

## METHODOLOGICAL NOTES

### to the individual wage/earnings survey, and the evaluation of its results

The individual wage/earnings survey designed to supply data required for interest reconciliation negotiations was carried out according to the EU requirements for the Structure of Earnings Survey (SES). Two years earlier significant modifications were made with respect to both the circle of data suppliers and the contents of the collected data, to fulfil all the EU requirements.

The circle of data suppliers included enterprises with a staff of 5 or more, as well as non-profit organisations and public institutions without headcount limit.

The survey covered full-time as well as part-time employees.

The survey was carried out in all three circles – enterprises, public institutions and non-profit organisations – with the reference month of May.

### I. MAIN FEATURES OF THE SURVEY

1. The data survey of employees of public institutions on the local budget was comprehensive in terms of both the institutions and the staff employed on a full- or part-time basis there, at organisations subject to the central payroll accounting system, at the time of the survey. Data were supplied through the Regional Central Governmental Offices. Local budgetary institutions outside this circle and central budgetary organisations were requested to provide data directly, in a representative manner, through a selected sample of around 9%.
2. In the competitive sector and for non-profit organisations, considering entities employing more than 50 staff, the sample compiled according to the selection criteria included around 6% of manual employees and 9% of non-manual ones. As for the entities with 5–50 staff, a 20% sample was selected from among the organisations concerned, but organisations selected this way had to supply data on every one of their full- or part-time employees.
3. For data suppliers subjected to representative sampling, the resulting data were extrapolated by statistical methods based on the sampling ratios, that is, estimations were made with respect to the total population represented by the sample.

Such inference – extrapolation, to use the statistical term – is done by multiplication with the weights assigned to each individual (corresponding to the reciprocal of the sampling ratio).

Hence, for example, if someone is assigned, on the basis of a 5% sampling ratio, a multiplier of  $1/0.05=20$ , this means that he/she represents 20 members of the total

population and, similarly, a sample of 8.25% implies a weight of 12. At business organisations over 50, the weight figures are defined, in practice, by dividing the number of all full-time employees of the organisation by the number included in the sample. This means that the data figuring in the data tables are the results of statistical computations, showing the values pertaining to the total represented populations, that is, they should be regarded as estimates about the total represented population and its various partitions based on the sample.

4. The estimates are more accurate and reliable, if the sub-population is bigger upon which they are based, and they are less accurate, for the smaller population groups. Consequently, it is advisable to treat data processings – their various partitions – based on representative data surveys with very cautiously, and if the reliability of certain estimates drops below a certain pre-defined level, the data concerned should be marked or excluded from publication as not suitable for evaluation (see the section of the accuracy of estimated data).

## **TERMINOLOGY OF THE DATA TABLES AND METHODS OF COMPUTATION OF INDIVIDUAL DATA (ESTIMATES)**

The tables, although presenting sector-specific information, use a uniform terminology, with occasional differences in contents highlighted in the detailed definitions.

### ***1./ Basic wages:***

- For individuals subject to the Labour Code, at enterprises in public administration, and at non-profit organisations: the personal basic wage of the employee, as defined under the employment contract, per month. In case of hourly wages, the monthly basic wage is calculated on the basis of 173.8 paid hours/month, considered the average based on 12 months.
- For public employees: the salaries (including the salary segments due according to the wage grade multiplier taken into account also the vocational qualifications, respectively, as well as the salary segment granted on the basis of the employer's decision and the salary increase applied for teachers due to the increase in the number of mandatory working hours).
- For civil servants: the aggregate of the basic salary, the salary supplement and the executive allowance.

The figures in the rows are the arithmetic means of the data of the respective elements using the headcount weights as well.

## ***2./ Total earnings:***

Gross amount of the regular earnings elements accounted in the reference month, plus 1/12<sup>th</sup> of the total amount of non-monthly bonuses, rewards and 13<sup>th</sup> month's pay received in the previous year. Individual rows show the arithmetic mean calculated as described above.

### **III. ACCURACY OF THE ESTIMATES**

As indicated earlier, with the exception of the public employees in the local institutions, data shown in the tables do not originate from census type surveys, but are based on representative samples compiled in accordance with the requirements generally requested. Hence they may be subject to random deviation due to the sampling procedure. Consequently, the resulting estimates may deviate to a smaller or larger extent from the data that would be arrived at in case of a census type. This difference is not to be confused with such errors as may be due to imperfect data supply or processing errors. This latter type of inaccuracy, called "non-sampling error", may occur in any type of statistics, whether data collection is census type or sample-based. Efforts have been made to reduce this latter type of error to the minimum by complex editing, checking and by making the necessary corrections.

The sampling error is characterised by the "standard error" or the relative standard error expressed in % of the average. The tables show mean and deviation values with a standard error below 10% of the sample average. Data with a relative standard error of 10 to 20% are published, too, but such rows are marked by an asterisk (\*). Above 20%, the marking "null" was added and such data were not printed. (Note that for the overwhelming majority of the data, the relative standard error is under 8%.)