

Documentation of statistics for Structure of Earnings 2013



1 Introduction

The purpose of the structural statistic earnings is to provide detailed information about employees' earnings analysed by occupation (job), industry, level of education, etc. for the entire labour market. The structural statistics on earnings form part of Statistics Denmark's coherent statistical system for earnings and labour costs. The system covers the corporations and organizations sector as well as the public sector.

The structural statistics on earnings constitute an aggregation of earnings statistics for the private sector, earnings statistics for the central government and earnings statistics for the local government. The statistics were published in their present form for the first time for the year 2010. Figures are accessible via Statistics Denmark's database StatBank Denmark from 2009. In 2013 the sectoral division used in National Accounts was implemented, and therefore the sectors are termed "central government", "local government" and "corporations and organizations" from 2013 and onwards.

2 Statistical presentation

The statistics include all employees in the entire labour market. The statistics cover all business enterprises in the public sector. For the corporations and organizations sector, all business enterprises, with the exception of agriculture and fisheries, employing 10 or more full-time employees are included in the statistics. The statistics only cover employees with permanent employment comprising a lower limit for the scope of work. The delimitation is conducted in accordance with the rules contained in the Act on contracts of employment. This implies that the employee must have been employed for more than one month. The statistics only comprise people employed in accordance with the so-called "normal terms". Consequently, the following groups are excluded from the statistics:

2.1 Data description

The statistics include all employees in the entire labour market. The statistics cover all business enterprises in the public sector. For the corporations and organizations sector, all business enterprises, with the exception of agriculture and fisheries, employing 10 or more full-time employees are included in the statistics. The statistics only cover employees with permanent employment comprising a lower limit for the scope of work. The delimitation is conducted in accordance with the rules contained in the Act on contracts of employment. This implies that the employee must have been employed for more than one month. The statistics only comprise people employed in accordance with the so-called "normal terms". Consequently, the following groups are excluded from the statistics:

Statistical Unit

The statistical unit is the individual job, which is defined as a person employed with a specific employer and engaged in a specific occupation. A new job is established where there are any changes in an employee's employer, workplace, occupation or other personal characteristics

Consequently, an employee can be included with several observations in the statistics.

Concepts

There are two main concepts. Earnings per hour worked and standardized hourly earnings.

Earnings per hour worked: Earnings per hour worked is earnings related to the number of hours worked. Earnings per hour worked indicate the employer's wage cost per hour in employing a given



employee.

Earnings comprise each employee's total earnings in connection with his/her job, including the employee's as well as the employer's share of any contributions to pension schemes and income in the form of fringe benefits subject to taxation.

The number of hours worked is the number of hours actually performed by an employee, including overtime hours worked, but exclusive of hours off in connection with public holidays and hours of absence due to sickness, maternity, etc.

Standardized hourly earnings: Standardized hourly earnings are standardized earnings related to the standardized paid hours worked. The standardized hourly earnings are the concept of earnings that is the closest concept with regard to the wages and salaries that have been "agreed" between employee and employer. The concept indicates the amount that an employee has received per hour worked, irrespective of the number of days in which the employee has been absent due to sickness or has worked hours in addition to the working time agreed.

Consequently, the standardized earnings are earnings less payments for overtime hours and absence.

The standardized paid hours are not a homogeneous hourly concept. In order to obtain the standardized hourly earnings, the standardized earnings must be related to the number of hours worked. Some elements of the standardized earning are achieved exclusively during those hours in which the employee is at his/her job, other components of earnings are also achieved during the employee's absence, and others are again achieved in connection with working overtime hours. In contrast to earnings per hour worked, it is, however, not sufficient to be content with one single number of hours worked in the compilation of the standardized hourly earnings

Number of fulltime employees in the earnings statistics: The number of fulltime employees in the earnings statistics is measured on the basis of a 37 hour working week, and thus 1927 hours per year.

The number of fulltime employees does not show the number of employed, but adjust the total sum of employment contracts in either an upwards or downwards direction in order to calculate the corresponding number of fulltime employees in the earnings statistics.

The number of fulltime employees only show the number of fulltime employees among the enterprices in the earnings statistics, i.e. those enterprices who are required to report to Statistics Denmark, and whose reports are found to uphold a quality which makes them suitable for annexation in the earnings statistics.

The number of fulltime employees is therefore NOT applicable as a measure of employment.

2.2 Classification system

- Occupation: DISCO-08 in Structure of Earnings: Disco
- Industry: :<u>DB07</u>

2.3 Sector coverage

The statistics of absence covers the public sector and the private sector except agriculture.

2.4 Statistical concepts and definitions

Basic Earnings per Hour Worked: Basic earnings, such as basic, qualification and functional



earnings, etc. as well as holiday and public holiday allowances, special holiday allowance, gross allowances and optional scheme.

Basic Earnings per Standard Hour: Basic earnings, such as basic, qualification and functional earnings, etc. as well as holiday and public holiday allowances, special holiday allowance, gross allowances and optional scheme.

Earnings per Hour Paid: Earnings per hour worked is earnings related to the number of hours worked. Earnings per hour worked indicate the employer's wage cost per hour in employing a given employee. Earnings comprise each employee's total earnings in connection with his/her job, including the employee's as well as the employer's share of any contributions to pension schemes and income in the form of fringe benefits subject to taxation. The number of hours worked is the number of hours actually performed by an employee, including overtime hours worked, but exclusive of hours off in connection with public holidays and hours of absence due to sickness, maternity, etc.

Fringe Benefits per Hour Worked: Fringe benefits, only include fringe benefits, which are included in A-income, i.e. the value of free cars, board and lodging free of charge.

Fringe Benefits per Standard Hour: Fringe benefits, only include fringe benefits, which are included in A-income, i.e. the value of free cars, board and lodging free of charge.

Holiday Payments per Hour Worked: Holiday payments, which includes payments for holidays and and pubic holidays, but not the special holiday allowance which is calculated manually.

Irregular Payments per Hour Worked: Irregular payments, e.g. bonus payments, payments for surpluses readjustments of earnings, etc.

Irregular Payments per Standard Hour: Irregular payments, e.g. bonus payments, payments for surpluses readjustments of earnings, etc.

Nuisance Bonuses per Hour Paid: Nuisance bonuses, e.g. shift-work bonuses and various forms of bonus for dirty work.

Nuisance Bonuses per Standard Hour: Nuisance bonuses per standard hour

Overtime Payment per Hour Worked: Overtime payment, overtime bonus and not the total overtime payment

Pension Including ATP per Hour Worked: Pension contributions - both employee's and employer's contributions, including ATP (The Danish Labour Market Supplementary Pension Fund).

Pension Including ATP per Standard Hour: Pension contributions - both employee's and employer's contributions, including ATP (The Danish Labour Market Supplementary Pension Fund).

Sickness with Pay per Hour Worked: Sickness with pay etc., earnings and other payments in connection with absence, including payments for days off due to sickness, holidays, special holidays, care, etc.

Special Holiday Allowance per Hour Worked: Special holiday allowance (only for fixed salaryearners).

Special Holiday Allowance per Standard Hour: Special holiday allowance (only for fixed salaryearners).

Standardized Hourly Earnings: Standardized hourly earnings are standardized earnings related to the standardized paid hours worked. The standardized hourly earnings are the concept of earnings



that is the closest concept with regard to the wages and salaries that have been "agreed" between employee and employer. The concept indicates the amount that an employee has received per hour worked, irrespective of the number of days in which the employee has been absent due to sickness or has worked hours in addition to the working time agreed. Consequently, the standardized earnings are earnings less payments for overtime hours and absence.

2.5 Statistical unit

The units in earnings of structure are enterprises and public organizations, each enterprise being a legal unit. In the statistical Business Register of Statistics Denmark a legal unit is identified by its CVR-number from the central Business Register.

2.6 Statistical population

The statistics include all employees in the entire labour market. The statistics cover all business enterprises in the public sector. For the private sector, all business enterprises, with the exception of agriculture and fisheries, employing 10 or more full-time employees are included in the statistics.

2.7 Reference area

Denmark.

2.8 Time coverage

The current series cover the years from 2013.

2.9 Base period

Not relevant for these statistics.

2.10 Unit of measure

The unit of measure is earnings per worked hours and earnings per Standard Hour in kr.

2.11 Reference period

01-01-2014 - 31-12-2014

2.12 Frequency of dissemination

The statistics are published annually.



2.13 Legal acts and other agreements

The information is collected in accordance with the Act on Statistics Denmark, as amended by Act no. 599 of June 22, 2000.

The collected information forms the basis for EU's Structure of Earnings Survey (SES) and EU's Labour Cost Survey (LCS). Both surveys are conducted every fourth year. The Structure of Earnings Survey was conducted for the first time for the year 2002 and the Labour Cost Survey for the first time for the year 2000. The legal basis of these two surveys is *Council Regulation (EC) No.* 530/1999 Statistics on Wages and Labour Cost Structures. To this is added that annual updating of the surveys are submitted in accordance with the so-called gentlemen's agreement.

2.14 Cost and burden

The design of the survey implies that great emphasis is widely attached to making use of existing administrative data stored by the business enterprises in their own wage systems.

The private sector: The system for data collection is designed to explore the potentials of the latest computer technology for efficient and rational reporting of data. In this respect, a *Standard for Electronic Statistical Reporting* has been developed, which is used by wage agencies and respondents utilising standard systems and by business enterprises, which have developed their own wage system. Most respondents make use of an electronic system for reporting data. The administrative response burden for reporting data to the earnings statistics in the private sector amounted to DKK 5.33 mio in 2010.

2.15 Comment

Further informations about structure of earnings is available on dst.dk/loen

3 Statistical processing

There is collected annually payroll information for the entire public sector as well as for companies in the private sector of 10 or more full-time employees. The public sector is considered full deck while companies in the private sector grossed up to the total population of enterprises with 10 or more full-time employees.

3.1 Source data

The private sector: For the part of the statistics which covers the majority of the private sector, the primary data are reported are reported by business enterprises employing 10 or more full-time employees. Annual data about each individual employee's earnings and conditions of employment are reported for the calendar year under survey by these business enterprises. The primary data are collected in collaboration with the Danish Employers' Confederation and the Danish Employers' Association of the Financial Sector. The information is collected by the organisations from their affiliates and is passed on to Statistics Denmark. Information is also collected by Statistics Denmark from non-affiliates.

The public sector: For the part of the statistics which covers the majority of the public sector, the primary data are accessed from the public wage transfer systems. For the central government sector, data on absence are reported by the Agency for the Modernisation of Public Administration.



3.2 Frequency of data collection

Data is collected to the private sector once a year - in January. Data for the governmental sector are collected on monthly basis.

3.3 Data collection

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The public sector: For the part of the statistics which covers the majority of the public sector, the primary data are accessed from the public wage transfer systems. For the central government sector, data on absence are reported by the Agency for the Modernisation of Public Administration.

3.4 Data validation

The submitted material is inspected for defects . In this control addresses both the individual employment relationship in reporting but also an overall assessment of the company compared to previous periods. If there are material changes in reporting compared to previous years dishes we approach the company regarding the correctness of the material submitted . It must be assumed that not all errors in the reports found when troubleshooting why the statistics may be subject to some uncertainty in the error reporting .The uncertainty especially for the calculation of hours worked . Especially reporting of compensated absences may be deficient. In addition, there may be be errors in period demarcation , which is of great importance for the calculation of both rendered as agreed hours. The quality of data is attempted , however, constantly improved through feedback to businesses , as well as through updating and improving

3.5 Data compilation

The statistics include all employees in the entire labour market. The statistics cover all business enterprises in the public sector. For the private sector, all business enterprises, with the exception of agriculture and fisheries, employing 10 or more full-time employees are included in the statistics.

The statistics only cover employees with permanent employment comprising a lower limit for the scope of work. The delimitation is conducted in accordance with the rules contained in the Act on contracts of employment. This implies that the employee must have been employed for more than one month.

The statistics only comprise people employed in accordance with the so-called "normal terms". Consequently, the following groups are excluded from the statistics:

- Employees who are paid an exceptionally low wage rate due to disablement or the like.
- Employees who are paid on a commission basis.
- Employees who are not liable to tax in accordance with the general conditions in Denmark, including, e.g. sailors working on ships recorded in the international shipping register.
- Foreign residents working in Denmark but who are liable to tax in accordance with the taxation rules of their country of origin.

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Danish residents stationed abroad, who are paid in accordance with local rules. While Danish residents working abroad who are paid and liable to tax in accordance with the usual rules in Denmark, are included in the statistics.

The primary data for the public sector exclude data reported on earnings for persons in employability enhancement measures (sheltered jobs) and for persons who are paid on a fee basis, conscripts, Ph.D. students, some groups of temporarily engaged teachers, student assistants, and a few other groups.

Persons in employability enhancement measures (sheltered jobs) who are employed on normal terms are included in the statistics for the private sector. This does not have an effect on hourly earnings as they are employed on normal terms. It is not possible to distinguish these persons via the data reported for the statistics.

There are relatively great differences in the degree of coverage in the various industries in the private sector. Consequently, the occupations included in the statistics have been weighted. The enterprises are classified by industry and size on the basis of data from the Central Business Register. The degree of coverage is established for each industrial size group and using this as basis a weight is calculated, which is subsequently linked to each occupation in the group in question. The weights are used for raising figures vis-á-vis the entire target group for the purpose of achieving representative and close to complete coverage of the statistics among the enterprises.

Although the degree of coverage is slightly higher in the public sector compared to the private sector, there are also here observations, which due to a low quality, are excluded from the statistics. 1.2 Statistical Concepts The statistical unit is the individual job, which is defined as a person employed with a specific employer and engaged in a specific occupation. A new job is established where there are any changes in an employee's employer, workplace, occupation or other personal characteristics

Consequently, an employee can be included with several observations in the statistics.

There are as known different types of employment and terms of employment for employees. Some employees receive pay during holidays as well as during public holidays, while others save up holiday pay and/or public holiday pay. Some employees are paid during sickness, while others claim sickness benefits. Some employees have a pension scheme financed by their employer, and others have a pension scheme where the contributions are fully or partially paid by the employees themselves. For some employees, earnings are calculated on the basis of the number of hours worked, while others receive a fixed monthly salary, etc.

For purposes of comparing earnings, regardless of the type of employment and terms of employment, some concepts of wages and salaries have been defined in order to ensure data comparability.

There are two main concepts. Earnings per hour worked and standardized hourly earnings.

Earnings per hour worked: Earnings per hour worked is earnings related to the number of hours worked. Earnings per hour worked indicate the employer's wage cost per hour in employing a given employee.

Earnings comprise each employee's total earnings in connection with his/her job, including the employee's as well as the employer's share of any contributions to pension schemes and income in the form of fringe benefits subject to taxation.

The number of hours worked is the number of hours actually performed by an employee, including overtime hours worked, but exclusive of hours off in connection with public holidays and hours of absence due to sickness, maternity, etc.



In the statistics, earnings are divided into the following components per hour worked:

- Overtime payment, overtime bonus and not the total overtime payment.
- Sickness with pay etc., earnings and other payments in connection with absence, including payments for days off due to sickness, holidays, special holidays, care, etc.
- Nuisance bonuses, e.g. shift-work bonuses and various forms of bonus for dirty work.
- Fringe benefits, only include fringe benefits, which are included in A-income, i.e. the value of free cars, board and lodging free of charge.
- Pension contributions both employee's and employer's contributions, including ATP (The Danish Labour Market Supplementary Pension Fund).
- Irregular payments, e.g. bonus payments, payments for surpluses readjustments of earnings, etc.
- Basic earnings, such as basic, qualification and functional earnings, etc. as well as holiday and public holiday allowances, special holiday allowance, gross allowances and optional scheme.
- Special holiday allowance (only for fixed salary-earners)
- Holiday payments, which includes payments for holidays and and pubic holidays, but not the special holiday allowance which is calculated manually.

Earnings per hour worked can be used for many purposes. When earnings are related to the number of hours worked, it provides the employer with an indication of the average wage costs per hour worked. One advantage of this concept of earnings is that it takes into account the underlying terms of earnings and employment reported to the statistics when comparisons across occupations are being made. For example, an additional day off will give rise to higher earnings per hour worked.

While earnings per hour worked are suited for conducting analyses of wage costs, earnings are less suited for showing which earnings an individual person has achieved as the result of being employed as an employee. For this purpose, it would be expedient to apply the standardized hourly earnings.

Standardized hourly earnings: Standardized hourly earnings are standardized earnings related to the standardized paid hours worked. The standardized hourly earnings are the concept of earnings that is the closest concept with regard to the wages and salaries that have been "agreed" between employee and employer. The concept indicates the amount that an employee has received per hour worked, irrespective of the number of days in which the employee has been absent due to sickness or has worked hours in addition to the working time agreed.

Consequently, the standardized earnings are earnings less payments for overtime hours and absence.

The standardized paid hours are not a homogeneous hourly concept. In order to obtain the standardized hourly earnings, the standardized earnings must be related to the number of hours worked. Some elements of the standardized earning are achieved exclusively during those hours in which the employee is at his/her job, other components of earnings are also achieved during the employee's absence, and others are again achieved in connection with working overtime hours. In contrast to earnings per hour worked, it is, however, not sufficient to be content with one single number of hours worked in the compilation of the standardized hourly earnings

For a detailed description of how each individual component of earnings is standardized, reference is made to chapter 4.5.2 of the publication entitled "Lønstatistik - metode og nye begreber" (Earnings statistics - methodology and new concepts).

In the statistics, the standardized hourly earnings are divided into the following components per standardized paid hour worked: Nuisance bonuses, e.g. shift-work bonuses and various forms of bonus for dirty work. Fringe benefits, only include fringe benefits, which are included in A-income,



i.e. the value of free cars, board and lodging free of charge. Pension contributions - both employee's and employer's contributions, including ATP (The Danish Labour Market Supplementary Pension Fund). Irregular payments, e.g. bonus payments, payments for surpluses readjustments of earnings, etc. Basic earnings, such as basic, qualification and functional earnings, etc. as well as holiday and public holiday allowances, special holiday allowance, gross allowances and optional scheme. Special holiday allowance (only for fixed salary-earners) Holiday payments, which includes payments for holidays and and public holidays, but not the special holiday allowance which is calculated manually.

Standardized monthly earnings: The advantage of the standardized hourly earnings is that they can be converted into monthly earnings based on a weekly working time of 37 hours. All components related to earnings per standardized paid hour can be converted into a monthly basis by multiplying by 160.33.

Statistical concepts: The average figures published in the statistics are weighted. The weights consist of the number of hours worked in each individual job and - with regard to employees in the private sector - the share of the raising that has been allocated to the employee.

The earnings for a given group of employees can be described in greater detail by means of, e.g. the median and quartiles. The median and quartiles must be considered as a supplement to the average earnings per hour, where extremely high or low values have an impact.

The median earnings indicate the "mid-point" earnings and are defined as the earnings that divide the group, implying that half of the group has higher earnings and the other half has lower earnings. In other words, one half of the employees receive earnings above the median and the other half receives earnings below the median.

The lower quartile indicates the earnings achieved by the lowest paid one-fourth of the employees or less, whereas the upper quartile indicates the earnings achieved by highest paid one-fourth of the employees or above. This implies that earnings for half of the employees range between the lower and the upper quartiles.

In distributing earnings to the median and quartiles, it is possible to obtain an overview of how earnings are distributed, and at the same time it is ensured that very high earnings don't give rise to biased earnings.

Number of fulltime employees in the earnings statistics

The number of fulltime employees in the earnings statistics is measured on the basis of a 37 hour working week, and thus 1924 hours per year.

The number of fulltime employees does not show the number of employed, but adjust the total sum of employment contracts in either an upwards or downwards direction in order to calculate the corresponding number of fulltime employees in the earnings statistics.

The number of fulltime employees only show the number of fulltime employees among the enterprices in the earnings statistics, i.e. those enterprices who are required to report to Statistics Denmark, and whose reports are found to uphold a quality which makes them suitable for annexation in the earnings statistics.

The number of fulltime employees is therefore NOT applicable as a measure of employment.



3.6 Adjustment

No adjustments are made other then what is already described under data validation and data compilation.

4 Relevance

Users of statistics are wide-ranging from national and international organizations , ministries , municipalities and regions for private companies and individuals.

4.1 User Needs

Users: National and international organisations, ministries, municipalities, regions, private business enterprises and private individuals.

4.2 User Satisfaction

No survey on user satisfaction is conducted.

4.3 Data completeness rate

Data meets all requirements of regulations and guidelines related to the EU passes.

5 Accuracy and reliability

The margins of statistical errors are especially linked to hours of work. Especially data reported on paid absence can be subject to inaccuracies. In addition to this, there may be errors in the periodic delimitation, which are essential to the compilation of hours worked as well as the agreed working time. However, efforts are continuously made to improve the data quality through feedback to the enterprises and through updating and improvement of the production systems.

The statistical uncertainty is not calculated.

5.1 Overall accuracy

The reliability with respect to the level of detail of the published statistics is considered reasonably high.

5.2 Sampling error

Not relevant for these statistics.



5.3 Non-sampling error

The margins of statistical errors are especially linked to hours of work. Especially data reported on paid absence can be subject to inaccuracies. In addition to this, there may be errors in the periodic delimitation, which are essential to the compilation of hours worked as well as the agreed working time. However, efforts are continuously made to improve the data quality through feedback to the enterprises and through updating and improvement of the production systems.

5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

5.6 Quality assessment

The reliability with respect to the level of detail of the published statistics is considered reasonably high.

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the <u>Revision Policy for Statistics</u> <u>Denmark</u>. The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

5.8 Data revision practice

Only final figures are published.

6 Timeliness and punctuality

The structure of Earnings is published on a yearly basis at then end of September following the reference period. The information is normally published without delay compared to schedule.

6.1 Timeliness and time lag - final results

The statistics on earnings are published annually, and before the end of the year following the reference year.



6.2 Punctuality

- The statistics for the reference year 2013 were published in December 2014.
- The statistics for the reference year 2012 were published in October 2013.
- The statistics for the reference year 2011 were published in October 2012.
- The statistics for the reference year 2010 were published in December 2011.

7 Comparability

It is possible to conduct comparisons of the level of earnings in the statistics, taking into account the structural changes that may occur among the years. For example, the industrial changes, but also the general change in the composition of the labour force has a great impact on comparability over time.

7.1 Comparability - geographical

Annual data are submitted to Eurostat by all EU Member States, and the statistics "Structure of Earnings Survey" are compiled on the basis of these data. There is consistency between the concepts and methods used by each national statistical institute in the EU, which makes it possible to conduct comparisons between the levels of earnings in each EU member state.

7.2 Comparability over time

2014

2014 Modified in 2014. Two new reporting fields are introduced for companies and organizations Employee and employer contributions to retirement savings , etc. schemes . The fields contain the employee and employer contributions before tax for employer-administered retirement savings , etc. arrangements outside were disregarded .

Between 2013 and 2014, there are many changes in education nomenclature This gives some differences between some education groups in 2014.

Now all municipal payroll systems has given their users themselves, to insert occupation codes on their employees. Previously, we used the grade of the employee. This allows shifts in some occupation groups in 2014.

Modified by sector in 2013: This publication presents the salary structure for the first time in accordance with the new European national accounting manual ESA2010. The naming of sectors has changed so private sector has been for companies and organizations, and government-, municipal and regional sector, the General Government for government, municipalities and regions. In addition to naming changed, happens to sector definitions also some substantive changes (see News from Statistics Denmark 2014 no. 270 <u>Nyt</u> and News from Statistics Denmark 2014 no. 321 <u>Nyt</u>.

Municipalities 2013: Due to the lockout of certain groups of teachers in the spring of 2013, the quality of the monthly earnings is not satisfactory for these groups. Statistics Denmark has tried to identify the relationships that have been covered by the lockout . The weeks when lockout has occurred, are excluded from the data for the identified employment . From all EU member states delivered annually to Eurostat , which in consequence publish statistics ' Structure of Earnings Survey ' (SES) . There are between countries ' statistical agencies created consistency between concepts and methods , so that the data can be used to compare countries' wage levels between.

It is possible to conduct comparisons of the level of earnings in the statistics, taking into account the structural changes that may occur among the years. For example, the industrial changes, but also



the general change in the composition of the labour force has a great impact on comparability over time.

Specific changes

- *2013*: From 1 january 2013 . New rules about the value of free telephone, computer and internet have been implemented instead together with employer-paid health insurance and treatments.
- *2012*: Multimedia has been abolished from 1 january 2012 . New rules about the value of free telephone, computer and internet have been implemented instead.
- 2010: From 2010 multimedia are included in the fringe benefits.

New classification of occupations: Classification of employees by occupations is conducted on the basis the nomenclature DISCO-08, which is the Danish version of the ILO's official nomenclature for occupations ISCO-08. DISCO-08 is a revised version of the previously used nomenclature DISCO-earnings. Subsequently, DISCO-08 is used for the first time in the structural statistics on earnings. For further details see <u>Disco</u>. There is no homogeneous conversion key between DISCO-earnings and DISCO-08. Consequently, earnings distributed by occupations are not comparable backwards in time.

Region and municipalities: New information on the payment of the 6th holiday week for 2010 showed a significantly underreporting of the utilization of the 6 holiday week. The new information forms the basis of the establishment of data on absence, which was conducted in 2010. This implies a higher level of absence, which contributes to a higher level of earnings per hour worked in 2010.

Region and municipalities: The special holiday rate, which is a basic rate, has been changed from 1.5 pct. in 2009 to 1.95 pct. in 2010, contributing to a higher level of holiday and public holiday allowances. For certain groups of employees, a higher rate than the basic rate is used. Unlike earlier years, this has been taken into account from 2010, which has further resulted in a higher level for holiday and public allowances in 2010

7.3 Coherence - cross domain

KRL is, an actor in the municipal sector, they publishes a statistic structure of earnings for the municipality and the regional sector based on the same data that the statistics from Statistics Denmark is based on. However, the methods and definitions differs and consequently the results of the two statistics are not comparable. For further information see www.krl.dk

Moderniseringsstyrelsen (The Agency for the Modernisation of Public Administration) publishes a statistic structure of earnings for the central government sector. Due to differences in methods results of the two statistics are not comparable. For further information see www.modst.dk

Danish Employers' Confederation (DA) and Danish Employers' Association of the Financial Sector (FA) publish a statistics structure of earnings for their members. The data submitted to these two organizations is the basis for the statistics of absence together with the absence data submitted to Statistics Denmark. For further information see www.da.dk or www.fanet.dk

7.4 Coherence - internal

Not relevant for these statistics.



8 Accessibility and clarity

- Current publication of statistics in the series *Nyt fra Danmarks Statistik* (News from Statistics Denmark) and *Løn* (Earnings) appearing in the series Statistiske Efterretninger (Statistical News).
- Statistikbanken : SLON10-SLON50. From 2013: LONS10-LONS50.
- Publication and updating are conducted once every year. The most detailed figures are available from Statistics Denmark's database StatBank Denmark where all published figures are accessible. If a greater level of detail or cross-tabulations is required, they can be produced on request.

8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

8.2 Release calendar access

The Release Calender can be accessed on our English website: <u>Release Calender</u>.

8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

8.4 News release

The results are published in News from Statistics Denmark.

8.5 Publications

The most detailed description (in Danish only) of the statistics is given in the publication series *Løn* appearing in the series Statistiske Efterretninger (Statistical News). Selected tables are published in Statistical Yearbook.

8.6 On-line database

All figures published in statistics Bank : <u>Statistikbanken</u> where the following tables can be found: From 2009-2013 SLON10 - SLON50, the tables are distributed respectively. education, occupation, region, industry and age. Similar tables find for 2013 and divided again by sector, are following the new European national accounting manual ESA2010. The tables are named LONS10 - LONS50

8.7 Micro-data access

The data are available at the level of individuals and may be used in connection with compiling more detailed statistics or in coupling data from other statistics.

8.8 Other

Not relevant for these statistics.



8.9 Confidentiality - policy

Statistics Denmarks confidentiality policy: <u>Confidentiality policy</u>. Further more results that cover less then 50 employees or 3 enterprises are not published as the result are considered to be less accurate.

8.10 Confidentiality - data treatment

When the structure of earnings 2011 was published Statistics Denmark implemented a new rule which did not allow the statistics about structure of earnings in the Danish Statbank regarding 2011 to be based on a data material with less than 50 fulltime employed and 3 enterprises. This was a tightening of the restrictions compared to the structure of earnings 2010, where the requirements were 50 employed. The tightening of restrictions was also imposed the years 2009 and 2010 in the Danish Statbank, data for a range and groups for these two years is thus no longer available. Furthermore the number of employed in the different cells must represent at least 3 enterprises before published, except for public enterprises.

The rules stated above still applies.

The above restrictions on published data does not apply the tasks regarding earnings statistics performed for external customers. However, a requirement of confidentiality apply. When performing external tasks Statistics Denmark does not show the contents in cells with less than 3 employed and 3 enterprises.

8.11 Documentation on methodology

The most detailed description (in Danish only) of the statistics is given in the publication series *Løn* appearing in the series Statistiske Efterretninger (Statistical News).

8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

9 Contact

The administrative placement of this statistics is in the division of Earnings and absence. The persons responsible are:

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