

## COMMISSION REGULATION (EC) No 224/2007

of 1 March 2007

## amending Regulation (EC) No 1216/2003 as regards the economic activities covered by the labour cost index

(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 450/2003 of the European Parliament and of the Council of 27 February 2003 concerning the labour cost index <sup>(1)</sup>, and in particular Article 11 thereof,

Whereas:

(1) A range of statistics, of which labour cost indices form an essential part, is relevant for monitoring wage developments and inflationary pressures emanating from the labour market.

(2) The scope of the labour cost index should be extended to cover the economic activities defined by NACE Rev. 1 sections L, M, N and O. This extension means that non-market services, which account for the major share of these sections and which may have different dynamics from market services, will also be covered.

(3) The feasibility studies carried out in accordance with Article 10 of Regulation (EC) No 450/2003 show that extending the scope of the labour cost index to include the economic activities defined by NACE Rev. 1 sections L, M, N and O is feasible and that the amount of work and the costs which the extension of the labour cost index will require is in proportion to the importance of the results and benefits.

(4) The feasibility studies also show that a flexible implementation schedule will reduce implementation costs for those Member States which do not yet collect the basic data or produce the indices covered by this extension.

(5) Seasonal adjustment methods produce statistically reliable results only if the time series is sufficiently long. Seasonally adjusted series should therefore be produced and transmitted for the first time when four years of data are available.

(6) The index reference year is the year in which the average of the index is set at 100. The first index reference year is defined in Commission Regulation (EC) No 1216/2003 of 7 July 2003 implementing Regulation (EC) No 450/2003 of the European Parliament and of the Council concerning the labour costs index <sup>(2)</sup> as the year 2000. Indices for NACE Rev. 1 sections L, M, N and O may not be available for the year 2000 and an alternative index reference should be defined.

(7) Regulation (EC) No 1216/2003 should therefore be amended accordingly.

(8) The measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EC) No 1216/2003 is amended as follows:

1. Article 4 is replaced by the following:

*'Article 4*

**Coverage of NACE Rev. 1 sections L, M, N, and O**

1. As regards Member States other than those referred to in paragraph 2, labour cost index data for NACE Rev. 1 sections L, M, N and O shall be produced and transmitted for the first quarter of 2007 and thereafter for each quarter.

2. As regards the following Member States, the data shall be produced and transmitted for the first quarter of 2009 and thereafter for each quarter: Belgium, Denmark, Greece, Spain, France, Ireland, Italy, Cyprus, Luxembourg, Malta, Austria, Poland and Sweden.

3. By way of exception to paragraphs 1 and 2, seasonally and working-day adjusted series as referred to in Article 1(2)(c) shall be produced and transmitted as soon as series covering four years of data are available;

<sup>(1)</sup> OJ L 69, 13.3.2003, p. 1.

<sup>(2)</sup> OJ L 169, 8.7.2003, p. 37.

2. Annex III is deleted; shall be set at a level close to the annual average of NACE sections C to K.'
3. Item 6 in Annex IV is replaced by the following:

*Article 2*

'6. The first index reference year shall be the year 2000, when the annual labour cost index equals 100. If indices for NACE sections L, M, N and O are not available for the year 2000, the first available indices

This Regulation shall enter into force on the twentieth day following its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 1 March 2007.

*For the Commission*  
Joaquín ALMUNIA  
*Member of the Commission*

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