

Labour market statistics: labour cost index

2001/0166(COD) - 11/10/2001 - Document attached to the procedure

This document comprises of an opinion of the European Central Bank concerning the labour costs index. On the whole, the ECB welcomes this draft regulation, which is part of the action plan on economic and monetary union (EMU) statistical requirements established at the request of the Ecofin Council by the Commission in close collaboration with the ECB. The ECB wishes to highlight the importance it attaches to several features of the draft regulation, which are already part of the EMU action plan, while also recognising that the need to limit the reporting burden for enterprises has required significant compromises to be made. These features include: 1) the proposed NACE Rev.1 coverage including the services sector: the draft regulation covers over 90% of euro-zone employment whereas at present the data provided only cover around 65%. This is an important improvement as it means a better understanding of the development of labour costs throughout the economy; 2) the proposed NACE Rev. 1 breakdown: the draft regulation increases the level of detail of data required, broken down by economic activities, which is important to explain changes in the overall results; 3) the availability of an index of labour costs both including and excluding bonus payments: bonus payments tend to be cyclical element of the overall labour costs. The analysis of data on labour costs will be greatly facilitated if it is possible to distinguish this element of overall labour costs; 4) the proposed requirement that data be provided within 70 days: this would be an improvement as the current availability of labour cost data is extremely poor with first European aggregate estimates available only after approximately 100 days; 5) the availability of an appropriate amount of back data: it is important for analytical purposes to be able to assess labour cost indices over time. However, the ECB recognises the burden which would be imposed on Member States and hence supports limiting transmission of back data to a selected number of labour cost items and for NACE sections C-k only. 6) the improved comparability of data necessary for good euro-zone aggregates as Member States would still be allowed to use a combination of different sources, the implementing procedures might usefully include a periodic assessment of the impact of their use on national results, and of other potential sources of non-comparability. The ECB strongly supports the proposed timetable for the implementation of the draft regulation and calls on the Member States not to request derogations.