

## LABOUR COMPENSATION

Labour compensation per unit of labour input shows the average remuneration received by employed persons in the economy. This item is closely linked with the indicators unit labour costs, productivity and GDP per capita.

### Definition

Labour compensation per unit of labour input is defined as total compensation of employed persons divided by total hours worked. For all countries, for which data on hours worked are not available, labour input is approximated using compensation of employees and number of employee data. Compensation of employed persons is the sum of gross wages and salaries and of employers' social security contributions. Data refer to the total economy.

The annual measures of labour compensation shown here provide one of the building blocks for international comparisons of competitiveness elaborated by the OECD.

### Comparability

The primary data source for constructing the indicator of total compensation per unit of labour is the *OECD Annual National Accounts*, where data are compiled on a similar basis across countries according to the 1993 *System of National Accounts*. This assures a fairly good degree of comparability across countries despite differences in the ways in which countries may implement international guidelines in this field.

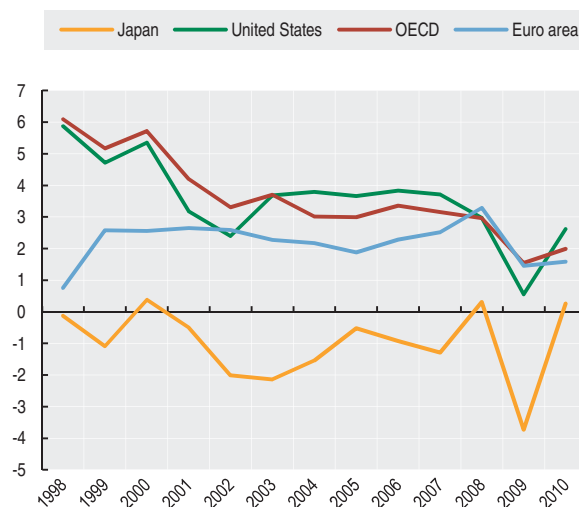
In order to derive the measure of total compensation of all employed persons, and not only of employees, an adjustment is made for self-employment, assuming that labour compensation per hour worked is equivalent for self-employed and employees. The validity of this assumption will vary across different countries, economic

activities and over time, potentially affecting the comparability of the estimates.

For Poland, there is a break in the hours worked data in 2000-01; from 2001, hours worked for Poland are fully consistent with the 1993 *System of National Accounts*.

### Labour compensation per unit labour input, total economy

Annual growth in percentage



StatLink <http://dx.doi.org/10.1787/888932706755>

### Overview

Labour compensation per unit of labour input grew by 3.3% on average for the OECD area as a whole in the period from 2000 to 2010, and by 3.2% for EU27 (2000 to 2011). About three-quarters of all OECD countries recorded annual growth rates of less than 5%. In 2010 and, in part in 2011, following the financial and the Euro area crises, average remuneration fell in Estonia, Germany, Greece, Hungary, Ireland and Spain.

With the exception of Australia, Japan, Poland, Spain and the United Kingdom, the average growth in hourly labour compensation has trended downwards over the last ten years. On average across the OECD, annual growth of labour compensation per unit of labour input declined from 5.2% in 2001 to 2.0% in 2010, the decline being most marked in Hungary and Turkey.

### Sources

- OECD (2012), *Main Economic Indicators*, OECD Publishing.

### Further information

#### Analytical publications

- OECD (2011), *OECD Reviews of Labour Market and Social Policies*, OECD Publishing.

#### Statistical publications

- OECD (2012), *National Accounts at a Glance*, OECD Publishing.


#### Websites

- Main Economic Indicators, [www.oecd.org/std/mei](http://www.oecd.org/std/mei).
- OECD Compendium of Productivity Indicators, [www.oecd.org/statistics/productivity/compendium](http://www.oecd.org/statistics/productivity/compendium).
- OECD Productivity, [www.oecd.org/statistics/productivity](http://www.oecd.org/statistics/productivity).

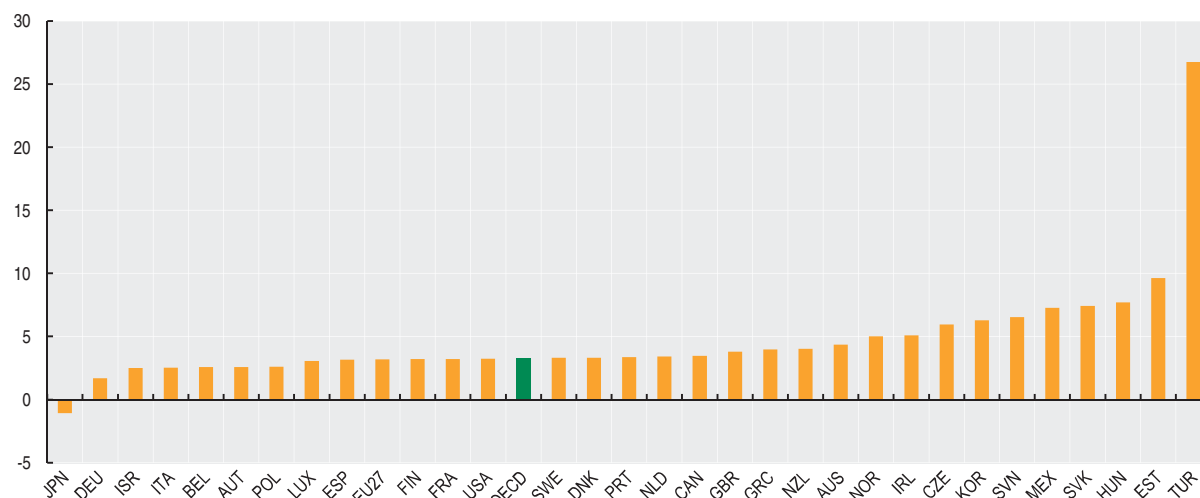

**Labour compensation per unit labour input, total economy**

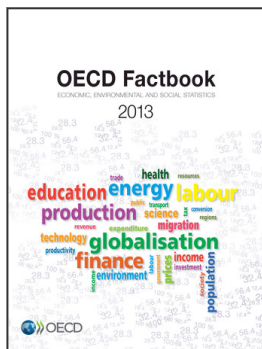
Annual growth in percentage

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Australia	3.5	4.2	5.4	3.4	4.4	4.8	4.3	5.6	5.4	3.0	2.6	4.7	..
Austria	1.8	2.5	1.7	2.2	2.1	0.9	2.9	4.4	2.9	3.8	4.6	1.7	1.6
Belgium	3.5	2.1	3.7	3.8	1.9	1.6	1.7	3.6	3.4	3.6	1.2	1.4	3.1
Canada	2.6	5.4	3.2	2.4	3.1	2.9	4.8	5.0	3.5	2.7	3.2	2.0	..
Chile	..	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	5.0	7.9	13.8	8.2	8.8	7.0	3.4	7.0	6.5	4.0	0.4	2.2	2.7
Denmark	2.9	3.0	3.7	4.5	3.9	3.1	3.3	3.0	4.3	3.1	3.7	2.6	1.5
Estonia	8.5	14.6	9.6	9.1	10.9	11.3	9.7	14.7	24.9	11.3	3.8	-1.1	-0.8
Finland	2.1	3.8	4.6	1.7	2.7	3.7	3.7	2.9	3.7	4.4	2.3	1.8	3.4
France	2.4	5.2	3.2	6.0	3.0	1.4	3.4	4.7	1.6	2.0	3.2	2.0	2.9
Germany	1.6	3.2	2.8	1.9	1.8	0.5	0.3	1.2	0.7	2.1	3.4	-0.2	2.8
Greece	4.1	5.5	3.3	11.8	6.8	4.9	4.9	2.2	5.8	5.3	6.8	-3.8	-4.7
Hungary	5.6	15.4	17.6	13.0	11.7	9.5	6.8	5.7	6.6	6.5	-0.5	-2.3	4.1
Iceland	..	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	5.1	8.2	8.1	6.3	6.9	5.8	5.4	5.2	6.6	6.4	0.8	-3.1	..
Israel	6.6	5.5	4.4	0.0	-1.0	1.9	2.9	6.8	0.6	2.4	0.2	4.3	..
Italy	1.7	2.2	3.8	2.8	2.9	2.8	3.5	2.1	2.3	3.2	2.0	1.9	0.9
Japan	-1.1	0.4	-0.5	-2.0	-2.1	-1.5	-0.5	-0.9	-1.3	0.3	-3.7	0.3	..
Korea	1.2	3.3	8.1	7.4	10.0	5.6	6.9	4.3	6.6	7.0	2.2	5.4	9.0
Luxembourg	4.0	5.3	3.5	3.1	1.1	3.3	4.6	2.6	3.7	2.2	1.8	2.6	..
Mexico	16.7	19.7	12.1	3.0	9.6	3.8	1.9	5.5	5.6	4.4	8.2	..	..
Netherlands	4.2	5.1	5.3	5.3	3.8	3.7	1.7	2.5	3.2	2.7	2.9	1.4	..
New Zealand	-0.6	3.3	4.2	3.8	4.6	5.3	3.7	3.1	6.5	2.9	2.9	..	..
Norway	5.5	6.1	7.6	5.4	5.1	2.8	4.3	5.6	5.7	5.8	4.4	3.0	4.3
Poland	11.3	12.2	-14.7	2.9	1.7	1.8	1.9	1.9	4.9	9.3	4.3	4.7	..
Portugal	5.1	6.3	4.0	3.4	3.5	2.6	4.7	1.8	3.6	3.0	2.8	1.4	..
Slovak Republic	7.3	13.4	6.8	11.9	13.4	5.5	7.0	7.9	8.2	6.8	4.8	2.4	1.6
Slovenia	8.6	10.5	11.8	8.2	7.8	7.7	6.0	5.4	6.2	7.2	1.8	4.3	2.0
Spain	1.9	2.8	3.1	3.3	3.5	2.9	3.9	4.1	5.6	5.7	4.0	-0.3	-0.3
Sweden	0.8	8.6	5.8	4.5	4.3	2.4	3.4	2.2	4.4	0.9	2.1	0.7	0.7
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..	..
Turkey	74.8	44.9	43.6	37.8	27.9	20.7	7.1	10.8	..	..	..	..	..
United Kingdom	4.7	5.4	4.8	3.5	4.5	3.7	3.4	4.4	5.1	1.9	3.0	3.8	2.0
United States	4.7	5.4	3.2	2.4	3.7	3.8	3.7	3.8	3.7	3.0	0.6	2.6	..
EU 27	3.1	4.6	3.4	4.0	3.8	2.7	3.3	3.5	3.5	3.4	3.1	1.4	1.8
OECD	5.2	5.7	4.2	3.3	3.7	3.0	3.0	3.4	3.2	3.0	1.5	2.0	..
Brazil	..	..	..	..	..	..	..	..	..	..	..	..	..
China	..	..	..	..	..	..	..	..	..	..	..	..	..
India	..	..	..	..	..	..	..	..	..	..	..	..	..
Indonesia	..	..	..	..	..	..	..	..	..	..	..	..	..
Russian Federation	..	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	..	..	..	..	..	..	..	..	..	..	..	..	..

 StatLink  <http://dx.doi.org/10.1787/888932706717>
**Labour compensation per unit labour input, total economy**

Average annual growth in percentage, 2000-11 or latest available period


 StatLink  <http://dx.doi.org/10.1787/888932706736>



**From:**  
**OECD Factbook 2013**  
Economic, Environmental and Social Statistics

**Access the complete publication at:**  
<https://doi.org/10.1787/factbook-2013-en>

**Please cite this chapter as:**

OECD (2013), "Labour compensation", in *OECD Factbook 2013: Economic, Environmental and Social Statistics*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/factbook-2013-18-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).