

Structural Earnings Survey for Year 2002

1. Introductory note

The expansion of the European Union and the function of the internal market have increased the need for comparable results with regard to the structure of earnings. This is used as a means to analyze the evolution of the economic and social cohesion as well as the conduct of reliable comparisons between Member States.

The most efficient way to estimate the situation with respect to wages is the production of community statistics using harmonized methods and definitions. With these harmonized methods we can track changes with respect to the structure of persons employed as well as the structure of their earnings. Furthermore, one can explore the evolution of the national economies of the member states in the framework of a unified European Economic monetary policy. The development and tendency of the structure of earnings in the long run is a basic element for the implementation of national and community policies for the different sectors of economic activity.

For all the above, the European Union has laid down a special policy that foresees the conduct of statistical surveys every four years for the collection of structural data with respect to the wages of people employed in enterprises.

2. Policy

The survey is conducted simultaneously in all MS of the E.U. using harmonized methods and definitions according to the EP/Council Regulation (530/1999), 9th March 1999 regarding the structural statistics for the revenues and labor cost as well the E.U. Implementing Regulation (1916/2000) of the Council of the 8th September 2000.

3. Background

The first survey regarding the conduct of revenue statistics in the E.U. with harmonized methods took place in 1995 in all Member States simultaneously according to Regulation 2744/95. The harmonized definitions for revenues are based on the European System of National and Territorial Accounts according to the E.U. Regulation 2223/96 corrected according to the Regulation 448/98.

4. Scope

The scope of the survey at a National level is the production of statistical data regarding the structure of earnings in enterprises. More specifically collected data regard the following variables: a) enterprise: sector of economic activity, geographical area, number of local units, number of persons employed, type of employment contract, type of financial auditing, main market of economic activity, and b) employee: gender, age, profession, type of employment contract, nationality, duration of service in the company, education level and vocational training, earnings received during October 2002.

Additionally, in a macroeconomic level, the conduct of surveys relating to the structure of earnings will become the means of depicting the allocation of earnings according to the sector of economic activity. Moreover, this allocation can be evaluated according to the special characteristics of persons employed broken down by various sectors of economic activity.

Finally in E.U. level, the survey aims in providing harmonized statistics which will provide comparable quantity and quality information for all Member-States relating to the structure of earnings of persons employed.

5. Methodology

This is a sampling survey based on the method of 3-phase stratified random sampling where the sampling units are the local units that belong to enterprises employing more than 10 persons. The enterprises from which the local units are collected are selected from the business register. Prior to selection, enterprises are allocated in strata according to geographical region, economic activity (NACE rev. 1, 2-digit), and the size of the enterprise which is based on the number of persons employed in the enterprise.

The sampling phases are the following:

1st phase: Enterprises are selected from the business register

2nd phase: A sample of local units is selected from the enterprises of the 1st phase

3rd phase: Selection of a sample of persons employed from the collected enterprises

In total, 5.281 local units were surveyed and 49.153 persons employed out of 31.622 local units (sampling rate = 16,7%) and 983.189 persons employed respectively (sampling rate = 5,0%).

5.1. Sectors of Economic Activity

The survey was conducted on the enterprises belonging to the following types of economic activity: Mining and quarrying (C), Manufacturing (D), Electricity, gas and water supply, (E), Construction (F), Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (G), Hotels and restaurants (H), Transport, storage and communication (I), Financial intermediation (J), Real estate, renting and business activities (K).

6. Reference year of data collection

Data regarding the structure of earnings from enterprises were collected for reference year 2002 whereas data for persons employed refer to year 2002 as well as to a representative month of the same year and more specifically October 2002.

7. Questionnaires

The questionnaires used in the survey are:

- Type I questionnaire, to be completed by the enterprise
- Type II questionnaire, to be completed by the employee

8. Organization

The survey was designed and organized in collaboration with the Division of Population and Labor Market Statistics of N.S.S.G. and the Division of Organization, Methodology and International Relations in the framework of Eurostat guidelines.

We would like to thank all participating in the sample enterprises which responded to the survey and to point out that any additional tabulations other than the tables provided in the site of N.S.S.G. are at the disposal of potential users.

II. Primary concepts and definitions

1. Sector of Economic Activity

1.1. Sector of Economic Activity of the enterprise

An enterprise can be involved in more than one sectors of economic activity, however it is attributed according to the sector where the majority of employees is involved.

1.2. Sector of economic activity of the local unit

It refers to the sector of economic activity of the local unit and can differ from the economic activity of the enterprise in which they belong.

2. Persons employed

The number of persons employed is defined as the total number of persons who work in the observation unit (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams). It includes persons absent for a short period (e.g. sick leave, paid leave or special leave), and also those on strike, but not those absent for an indefinite period. It also includes part-time workers who are regarded as such under the laws of the country concerned and who are on the pay-roll, as well as seasonal workers, apprentices and home workers on the pay-roll.

The number of persons employed excludes manpower supplied to the unit by other enterprises, persons carrying out repair and maintenance work in the inquiry unit on behalf of other enterprises, as well as those on compulsory military service.

Unpaid family workers refer to persons who live with the proprietor of the unit and work regularly for the unit, but do not have a contract of service and do not receive a fixed sum for the work they perform. This is limited to those persons who are not included on the payroll of another unit as their principal occupation.