

Wages

In H2 2021, the nominal average wage per capita (SMPT) is expected to increase briskly (+4.9% in Q3 and +1.0% forecast for Q4), as a result of the rise in payroll due to the significant drop in short-time working compensations (which are not considered as wages). The renewal of the extraordinary purchasing power bonus (PEPA) and the increase in the SMIC by +2.2% on 1st October are also likely to boost the SMPT. This automatic increase in a context of net upturn in inflation is also likely to contribute to the rise in the basic monthly wage (SMB).¹ All in all, the nominal SMPT is expected to return to its pre-crisis trajectory by the end of the year. Thus on average over 2021 it is likely to rebound significantly (+6.7% after -4.9%), while the purchasing power of the SMPT, moderated by the rise in prices, is likely to be a little less dynamic (+4.9% after -5.5%).

In H1 2022, nominal wages are expected to remain buoyant (+0.8% in Q1 then +0.6% in Q2 for the SMPT), probably driven by another increase in the SMIC on 1st January of around +0.9%, and by taking into account increases in consumer prices and hiring difficulties in wage negotiations in many branches. Short-time working, which was already fairly low towards the end of 2021, is expected to fall back further and make only a low level contribution to change in SMPT. Conversely, the decision of 31 March 2022 regarding the possibility of paying the PEPA bonus is likely to have a slight impact on the SMPT in Q2. All in all, in the non-agricultural market branches, the SMPT in real terms looks set to increase by 1.3% as a carry-over effect in mid-2022 compared to its 2019 level.

In general government, the nominal SMPT is expected to increase by 1.5% in 2021, after +2.8% in 2020. This is mainly driven by the payment of exceptional bonuses to emergency workers who were mobilised in the context of the health crisis and by upward revisions to hospital civil service wages, set out in the “Ségur de la santé” agreements and implemented from autumn 2020. However, given the rise in prices, general government wages in real terms look set to decline slightly in 2021 (-0.2%, after +2.1% in 2020). In 2022, a rebound is expected in the nominal general government SMPT mainly as a result of the planned increase in the wages of category C personnel. All in all, in general government, the SMPT in real terms is likely to increase by 1.4% in overhang by mid-2022 compared to its 2019 level. ●

¹ The SMB corresponds to the structural component of the SMPT, alongside the short-term component mainly affected by the health crisis. Fluctuations in the SMB are therefore more moderate, between +0.3% and +0.5% per quarter in recent years.

► 1. Variation in the basic monthly wage and the average wage per capita

changes in %, seasonally adjusted data

	Quarterly growth rates										Average annual change				Difference to average 2019
	2020				2021				2022		2019	2020	2021	2022 ovhg	2022 ovhg
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2					
Average wage per capita (SMPT) in non-agricultural market branches	-3.7	-11.1	15.9	-1.7	0.8	0.0	4.9	1.0	0.8	0.6	2.3	-4.9	6.7	4.5	5.9
Basic monthly wage (SMB)	0.4	0.4	0.3	0.4	0.3	0.3	0.5	1.0	0.7	0.7	1.7	1.5	1.6	2.3	5.6
SMPT in general government (GG)											1.4	2.8	1.5	1.6	6.0
Household consumer prices (national quarterly accounts)	0.2	-0.1	0.1	0.1	0.8	0.3	0.7	1.1	0.6	0.4	0.8	0.6	1.7	2.1	4.5
Real WPS in the non-agricultural market branches	-3.9	-10.9	15.7	-1.8	0.0	-0.3	4.2	-0.1	0.3	0.2	1.5	-5.5	4.9	2.3	1.3
Real WPS	0.1	0.5	0.2	0.4	-0.5	0.0	-0.2	-0.1	0.1	0.3	0.9	0.9	-0.1	0.2	1.0
Real WPS in GG											0.5	2.1	-0.2	-0.5	1.4

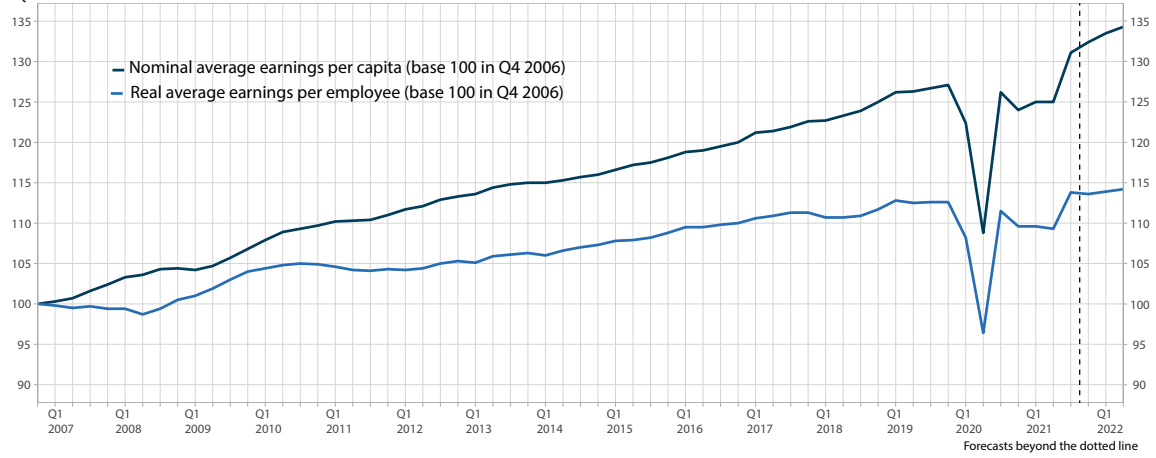
■ Forecast

Note: the quarterly ACEMO 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. Nominal and real average wage per capita and basic wage

base 100 = Q4 2006



Scope: non-agricultural market sector
Source: INSEE