

15 October 1982

LABOUR COSTS IN THE IRON AND STEEL INDUSTRY 1980

The principal results of the 1980 Community Survey of labour costs in the iron and steel industry are given in this bulletin; for purposes of comparison some results of previous annual surveys are also included. No data is available for Ireland and Greece, while for the Netherlands no distinction between manual and non-manual workers can be made.

An overall view of hourly labour costs for manual and non-manual workers as a whole in the period 1978 to 1980 and their annual changes are given in table 1. The values are expressed both in national currencies and, to facilitate comparison in terms of international competitiveness, in European units of account (ECU). For the rates used for conversion, see "EUROSTATISTICS", tab. 151.

The main elements of the structure of total hourly labour costs (manual and non-manual workers) and its change during the period 1978-1980 are shown in table 2 while data on hourly costs of manual workers (1976-1980) and monthly costs of non-manual workers (1978-1980) are presented in tables 3 and 4.

Finally, a detailed view of the structure of total labour costs in 1980, broken down by manual and non-manual workers, can be found in tables 5a) to c).



Tab. 1 - Hourly labour costs in the iron and steel industry 1978-1980

(manual and non-manual workers)

		D	F	I	NL	B	L	UK	DK
		<u>DM</u>	<u>FF</u>	<u>LIT</u>	<u>HFL</u>	<u>BFR</u>	<u>LFR</u>	<u>UKL</u>	<u>DKR</u>
1) in national currency	1978	25,70	46,64	6585	29,32	449	405	3,34	58,68
	1979	27,62	51,39	7745	31,60	495	435	3,84	66,29
	1980	30,01	60,86	9092	36,27	555	477	4,44	73,67
2) in ECU	1978	10,05	8,13	6,10	10,65	11,21	10,11	5,03	8,36
	1979	11,00	8,32	6,80	11,50	12,32	10,83	5,94	9,20
	1980	11,89	10,37	7,65	13,19	13,67	11,75	7,42	9,41
3) Annual change in %(in national currency)	78/79	7,5	10,2	17,6	7,3	10,2	7,4	15,0	13,0
	79/80	3,6	18,4	17,4	14,8	12,1	9,6	15,6	11,1
4) Annual change in %(in ECU)	78/79	9,5	3,5	11,5	3,0	9,9	7,1	18,1	10,0
	79/80	3,1	17,6	12,5	14,3	11,0	3,5	24,9	2,3

As can be seen in table 1, average 1980 levels of hourly labour costs in the iron and steel industry, expressed in European units of account (ECU) were considerable higher than in 1979, ranging from almost 7½ ECU in the United Kingdom to more than 13 ECU in Belgium and the Netherlands. There was no change in the order according to the level of cost as far as countries with the highest costs are concerned (B, NL, D, L); however, Denmark ceded its 5th rank to France while the two lowest ranks, now with almost identical levels, continued to be occupied by Italy and the United Kingdom.

During this period, annual increases in labour costs, expressed in national currencies, were even more pronounced than in 1978/79 in all countries except Italy and Denmark but, as in the past, fluctuations in exchange rates played an important role; thus, labour costs expressed in ECU rose considerably faster in one country (UK) and much slower in others (DK, I in particular) than labour costs expressed in national currencies.

Tab. 2 - Structure of labour costs (manual and non-manual workers) 1978-1980
in % of total labour costs

		D	F	I	NL	B	L	UK	DK
Direct costs ¹⁾	1978	73,7	68,3	70,9	70,8	76,1	80,6	81,3	93,5
	1979	74,0	67,3	70,8	70,1	76,2	81,1	80,7	93,4
	1980	74,4	67,2	70,6	68,6	76,3	81,3	80,6	93,8
Indirect costs ²⁾	1978	26,3	31,7	29,1	29,2	23,9	19,4	18,7	6,5
	1979	26,0	32,7	29,2	29,9	23,8	18,9	19,3	6,6
	1980	25,6	32,8	29,4	31,4	23,7	18,7	19,4	6,2
of which	1978	23,2	26,6	27,5	25,3	21,2	15,4	16,4	4,9
	1979	23,4	27,5	27,4	26,4	20,9	15,1	17,2	5,3
	1980	23,1	28,3	25,4	27,3	20,6	14,8	17,4	4,8

1) Direct remuneration, payment for days not worked, bonuses and gratuities and benefits in kind

2) Employers' contributions to social security and other costs of a social nature

The summary view of the structure of labour costs of manual and non-manual workers presented in table 2, above, reveals little change in the proportions of direct and indirect costs in 1980 but shows an increase in the part of social security contributions in two countries (F, NL) while there was a relative decrease in other countries (Italy in particular).

Tab. 3 - Hourly labour costs (manual workers) 1976-1980

	D	F	I	B	L	UK	DK
a) in national currency							
	DM	FF	LIT	BFR	LFR	UKL	DKR
1976	21,13	32,56	4697	349	305	2,32	45,81
1977	22,33	37,49	5585	386	341	2,65	52,20
1978	23,45	41,74	6231	416	355	3,07	55,83
1979	24,97	46,55	7343	458	376	3,54	63,40
1980	27,41	52,73	8610	514	407	4,08	70,04
b) in ECU							
1976	7,50	6,09	5,05	8,07	7,06	3,73	6,78
1977	8,43	6,69	5,55	9,44	8,35	4,06	7,61
1978	9,17	7,27	5,77	10,39	8,85	4,63	7,95
1979	9,94	7,99	6,45	11,40	9,36	5,48	8,75
1980	10,86	8,99	7,24	12,67	10,02	8,02	8,95

Tab. 4 - Monthly labour costs (non-manual workers) 1978-1980

	D	F	I	B	L	UK	DK
a) in national currency							
	DM	FF	LIT	BFR	LFR	UKL	DKR
1978	4843	8207	1180	89216	85851	570	10802
1979	5249	9206	1362	96775	94363	650	11966
1980	5560	10635	1624	106210	103020	:	13231
b) in ECU							
1978	1895	1430	1092	2227	2143	859	1539
1979	2091	1579	1196	2409	2349	1006	1660
1980	2203	1812	1366	2616	2538	:	1690

Tab. 5 - Structure of labour costs 1980

	D	F	I	NL	B	L	UK	DK
a) manual and non-manual workers in % of total labour costs								
1. Direct remuneration	53,4	50,5	51,9	51,5	56,4	67,9	74,3	83,7
2. Payment for days not worked	11,6	7,6	11,7	7,9	13,1	11,3	5,9	9,2
3. Bonuses and gratuities	8,9	6,9	6,9	8,5	6,5	0,5	-	0,9
4. Benefits in kind	0,4	2,1	0,1	0,6	0,3	1,5	0,4	-
5. Direct costs (1+2+3+4)	74,4	67,2	70,6	68,6	76,3	81,3	80,6	93,8
6. Statutory social security contributions	17,2	19,4	24,1	17,4	18,9	14,1	8,6	3,7
a) sickness, maternity, invalidity, old age and unemployment	15,4	12,2	15,7	16,1	10,6	9,3	7,9	0,7
b) injuries and occupational diseases	1,8	2,4	3,6	-	2,7	3,0	0,7	0,6
c) family allowances	-	4,8	4,5	1,3	5,3	1,7	-	-
d) other	0,0	-	0,3	-	0,4	0,1	-	2,4(a)
7. Voluntary social security contributions	5,9	8,9	1,3	9,9	1,6	0,7	8,8	1,1
8. Total employers' social security contributions (6+7)	23,10	28,3	25,4	27,3	20,6	14,8	17,4	4,8
9. Other costs	2,5	4,5	4,0	4,1	3,1	3,8	2,0	1,3

(a) old age included

Tab. 5 - Structure of labour costs 1980

	D	F	I	NL	B	L	UK	DK	
		b) manual workers			in % of total labour costs				
1. Direct remuneration	52,7	49,6	50,2	:	56,9	69,1(a)	72,1(a)	81,7(a)	
2. Payment for days not worked	11,8	7,1	11,6	:	13,1	11,9	8,8	12,4	
3. Bonuses and gratuities	8,9	6,8	9,0	:	5,4	-	-	-	
4. Benefits in kind	0,4	1,9	0,1	:	0,4	0,2	0,5	-	
5. Direct costs (1+2+3+4)	73,8	65,5	71,0	:	75,8	81,2	81,4	94,1	
6. Statutory social security contributions	19,1	21,6	25,3	:	20,3	15,8	9,1	4,7	
a) sickness, maternity, invalidity, old age and unemployment	17,0	13,4	16,4	:	11,4	10,4	8,1	0,7	
b) injuries and occupational diseases	2,0	2,7	4,1	:	3,0	3,2	1,0	0,8	
c) family allowances	-	5,5	4,4	:	5,3	2,1	-	-	
d) other	0,0	-	0,4	:	0,5	0,1	-	3,2(b)	
7. Voluntary social security contributions	4,2	8,0	1,7	:	0,6	0,6	7,6	-	
8. Total employers' social security contributions (6+7)	23,3	29,6	27,0	:	20,9	16,4	16,7	4,7	
9. Other costs	2,9	4,9	2,0	:	3,3	2,4	1,9	1,2	

(a) bonuses and gratuities included

(b) old age included

Tab. 5 - Structure of labour costs 1980

	D	F	I	NL	B	L	UK	DK
c) non-manual workers				in % of total labour costs				
1. Direct remuneration	55,3	51,5	56,4	:	54,6	65,6	78,4	89,5
2. Payment for days not worked	11,3	8,3	12,1	:	13,1	10,4	(a)	0,2
3. Bonuses and gratuities	8,8	7,0	8,5	:	9,8	1,4	(a)	3,3
4. Benefits in kind	0,3	2,3	0,0	:	0,3	4,3	0,6	-
5. Direct costs (1+2+3+4)	75,7	69,1	77,0	:	77,7	81,7	79,0	93,0
6. Statutory social security contributions	13,1	17,0	21,0	:	14,8	10,8	7,8	0,9
a) sickness, maternity, invalidity, old age and unemployment	11,8	10,9	13,8	:	7,9	7,3	7,6	0,6
b) injuries and occupational diseases	1,2	2,0	2,2	:	1,5	2,6	0,2	0,2
c) family allowances	-	4,1	4,8	:	5,1	0,9	-	-
d) other	0,0	-	0,2	:	0,3	0,0	-	0,1
7. Voluntary social security contributions	9,5	9,8	0,2	:	4,9	1,1	11,2	4,4
8. Total employers' social security contributions (6+7)	22,6	26,8	21,2	:	19,7	11,9	19,0	5,3
9. Other costs	1,7	4,0	1,7	:	2,6	6,4	2,0	1,7

(a) included in direct remuneration