

# Wages

After rallying slightly in H1, the average wage per capita (SMPT) in the non-agricultural market branches looks set to increase more strongly in H2: it is expected to rise by 3.4% in Q3 2021 then by 0.9% in Q4 (► [Table](#)). These developments are very much linked to the use of short-time working: with the gradual lifting of health restrictions, this scheme would appear to have declined significantly during the summer, and should be merely residual in the autumn. The result would be a sizeable reduction in the short-time working compensations paid out, and an accompanying rise in payroll. This increase in SMPT is also likely to be boosted by the renewal of the extraordinary purchasing power bonus (PEPA), and, in Q4, by an increase in the minimum wage (+2.2% from October 2021), in a context of rising inflation. Finally, at the end of 2021, the SMPT is expected to exceed its Q4 2019 level by 3.1%, almost back to the level it would have reached had it followed its trend for the decade that preceded the health crisis.

Changes in SMPT are made up of two components: the most short-term elements, affected first of all by the health crisis, and then the trend movements of wages, reflected in the basic monthly wage (SMB). Fluctuations in the SMB are therefore more moderate, between +0.3% and +0.5% per quarter. With the increase in the minimum wage on 1<sup>st</sup> October, the SMB is likely to be more dynamic towards the end of the year: +0.7% in Q4, of which about 0.2 points will be due to the increase in the minimum wage. ●

## ► 1. Changes in average wage per capita (SMPT) and basic monthly wage (SMB)

changes in %, seasonally adjusted data

	Quarterly growth rates								Average annual change		
	2020				2021				2019	2020	2021
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Average wage per capita (SMPT) in non-agricultural market branches	-3.6	-11.6	17.2	-2.3	0.3	1.0	3.4	0.9	2.3	-4.9	6.0
Basic monthly wage (SMB)	0.4	0.4	0.4	0.4	0.3	0.4	0.5	0.7	1.7	1.5	1.6
Household consumer prices (national quarterly accounts)	0.2	-0.1	0.1	0.0	0.8	0.2	0.7	0.5	0.8	0.6	1.5
Real WPS in the non-agricultural market branches	-3.8	-11.5	17.0	-2.4	-0.4	0.8	2.7	0.4	1.5	-5.5	4.5
Real WPS	0.2	0.5	0.2	0.4	-0.4	0.2	-0.2	0.2	0.9	0.9	0.2

■ Forecast

Note: the ACEMO quarterly survey by DARES was suspended in Q2 2020 (data covering Q1 2020). The quarterly growth rates of the SMB in Q1 and Q2 2020 presented here are the result of estimates, consistent with the half-yearly variation in the SMB observed between Q4 2019 and Q2 2020.

Source: DARES, INSEE

## ► 2. Changes in average wage per capita (SMPT) and basic monthly wage (SMB)

change in Q4 2019, in %, seasonally adjusted

	Difference to Q4 2019							
	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Average wage per capita (SMPT) in non-agricultural market branches	-3,6	-14,8	-0,2	-2,5	-2,2	-1,2	2,1	3,1
Basic monthly wage (SMB)	0,4	0,8	1,1	1,5	1,9	2,3	2,8	3,5
Household consumer prices (national quarterly accounts)	0,2	0,1	0,2	0,3	1,0	1,2	2,0	2,5
Real WPS in the non-agricultural market branches	-3,8	-14,9	-0,4	-2,7	-3,2	-2,4	0,2	0,6
Real WPS	0,2	0,7	0,9	1,3	0,8	1,0	0,8	1,0

■ Forecast

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Source: DARES, INSEE