



30 october 2026

Negotiated wages (excluding bonuses) in the private sector in France Q3 2026

Negotiated wage growth remained unchanged in Q3 compared with Q2

- In Q3 2026, sectoral wage floors increased by 1.2% year-on-year, marking a slight acceleration compared with the beginning of the year. In company-level agreements, the average negotiated wage increase stood at 1.7% in Q3, unchanged from Q2 (Table 1).
- During Q3 2026, inflation continued to rise, reaching an average of 2.5% (compared with 1.0% in Q1 2026), while the national minimum wage (SMIC) increased by 2.4% in June 2026, following a 1.2% increase in January 2026. As a result, the SMIC was 3.6% higher on average year-on-year in Q3.
- Given the delays implied by sectoral and company-level wage negotiations, and the fact that Q3 is typically the quarter of the year with the fewest agreements signed, the pass-through of the recent increase in inflation and in the SMIC to negotiated wages remains very limited (Figure 1).
- The average wage per employee (Average Wage per Head, which measures actual compensation paid and takes bonuses and compositional effects into account) continued to grow at a moderate pace in early 2026: +1.8% year-on-year in Q2 2026, compared with +1.9% in Q1.

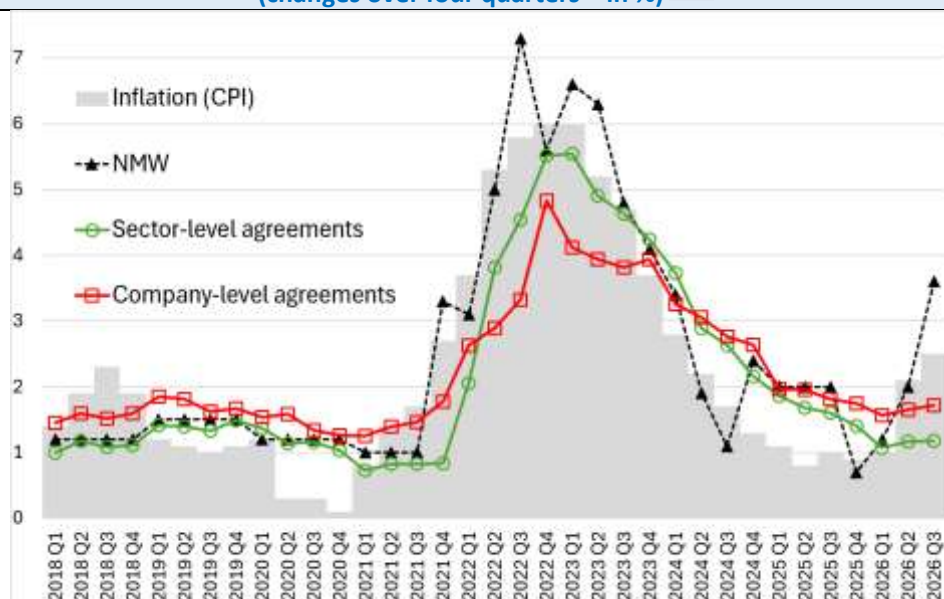
Table 1 – Year-on-year change in negotiated wages in sectors and companies

(changes over four quarters – in %) ^W

	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Sector-level agreements	1.4	1.1	1.2	1.2
Company-level agreements	1.7	1.6	1.7	1.7
Minimum wage (Insee)	0.7	1.2	2.0	3.6
Compensation per employee (CPE) (Insee)	1.9	1.9	1.8	-
CPI inflation (Insee)	0.9	1.0	2.1	2.5

Figure 1: Year-on-year change in negotiated wages in sectors and companies

(changes over four quarters – in %) ^W





Distribution of negotiated wage increases

- Within sectoral agreements, negotiated wage increases were stronger in Q3 2026 for wage floors closest to the SMIC (1.3% for wage floors below 1.05 times the SMIC) than for higher wage floors (1.0% for wage floors above 1.6 times the SMIC) (Figure 2). This mainly reflects the adjustment of several scales of sectoral wage floors to the new SMIC level, with increases concentrated at the lower end of wage grids.
- After several quarters in which the distribution of negotiated wage increases had become increasingly concentrated around 2%, Q3 was marked by a rise in the share of increases exceeding 2% (24% of all increases, compared with 16% in Q2) (Figure 3). In particular, a number of sectors signed a second wage agreement in 2026 to align their wage scales with the new value of SMIC, resulting in stronger year-on-year wage increases.

Figure 2: One-year change in wages negotiated in sector-level agreements by wage level (%) ^W

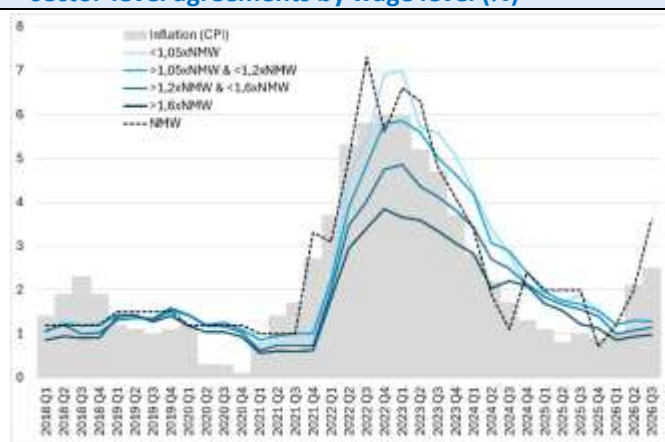
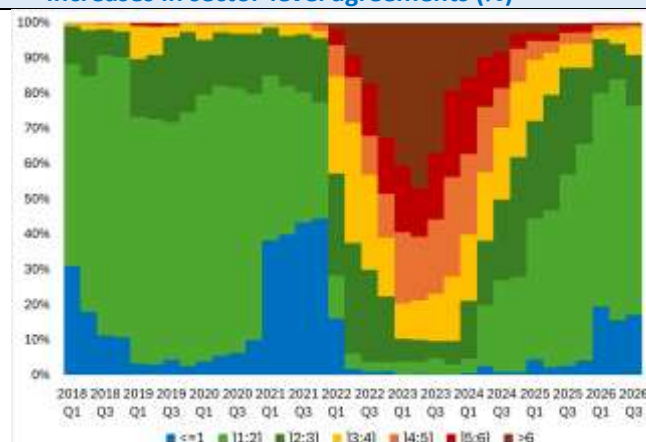
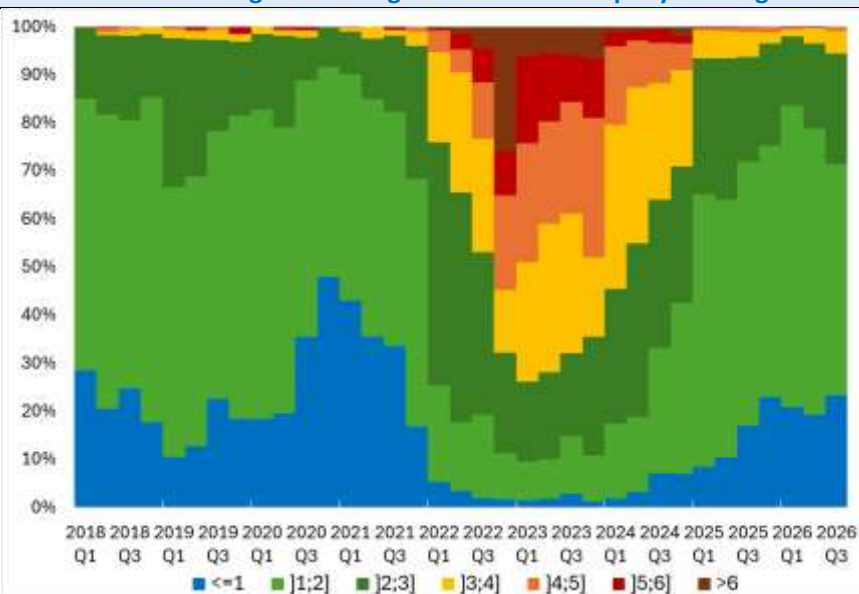


Figure 3: Distribution of negotiated wage increases in sector-level agreements (%) ^W



- In Q3 2026, the distribution of negotiated wage increases in company-level agreements showed, as in sectoral agreements, a modest rise in the share of increases above 2%, from 21% to 29%, reflecting both the increase in the SMIC and the rebound in inflation (Figure 4). The limited scale of this shift reflects the relatively small number of agreements usually signed in the third quarter of the year.

Figure 4: Distribution of negotiated wage increases in company-level agreements (%) ^W





Methodology

The negotiated wage indicators are constructed using wage agreements published on the Légifrance.fr website, which lists all agreements signed at both sector and company levels covering private-sector employees.

In the case of **sectors**, the average increase is calculated using data from agreements signed in more than 300 sectors over the period 2006–2025 (together covering nearly 15 million private-sector employees). It is obtained as follows. For a given sector, the average of the year-on-year changes in all minimum wages in that sector's pay scale is first calculated (weighted by the distribution of employees across wage levels within the sector). Minimum wages are those in force at the effective dates of the various sector agreements (for example, if an agreement is signed in January of year t providing for a new pay scale in July of the same year, the latter date is taken as the effective date for the new scale and for calculating changes). In the absence of a revision of minimum wages after one year, the year-on-year change is zero. The aggregate indicator for all sectors is then calculated as the average of these year-on-year changes across all sectors in the sample, weighted by their annual workforce. This aggregate indicator is also the one used for France in the [ECB wage tracker](#) and in the [ECB negotiated wages](#) series.

In the case of **companies**, the base wage increase (excluding bonuses) is that mentioned in the company agreement and measured at its effective date. Only what is explicitly stated in the agreement as a general increase and/or an envelope for individual increases is retained (these individual increases generally provide differentiated base wage increases at employee level based on annual evaluations). Changes in remuneration outside base wages, such as bonuses (attendance, seniority, etc.), are not taken into account. The increase considered in an agreement is the total base wage increase envelope (i.e. general increases plus individual increases). When the agreement provides for increases by employee category within the company, an average of these category-based increases is first calculated for that agreement. The aggregate indicator is then computed as a simple average of wage increases across all company agreements taking effect in a given quarter (in 2025, nearly 5,000 agreements signed by private-sector companies—covering around 2 million employees—were used to calculate the average and the distribution).

The indicators presented in this note relate to wages negotiated in sector-level and company-level agreements. Additional statistics on actual wage developments are published by the Ministry of Labour and INSEE (see [Insee](#) for a detailed presentation of the indicators available in France). In Table 1 and Figure 1, inflation is calculated as the average quarterly year-on-year change in the consumer price index (INSEE), and changes in the minimum wage (SMIC) are calculated as its average quarterly year-on-year change.

Definitions of wage indicators

- Statutory minimum wage (SMIC): the legal hourly minimum wage below which an employee cannot be paid. As of 1 June 2026, the gross hourly SMIC is set at €12.31.
- Wages negotiated in sector-level agreements: sector agreements most often concern revisions to grids of collectively agreed minimum wages. A collectively agreed minimum is the wage below which an employee cannot be paid, given their position in the job classification grid defined by the relevant collective agreement. These minima are set through collective agreements signed by social partners at sector level. If a collectively agreed minimum is below the SMIC, the SMIC applies to the corresponding positions (source: Directorate-General for Labour).
- Wages negotiated in company agreements: agreements negotiated at company level are mostly concluded during mandatory annual negotiations (NAO). They generally include increases in base wages (as well as some variable compensation elements, which are not included in the indicators presented here).
- Base monthly wage (SMB): gross wage before deduction of employee social contributions and before payment of social benefits. It excludes bonuses and overtime. Its amount generally corresponds to the first line on an employee's payslip (source: INSEE). It is freely set between employer and employee (usually via the employment contract), subject to the SMIC, collectively agreed minima, and any applicable company agreement.
- Average compensation per employee (CPE): measured by INSEE in national accounts as the ratio of the total gross wage bill paid by all employers to the total number of employees. The wage bill includes all elements of total gross remuneration (base wage, variable components such as bonuses and 13th-month payments, overtime, profit-sharing, and other elements that are not strictly wages, such as short-time work compensation). The SMPT therefore reflects changes in base wages, bonuses, overtime, and also changes in the structure of remuneration (linked to hiring and separations, job creation and destruction, career progression, etc.)

