1,6	1,4	1,4	4,2	2,3	2,4	2,1	2,0	-4,0
By region NUTS II (2002) (B_S, excluding public administration)																		
101 - Norte	7,6	6,9	5,4	3,4	5,7	6,4	3,2	2,5	3,9	3,9	1,9	1,7	2,2	1,3	1,8	-0,6	-1,4	1,1
106 - Centro	4,8	5,4	3,3	-0,6	3,0	6,1	3,5	1,6	4,7	3,9	2,1	1,3	1,3	3,0	2,0	0,3	1,1	2,2
107 - Lisboa	4,7	4,5	4,2	1,8	3,7	4,6	2,5	7,9	5,1	5,2	1,6	2,5	0,7	-0,1	1,1	-1,3	-1,7	-2,4
108 - Alentejo	7,1	5,4	3,9	2,8	4,6	-0,1	-3,0	1,5	-0,9	-0,6	4,5	4,0	4,9	2,2	3,8	0,3	-0,3	1,2
109 - Algarve	3,8	1,8	3,1	0,0	2,1	1,6	1,4	4,8	2,5	2,6	4,0	4,6	6,0	4,9	4,9	0,6	-1,1	-2,8
201 - R.A. Açores	4,1	2,6	0,9	1,0	2,0	4,7	2,3	4,6	3,7	3,8	2,8	1,1	2,8	0,3	1,7	0,7	1,8	-0,9
301 - R.A. Madeira	5,6	8,2	10,9	6,0	7,7	12,8	-2,3	0,5	1,2	2,7	2,5	9,6	9,0	5,2	6,5	2,7	4,8	4,4
By occupational group (ISCO-88) (B_S, excluding public administration)																		
1 - Legislators, senior officials and managers	4,6	2,6	2,7	-5,7	0,8	5,8	10,1	4,0	12,2	7,9	4,1	2,3	5,9	4,0	4,2	-0,5	-2,9	-3,8
2 - Professionals	0,4	4,3	4,8	2,5	3,1	4,9	6,0	1,8	1,6	3,4	1,5	1,2	6,2	4,7	3,6	0,7	-0,5	-4,7
3 - Technicians and associate professionals	6,6	4,3	1,7	1,7	3,4	3,4	3,5	8,2	5,3	5,2	0,8	2,4	0,9	2,5	1,6	-0,7	-2,1	1,2
4 - Clerks	6,9	4,8	5,1	1,8	4,5	5,5	3,7	3,8	4,0	4,2	0,4	1,0	3,5	2,2	1,9	-0,3	-0,4	1,2
5 - Service workers, shop and market sales workers	5,4	6,2	1,6	9,4	5,6	6,5	5,1	8,6	4,7	6,2	6,2	-0,8	2,0	2,3	2,4	1,2	5,0	1,8
6 - Skilled agricultural and fishery workers	4,0	-5,7	11,1	1,1	2,8	4,5	10,0	-3,5	1,4	2,6	-3,2	-2,7	3,8	9,0	2,1	3,4	-1,2	1,4
7 - Craft and related workers	5,5	5,8	5,6	3,2	4,9	2,1	2,1	1,7	3,5	2,4	6,0	6,4	4,8	2,3	4,7	0,3	-2,0	-2,0
8 - Plant and machine operators and assemblers	4,9	5,2	3,9	-2,0	2,7	2,4	2,9	6,3	6,3	4,7	3,4	2,9	-0,8	2,4	1,8	1,5	-0,6	0,8
9 - Elementary occupations	2,9	2,3	2,9	-0,3	1,9	5,2	6,7	5,1	6,5	5,9	2,9	4,8	3,2	3,3	3,5	2,2	2,5	2,9

Source: INE, Labour Cost Index and Employment Statistics - 3rd quarter of 2010.

Note: The series are non-adjusted data.

TECHNICAL NOTE

In order to be in line with the series published by Eurostat, which has change the reference year of Labour Cost Index (LCI) from 2000 to 2008, the indices that became available, from the 2nd quarter 2009, consider the year 2008 as the reference year. Series were rebased for the reference year 2008, since the 1st quarter of 2000. These new series are not comparable with the previous ones (1995 series).

A new statistical classification for economic activities (NACE Rev. 2) was established by the Regulation N° 1893/2006 of December 20th and states that it ought to be used by statistics related to economic activities performed from January 2008 onwards. The adoption and transposition for the Portuguese classifications led to "Classificação Portuguesa das Actividades Económicas Revisão 3" (CAE-Rev. 3). In the LCI case, the regulation entered into force in January 2009, covering data already published for the period 2000-2008 and for the first quarter 2009 onwards. To obtain data classified by CAE-Rev. 3, it was necessary to reclassify and recalculate data from several sources that allowed the computation of the LCI (such as Labour Cost Index, Lists of Personnel, Labour Cost Survey and Labour Force Survey). The LCI data between 2000 and 2008 were reprocessed and should be considered as preliminary.

In this press release, the series are working day adjusted (WDA), as released by Eurostat, and unadjusted series (NSA, Non-Adjusted Data), by economic activity (NACE-Rev. 2), by region NUTS II (2002) and by occupational group (ISCO-88). The data exclude the following activities: "Public administration and defence; compulsory social security" (O); and the public part of the following activities: "Education" (P) and "Human health and social work activities" (Q).

The LCI is an indicator that measures the development of the average labour cost per worked hour (hourly labour costs).

The changes in the employment, hours actually worked and prices levels affect the indices obtained during the observed periods.

Formula for the calculation of the LCI:

$$LCI_{tj}(k) = \frac{\sum_{i=B}^S w_i^{tj} h_i^{tk}}{\sum_{i=B}^S w_i^{tk} h_i^{tk}}$$

$LCI_{tj}(k)$ = Labour Cost Index, quarter t , year j (related to the base period quarter t , year k)

$i = \{B, S\}$ = Sector of economic activity

tj = quarter t of year j under observation

tk = quarter t of year k , base period (2000)

w_i^{tj} = Labour cost of employees by hour worked in sector i in quarter t in year j

h_i^{tk} = Hours actually worked in sector i in quarter t in year k

$w_i^{tj} * h_i^{tk}$ = Total labour cost in sector i in quarter t in year j ; the hours were evaluated in quarter t in year k

$w_i^{tk} * h_i^{tk}$ = Total labour cost in sector i in quarter t in year k (base)

The actual labour cost adopts the perspective of the employer, corresponding to the total cost incurred by the employer and including the following items:

- ✓ Basic wage and salaries
- ✓ Regular bonuses and allowances (paid in each pay period)
- ✓ Irregular bonuses and allowances (not paid in each pay period)
- ✓ Overtime payment
- ✓ Payments and benefits in kind
- ✓ Payment for hours not worked
- ✓ Employer's social contributions
- ✓ Collectively agreed, contractual and voluntary social security contributions
- ✓ Other (including payments to employees leaving the enterprise)

Year-on-year rate of change: the year-on-year change compares the level of the variable in the current quarter with that of the corresponding quarter of the previous year. This rate of change, considering a seasonal stable pattern is not affected by this type of fluctuation, but may, however, be influenced by specific effects in a given quarter.

DATE SCHEDULED FOR THE NEXT PRESS RELEASE

February, 15th 2011.