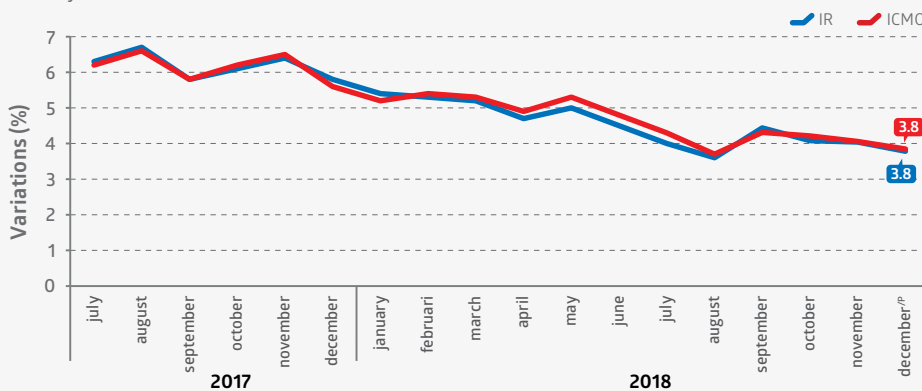


- A year-on-year variation of **3.8%** was observed in both the Nominal Earning Index (IR) and the Nominal Labour Costs Index (ICMO).
- Commerce, construction, and manufacturing had the greatest positive year-on-year impacts on both indicators.

### Development of the Nominal Earning Index and Nominal Index of Labour Costs Base year: 2016=100 Twelve-month variations\* (July 2017 - December 2018<sup>/P</sup>)



/P: Provisional figures

In December 2018, the twelve-month variations of the Nominal Earnings Index (IR) and the Nominal Labour Costs Index (ICMO) were both 3.8%. By economic sector, commerce, construction, and manufacturing had the greatest positive impacts on the IR and ICMO. In 2018, a cumulative variation of 1.2% was observed in the real IR.

According to the size of the company<sup>1</sup>, the greatest year-on-year variations in the IR and ICMO were in medium-size companies (5.9% in the IR and 5.8% in the ICMO). Following in influence were small companies (3.5% in both the IR and ICMO) and large companies (3.2% in the IR and 3.4% in the ICMO).

A twelve-month decrease of 0.7% was observed in total working hours. In the same

period, normal working hours and overtime fell 0.4% and 7.2%, respectively.

The normal average remuneration per normal hour stood at \$4,779. For women, this figure was \$4,457; for men, it was \$5,057.

The gap according to gender in average remuneration for normal working hour was -11.9%, and the gap in labour costs per total hour was -12.1%.

### Development of the seasonally adjusted spliced series

The seasonally adjusted spliced series<sup>2</sup> of both the IR and the ICMO increased 0.1% compared to the previous month. In the same period, the seasonally adjusted real IR showed no variation.

## December 2018

### Indices<sup>/P</sup> Base year 2016=100

IR	
Index	112.64
Monthly variation*	0.5
Monthly variation SA**	0.1
12-month variation	3.8

ICMO	
Index	113.29
Monthly variation*	1.0
Monthly variation SA**	0.1
12-month variation	3.8

Real IR	
Index	94.30
Monthly variation*	0.6
Monthly variation SA**	0.0
12-month variation	1.2

### Normal Average Hourly Earnings per normal hour<sup>/P</sup>

General	
Value	\$4.779
Monthly variation*	0.3
Cumulative variation***	4.0
12-month variation	4.0
Mujeres	
Value	\$4.457
Monthly variation*	0.6
Cumulative variation***	4.5
12-month variation	4.5
Hombres	
Value	\$5.057
Monthly variation*	0.1
Cumulative variation***	3.6
12-month variation	3.6

(\*) This monthly variation is not seasonally adjusted.

(\*\*) Seasonally adjusted monthly variation  
(\*\*\*) Cumulative variation from December of the previous year

/P: Provisional figures

(1) Size of company according to the number of workers: small (5 to 49 workers), medium-size (50 to 199 workers), and large (200 or more workers)

(2) See the supplement, "Desestacionalización de las series IR-ICMO nominal e IR real, base promedio año 2016=100" [Seasonal adjustment of the nominal IR-ICMO and real IR series, base: annual average 2016=100], November 2018.

## Main Indicators

Commerce had the greatest positive year-on-year impact on the IR and the second greatest impact on the ICMO. The impact of commerce on both indices was driven by the growth of large, medium-size, and small companies, in descending order of influence. In this sector, clerical support workers, professionals, and sales workers were the most influential occupational groups in both the IR and the ICMO.

Construction had the second greatest positive twelve-month impact on the IR and the third greatest impact on the ICMO. The impact of the sector on the IR was driven by medium-size, large, and small companies, in descending order of influence. The impact on the ICMO was driven by large, medium-size, and small companies, in descending order of influence. The most influential occupational groups in both the IR and ICMO were craft and related trades workers, professionals, and technical workers.

Manufacturing had the third greatest positive year-on-year impact on the IR and the greatest year-on-year impact on the ICMO. The impact of manufacturing on both the IR and ICMO can be attributed to large, medium-size, and small companies, in descending order of influence. In both indices, the most influential occupational categories were craft and related trades workers and directors and managers. Following in influence in the IR was the category technical workers and, in the ICMO, elementary occupations.

Education had the fourth greatest positive year-on-year impact on the IR and the fifth greatest impact on the ICMO. The impact of the sector on the IR can be attributed to medium-size and large companies, in descending order of influence. The impact on the ICMO can be attributed, in order of influence, to large and medium-size companies. In both indices the most influential occupational categories were professionals, directors and managers, and clerical support workers.

### ■ Index of Nominal Earnings and the Index of Nominal Labour Costs, according to economic activity base year 2016=100 December 2018<sup>/P</sup>

Economic Activity (*)	IR			ICMO		
	Monthly index	12-month variation (%)	12-month impact <sup>**</sup>	Monthly index	12-month variation (%)	12-month impact <sup>**</sup>
Mining	107.18	0.1	0.009	109.37	0.2	0.014
Manufacturing	112.31	4.3	0.545	114.66	5.0	0.653
Electricity and gas supply	111.68	6.8	0.063	109.53	4.0	0.038
Water supply; sewerage, waste management and remediation	111.20	2.8	0.013	114.67	4.0	0.020
Construction	116.82	5.1	0.552	116.25	4.8	0.526
Commerce	116.15	4.0	0.604	116.09	4.1	0.623
Transport and storage	111.71	5.0	0.289	111.39	4.3	0.261
Accommodation and food service activities	114.01	6.3	0.132	114.94	5.2	0.111
Information and communication	106.37	1.2	0.045	106.63	1.3	0.047
Financial and insurance activities	107.78	0.9	0.078	108.70	1.5	0.124
Real Estate activities	115.22	6.7	0.062	116.33	6.6	0.058
Professional, scientific, and technical activities	110.10	4.9	0.300	110.83	4.7	0.282
Administrative and support service activities	109.68	5.5	0.365	110.58	5.7	0.392
Public administration	115.15	1.8	0.116	115.29	1.9	0.121
Education	115.81	4.4	0.392	116.11	4.4	0.372
Human health and social work activities	113.64	4.4	0.192	114.67	3.9	0.173
Arts, entertainment, and recreation	107.85	4.7	0.027	109.85	4.9	0.029

(\*) CIIU4.CL 2012. Chilean Classification for Economic Activities

(\*\*) The total of impacts is equal to the monthly variation in the IR and the ICMO and may vary if a larger number of decimals are used in the calculation.

/P: Provisional figures

# Analytical Indicators

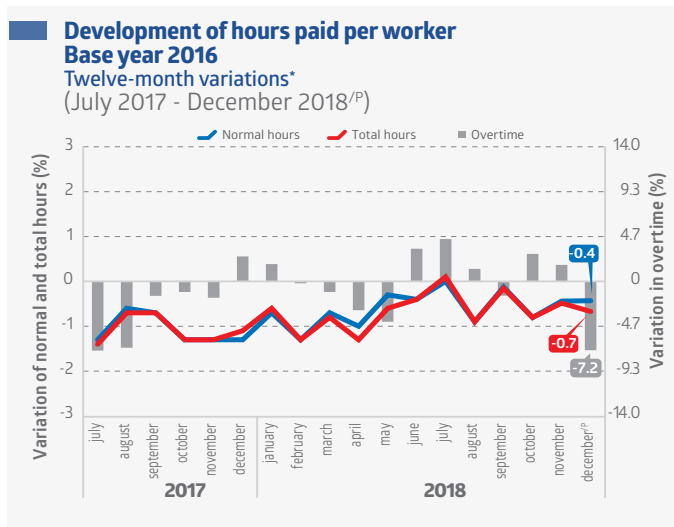
By occupational group, professionals had the greatest positive year-on-year impact on the IR and the ICMO (1.075 percentage points (pp) and 1.085 pp, respectively). Following in impact was the group directors and managers (0.527 pp in the IR and 0.516 pp in the ICMO).

Normal working hours per worker decreased 0.4% year on year as a result of the lower impacts of the sectors commerce, transportation and storage, and manufacturing; and of the occupational groups machine operators, craft and related trades workers, and sales workers. In the same period, overtime per worker fell 7.2%. The fall can mainly be attributed to the negative impacts of the sectors commerce, administrative and support services, and transportation and storage; and to the occupational groups machine

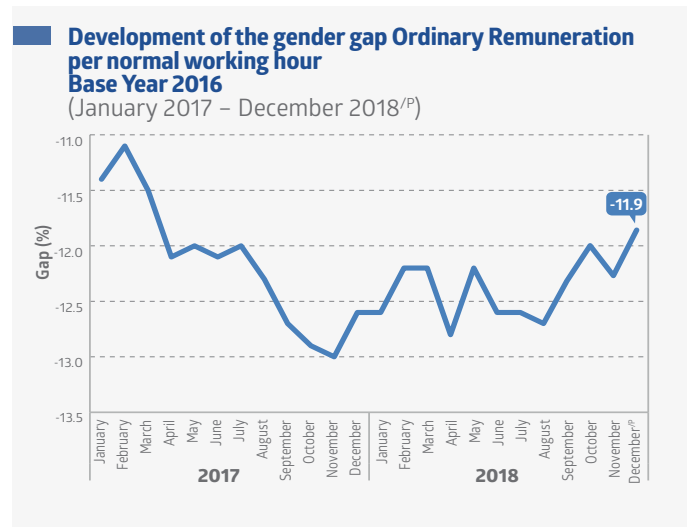
operators, personal and protective service workers, and clerical support workers.

The average remuneration per normal hour was \$4,779, an increase of 4.0% in twelve months. This figure for women was \$4,457, which represents a twelve-month increase of 4.5%. For men, the figure was \$5,057, a twelve-month increase of 3.6%. The gap according to gender of the normal remunerations per normal hour was -11.9%.

The labour cost per average total hour was \$5,510, a year-on-year increase of 4.4%. This figure for women was \$5,132, a year-on-year increase of 4.8%. For men, the figure was \$5,841, an increase of 4.0% in the same period. The gender gap of average labour costs per total hour was -12.1%.



/P: Provisional figure



/P: Provisional figure

## Principal rectifications of the period<sup>3</sup>

November 2018

Month	NOMINAL EARNINGS INDEX				NOMINAL LABOUR COSTS INDEX			
	Index	Monthly variation	Cumulative variation	12-month variation	Index	Monthly variation	Cumulative variation	12-month variation
November <sup>/P</sup>	112.17	0.6	3.4	4.1	112.27	0.5	2.9	4.1
November <sup>/R</sup>	112.10	0.5	3.3	4.0	112.22	0.5	2.9	4.1

/P: Provisional figure

/R: Rectified figure

(3) See "Política de rectificación de cifras de la encuesta mensual de remuneraciones y costo de la mano de obra" [Policy for the rectification of figures of the survey of monthly earnings and labor costs], November 2018.

## Glossary

- **Gap compared to the general average, according to gender:** is the percentage difference between men and women in comparison with the general average of the estimates of normal remunerations per normal working hour and costs per total working hour.
- **Gap according to gender:** is the percentage difference between women and men in the estimates of normal remunerations per normal working hour and costs per total working hour.
- **Labour cost:** is the sum of the remunerations and the costs of the employer for extraordinary remunerations, reimbursement of worker expenses, employer contributions, welfare services for personnel, training, and other costs of labour. Severance payments and non-monthly payments are excluded.
- **Nominal Earning Index (IR):** measures the monthly change of normal remunerations, per normal working hour, paid to workers contracted by companies and institutions.
- **Nominal Labour Costs Index (ICMO):** measures the monthly change in the cost of the labour per total working hour paid (i.e., the expenses incurred by companies to maintain their workers).
- **Normal working hour:** is the normal working time paid by the company to the workers during the month for services rendered in accord with the contract.
- **Real IR:** measures the monthly change in remuneration per normal working hour paid to workers contracted by companies and institutions. The index is deflated by the Consumer Price Index (CPI).
- **Remuneration:** is a set of considerations in cash and in cash-valued species that workers receive from their employer through a contract of employment for their work or function. It excludes payments of the employer that are reimbursements of expenses incurred by workers in carrying out their jobs, such as expenses for transport or meals.
- **Total working hours:** is the sum of the normal working hours and overtime paid by the company to workers during the month for rendering services in accord with the contract.