

February, 15th 2011

Labour Cost Index 4th quarter of 2010

In the 4th quarter of 2010, the Labour Cost Index increased by 4.1%, compared to the 4th quarter of 2009

In the 4th quarter of 2010, the Labour Cost Index (LCI) working day adjusted, excluding Public Administration, increased by 4.1% compared to the same period of the previous year (it was 1.1 % in the 4th quarter of 2009). In 2010, on average, the LCI increased by 1.3% (down from the 3.3% registered in 2009).

In the 4th quarter of 2010, the Labour Cost Index (LCI)¹ increased by 4.1%. This rate of change resulted from an increase in the average labour costs (1.3%) and from a decrease in the number of hours actually worked (2.7%).

1. Economic activity

In the 4th quarter of 2010, the LCI increased in the majority of economic activities compared to the same quarter of 2009, mainly due to the decrease in the number of hours actually worked.

In the following activities, the LCI year-on-year rates of increase were larger than the global rate (4.1%): "Electricity, gas, steam and air conditions supply" (11.7%), "Financial and insurance activities" (9.6%), "Construction" (6.0%), "Education" (5.8%), "Mining and

quarrying" (4.6%), and "Transport and storage" (4.5%).

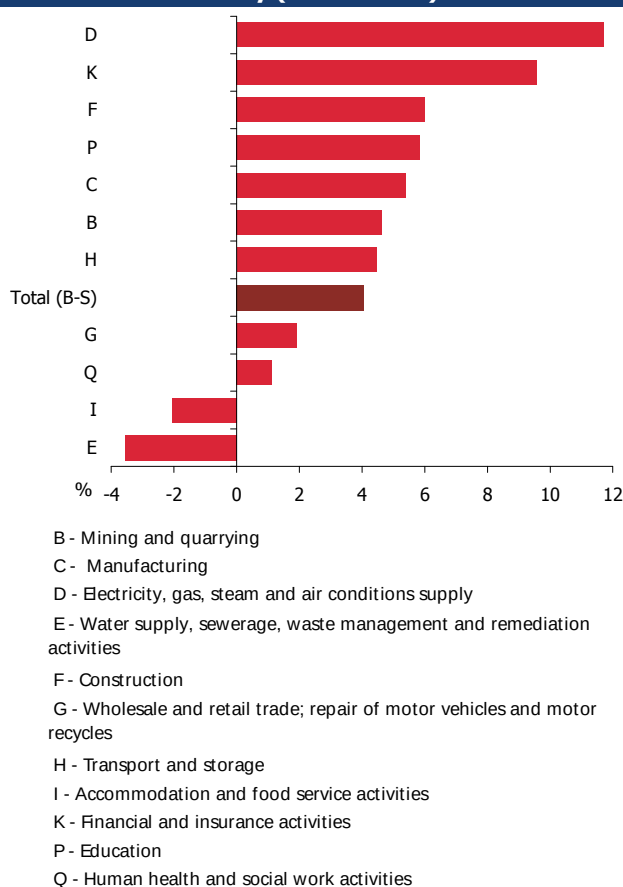
The LCI year-on-year rates of increase were smaller than the overall average in "Wholesale and retail trade; repair of motor vehicles and motor recycles" (1.9%) and "Human health and social work activities" (1.1%).

Comparing with the same quarter of the previous year, negative variations were registered in the activities "Accommodation and food service activities" (2.1%) and "Water supply, sewerage, waste management and remediation activities" (3.6%).

In " Electricity, gas, steam and air conditions supply", "Financial and insurance activities", "construction", "Education", "Manufacturing", and "Mining and quarrying", the year-on-year rates of increase was explained by an increase in the average labour costs and by a decrease in the number of hours actually worked.

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

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



the average labour costs and the number of hours actually worked, the latter being larger than the former.

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	-2,7	4,1
Of which:			
B - Mining and quarrying	1,8	-2,7	1,7
C - Manufacturing	2,6	-2,7	5,4
D - Electricity, gas, steam and air conditions supply	5,3	-6,1	11,7
E - Water supply, sewerage, waste management and remediation activities	-6,3	-2,8	-3,6
F - Construction	3,1	-2,8	6,0
G - Wholesale and retail trade; repair of motor vehicles and motor recycles	-0,8	-2,7	1,9
H - Transport and storage	-0,9	-5,1	4,5
I - Accommodation and food service activities	0,5	2,6	-2,1
K - Financial and insurance activities	3,7	-5,6	9,6
P - Education	2,5	-3,1	5,8
Q - Human health and social work activities	1,1	0,0	1,1

Source: INE, Labour Cost Index and Employment Statistics - 4th quarter of 2010.

The rate of increase in "Transport and storage" and "Wholesale and retail trade; repair of motor vehicles and motor recycles" was due to a decrease in the average labour costs that was smaller than the decrease in the number of hours actually worked.

In "Human health and social work activities", the LCI rate of increase 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.

The decrease of the LCI in "Accommodation and food service activities" was justified by an increase in both,

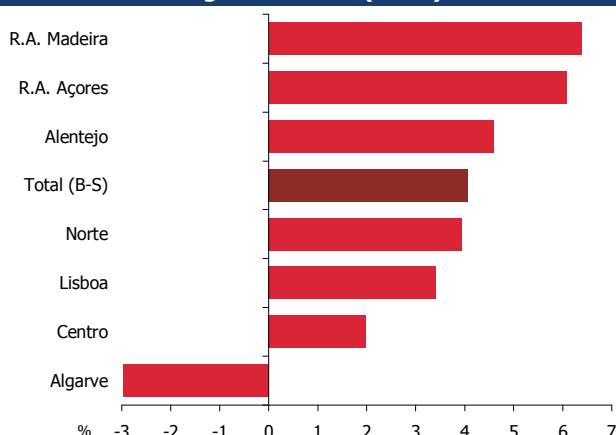
In "Water supply, sewerage, waste management and remediation activities", the LCI rate of decrease was explained by a decrease in the average labour costs that was larger than the decrease in the number of hours actually worked.

2. Regions NUTS II

In the 4th quarter of 2010, the regions *Região Autónoma da Madeira*, *Região Autónoma dos Açores* and *Alentejo* registered LCI year-on-year rates of

increase that were larger than the overall average (4.1%), of 6.4%, 6.1% and 4.6%, respectively.

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



Norte, *Lisboa*, and *Centro* recorded smaller LCI increases than the overall average, of 3.9%, 3.4% and 2.0%, respectively.

Algarve presented a negative variation (3.0%) compared to the same quarter of the previous year.

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	-2,7	4,1
Norte	2,2	-1,7	3,9
Centro	0,9	-0,8	2,0
Lisboa	0,8	-2,2	3,4
Alentejo	0,3	-4,1	4,6
Algarve	-1,8	1,3	-3,0
R.A. Açores	2,6	-2,9	6,1
R.A. Madeira	2,0	-4,1	6,4

Source: INE, Labour Cost Index and Employment Statistics - 4th quarter of 2010.

Except for *Algarve*, in the remaining regions, the rates of change were explained by an increase in the average

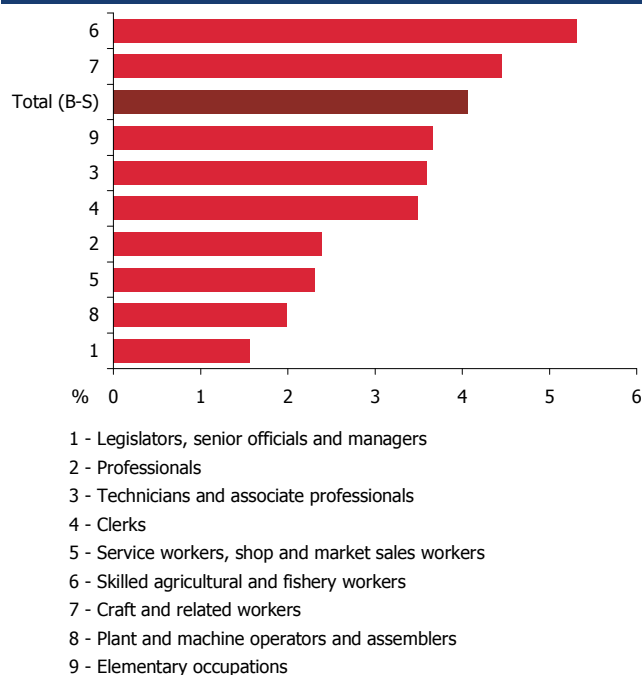
labour costs and by a decrease in the number of hours worked.

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.

3. Occupational groups

In the 4th quarter of 2010, in the following occupational groups, the LCI year-on-year rates of increase were larger than the overall rate (4.1%): "Skilled agricultural and fishery workers" (5.3%) and "Craft and related workers" (4.5%).

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



In the following occupational groups, the LCI year-on-year rates of increase were smaller than the overall rate: "Elementary occupations" (3.7%), "Technicians

and associate professionals" (3.6%), "Clerks" (3.5%), "Professionals" (2.4%), "Service workers, shop and market sales workers" (2.3%), "Plant and machine operators and assemblers" (2.0%), and "Legislators, senior officials and managers" (1.6%).

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-S)	1,3	-2,7	4,1
Legislators, senior officials and managers	-1,2	-2,5	1,6
Professionals	0,9	-1,4	2,4
Technicians and associate professionals	1,2	-2,1	3,6
Clerks	2,3	-0,9	3,5
Service workers, shop and market sales workers	2,2	0,2	2,3
Skilled agricultural and fishery workers	1,6	-3,4	5,3
Craft and related workers	0,9	-3,5	4,5
Plant and machine operators and assemblers	3,2	1,6	2,0
Elementary occupations	1,0	-2,5	3,7

Source: INE, Labour Cost Index and Employment Statistics -4th quarter of 2010.

The LCI year-on-year rates of increase, for the generality of the occupational groups, was explained by an increase in the average labour costs and by a decrease in the number of hours actually worked.

There are two exceptions to be considered. For the occupational groups "Service workers, shop and market sales workers" and "Plant and machine operators and assemblers", the LCI year-on-year rate of increase was due to an increase in both the average labour costs and the number of workers actually worked, the former being larger than the latter.

In "Legislators, senior officials and managers", the LCI year-on-year rate of increase was justified by a decrease in both the average labour costs and the number of hours actually worked, the latter being larger than the former.

4. International comparison

Figure 4 presents the year-on-year rates of change of the LCI, by country, for the last quarter available (3rd quarter of 2010)² for the whole economy (B to N), published by Eurostat under the title "LCI – Labour Cost Index", in the 16th of December of 2010.

In the 3rd quarter of 2010, the LCI year-on-year rate of change for the European Union (27 countries) was 1.2%. Portugal recorded a decrease (0.3%).

In thirteen countries the rates of increase were larger than the European Union average. Bulgaria recorded a LCI rate of increase (10.2%) that was larger, at least eight times, than the registered for the European Union.

In three countries the rates of increase were smaller than the European Union average: Hungary (1.0%), Slovenia (0.6%), and Germany (0.5%).

Eight countries recorded decreases in the LCI. Portugal showed the smallest decrease (0.3%) and Greece the largest (6.6%).

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

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

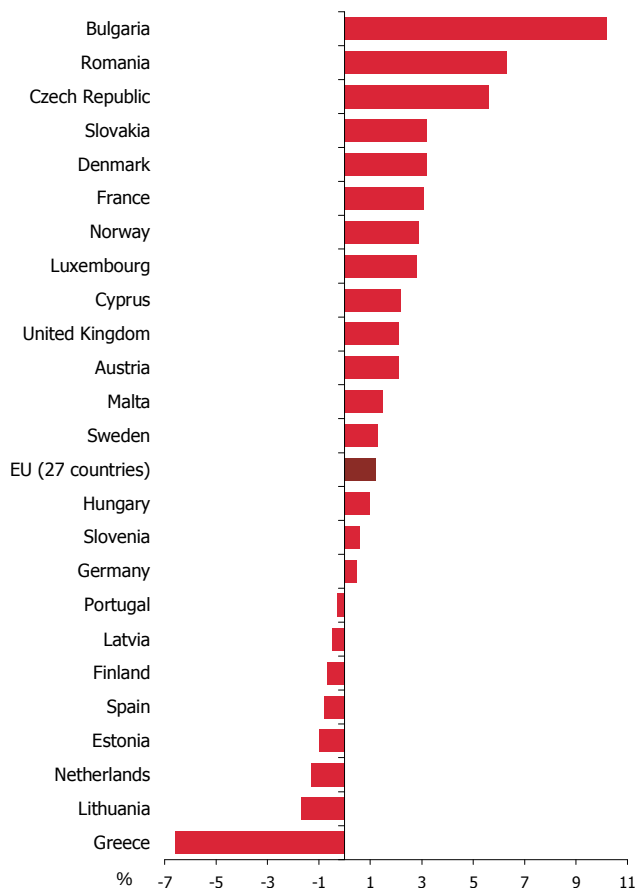


Table 4: Labour Cost Index (LCI) by economic activity, region NUTS II and occupational group (2008=100)

Unit:2008=100

	2007Q1	2007Q2	2007Q3	2007Q4	2007	2008Q1	2008Q2	2008Q3	2008Q4	2008	2009Q1	2009Q2	2009Q3	2009Q4	2009	2010Q1	2010Q2	2010Q3	2010Q4	2010
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	114,7	103,3	88,7	92,9	117,4	119,4	104,6
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	114,8	103,3	88,8	92,9	117,6	119,5	104,7
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	92,7	95,9	120,7	126,4	108,9
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	113,1	103,4	85,3	92,5	126,2	119,2	105,8
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	125,5	109,3
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	88,5	85,2	107,2	116,0	99,2
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	117,6	130,4	108,3
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	88,0	90,8	115,3	117,0	102,8
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	87,3	96,0	123,8	119,1	106,6
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	88,7	91,1	110,1	114,6	101,1
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	99,5	119,8	102,4
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	77,4	86,1	130,8	112,9	101,8
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	112,5	116,8	103,3
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	87,8	89,3	118,2	118,5	103,4
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	89,3	94,1	116,8	116,6	104,2
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	86,7	90,9	114,0	114,7	101,6
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	90,1	95,3	116,2	122,2	106,0
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	89,0	96,5	113,7	116,1	103,8
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	88,4	94,4	116,7	120,5	105,0
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	120,9	107,1	95,2	100,9	124,8	128,7	112,4
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	89,9	111,8	116,9	103,4
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	86,1	94,7	116,6	118,2	103,9
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	87,2	90,8	116,7	118,3	103,3
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	118,9	118,6	103,8
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	116,4	121,2	105,6
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	85,4	92,2	117,8	126,1	105,4
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	86,9	94,8	119,8	121,3	105,7
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	92,1	117,7	117,9	103,5
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	98,1	119,6	122,9	107,2

Source: INE, Labour Cost Index and Employment Statistics - 4th quarter of 2010.

Note: The series are working day adjusted.

Table 5: Year-on-year rate of change by 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	2010Q4	2010
	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	1,1	3,3	-0,1	1,3	-0,4	4,1	1,3
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	1,0	3,3	-0,2	1,3	-0,1	4,2	1,4
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	1,8	-0,7	1,7	4,6	2,0
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	0,2	3,4	-0,6	1,3	2,4	5,4	2,3
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	11,7	2,9
E - Water supply, sewerage, waste management and remediation activities	1,6	9,3	5,2	6,1	5,6	0,0	0,0	0,0	0,0	0,0	7,8	12,6	6,5	-1,1	5,8	-3,8	-14,2	-4,1	-3,6	-6,3
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	2,7	6,0	4,1
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	0,7	-1,5	0,4	1,9	0,5
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	-2,0	1,1	-1,8	4,5	0,5
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	0,4	6,7	-6,4	-2,1	-1,0
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	9,6	1,6
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	-0,5	-2,1	-5,4	5,8	-0,8
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	-4,1	1,1	0,4
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	-0,8	0,2	1,1	3,9	1,3
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	2,7	2,3	2,0	1,9
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	-1,0	0,1	-2,1	3,4	0,1
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	0,1	1,1	0,6	4,6	1,7
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	0,5	0,6	-2,8	-3,0	-1,4
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	1,6	4,2	-0,3	6,1	2,9
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	4,2	7,1	2,6	6,3	4,2	6,4	5,0
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	-1,4	-3,8	1,6	-1,0
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	0,5	1,3	-4,1	2,4	-0,1
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	-0,4	-0,3	1,4	3,6	1,3
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	1,1	3,5	1,5
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	1,1	6,7	1,7	2,3	2,8
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	3,3	0,4	1,4	5,3	2,7
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	0,2	-0,3	-2,0	4,5	0,6
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	2,0	1,3
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	2,6	3,7	3,2

Source: INE, Labour Cost Index and Employment Statistics - 4th 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	2010Q4	2010
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	92,2	92,0	114,7	116,4	103,8
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	114,9	116,5	104,0
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	96,4	95,1	117,9	123,1	108,1
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	123,3	116,2	105,0
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	95,7	119,6	96,0	122,1	108,3
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	92,1	84,5	104,8	113,1	98,6
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	114,9	127,2	107,5
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	91,5	89,9	112,6	114,0	102,0
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	90,8	95,2	120,9	116,1	105,7
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	92,3	90,3	107,6	111,8	100,5
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	116,5	101,7
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	80,5	85,4	127,8	110,1	101,0
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	109,9	113,9	102,5
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	91,3	88,5	115,4	115,6	102,7
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	92,8	93,3	114,1	113,6	103,5
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	90,2	90,0	111,4	111,8	100,8
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	93,7	94,5	113,5	119,2	105,2
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	113,2	103,1
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	92,0	93,6	114,0	117,5	104,3
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	117,9	106,7	99,0	100,0	121,9	125,4	111,6
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	109,2	113,9	102,7
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	89,5	93,9	113,8	115,2	103,1
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	90,7	90,0	114,0	115,3	102,5
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	91,2	116,2	115,6	103,0
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	113,8	118,3	104,9
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	122,9	104,5
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	90,4	94,0	117,1	118,3	105,0
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	115,0	115,0	102,8
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	116,9	119,9	106,4

Source: INE, Labour Cost Index and Employment Statistics - 4th 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	2010Q4	2010
	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	-0,1	-0,4	-0,4	4,1	0,9
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	-0,2	-0,4	-0,1	4,2	1,0
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	1,8	-2,3	1,7	4,6	1,6
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	5,4	1,9
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	11,7	2,4
E - Water supply, sewerage, waste management and remediation activities	3,2	11,1	5,2	1,1	4,8	0,0	0,0	0,0	0,0	0,0	7,8	10,8	4,9	0,5	5,6	-3,8	-15,6	-4,1	-3,6	-6,6
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	2,7	6,0	3,7
G - Wholesale and retail trade; repair of motor vehicles and motor cycles	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	0,7	-3,1	0,4	1,9	0,1
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	-2,0	-0,5	-1,8	4,5	0,1
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	-0,8	2,3	2,8	1,8	1,8	0,4	5,0	-6,4	-2,1	-1,3
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	9,6	1,2
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	-0,5	-3,7	-5,4	5,8	-1,2
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	-4,1	1,1	0,1
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	-0,8	-1,4	1,1	3,9	0,9
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	1,0	2,3	2,0	1,5
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	-1,0	-1,6	-2,1	3,4	-0,3
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	0,1	-0,5	0,6	4,6	1,3
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	0,5	-1,1	-2,8	-3,0	-1,7
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	1,6	2,5	-0,3	6,1	2,5
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	5,9	6,7	2,6	4,6	4,2	6,4	4,5
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	-3,0	-3,8	1,6	-1,4
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	0,5	-0,3	-4,1	2,4	-0,5
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	-0,4	-1,9	1,4	3,6	0,9
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	-0,5	1,1	3,5	1,1
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	1,1	5,0	1,7	2,3	2,5
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	3,3	-1,2	1,4	5,3	2,3
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	0,2	-1,9	-2,0	4,5	0,2
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	2,0	1,0
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	2,6	3,7	2,8

Source: INE, Labour Cost Index and Employment Statistics - 4th 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 Nº 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

May, 16th 2011.