

QUARTERLY SURVEY ON EMPLOYEES, HOURS WORKED, WAGES AND SALARIES, AND OTHER EXPENDITURES PAID BY THE EMPLOYER

1. Purpose and use

Survey's purpose is to make a study of the current state and dynamics of some main aspects of labour market.

Important tasks of this survey are to collect and process statistical data for employees under labour contract in national economy and their average monthly wages and salaries.

Users of quarterly survey's indicators are government, trade-unions, international organizations, scientific organizations, citizens, firms. The results from survey are used to take governmental decisions in labour market area, in social and taxation policy, in monitoring the economy, to estimate compensation of employees in national accounts, for science and research purposes, for taking investment decisions. Since year 2001 data have been used to calculate quarterly labour cost index (LCI). Its main users are Eurostat and European Central Bank.

2. Objects, scope and units of the survey

Objects of the survey are: characteristics of the employer (enterprise) – type of ownership, source of financing, economic activity, total number of employees (size of the enterprise), inflows and outflows during the reference period, labour costs (wages and salaries costs and non-wage labour costs); characteristics of the employees - type of employment contract (according to the Labour Code, to the Law of State Officials or other type of contract), mode of employment (full-time/part-time), gender, number of hours and days worked from full-time and part-time employees; number of days not worked (total and due to paid leave)

Statistical units of the survey:

The observation units are enterprises – companies, ministries, departments, political, religious, public and other organizations, that perform economical activities in Republic of Bulgaria and have at least one employee under labour contract during the reference period.

Economic activities covered:

Agriculture, hunting, forestry and fishing (AB), 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 communications (I), Financial intermediation (J), Real estate, renting and business activities (K), Public administration; compulsory social security (L), Education (M), Health and social work (N) and Other community, social and personal service activities (O).

Regional coverage:

NUTS3-European Standard for Classification of Regions is covered.

3. Main definitions

- The number of **employees** is defined as all persons who work for an employer and having an employment contract, and receive compensation in the form of wages and salaries or remuneration in kind.

-**Gross earnings** (before any deduction of employees' contributions to social security or tax deductions, and employees' personal taxes) comprise of:

- Basic wages and salaries;
- Remuneration and additional payments for night or shift work, work during weekends and public holidays;
- Extra allowances for extreme working conditions like smoke, dust, temperature, danger etc.
- Payments for statutory, contractual or voluntarily granted leave;
- Remuneration paid for over-time work;
- Bonuses (monthly, quarterly, yearly), 13th, 14th month payments.

-**Non-wage labour costs** comprise of:

- Employer's statutory and voluntary social security contributions to:
 - insurance schemes for retirement;
 - insurance schemes for occupational accidents and diseases;

- unemployment insurance schemes;
- insurance schemes for sickness, disability and maternity.
- Other social expenses (also includes those paid in kind) paid by the employer to the employees.
- Other compensations under the Labour Code or other legislative acts (for example: because of closing down of the enterprise, work stoppage for more than 15 work days, reduction of the volume of work; compensations for unused annual holidays at leaving the enterprise).
- Taxes paid by the employer on social expenses in favor of employees.

-Hours worked, are defined as hours actually worked. According to our national practice, they include:

- Hours actually worked during contractual normal working hours;
- Overtime hours worked in addition to basic working hours;
- Time, spent at the place of work on tasks such as preparing the workplace, repairs and maintenance, preparation and cleaning tools and machines, making out of receipts and reports;
- Time corresponding to short periods of rest – tea and coffee breaks.

This variable excludes hours paid but not actually worked, such as for annual leave, public holidays and sick leave.

Time spent at the place of work during which no work is done, for such reasons as accidents, breakdown of machinery, occasional lack of work, but for which payment is made, is considered as not worked. Meal breaks and time spent on travel between home and place of work are not included in hours worked.

- **Occupied post** – an occupied post is a post within the organization to which an employee has been assigned.

- **Job vacancy** – a job vacancy is defined as a newly created, unoccupied or about to become vacant post: 1) which the employer intends to fill either immediately or in the near future (3-months) and 2) for which the employer is taking active steps to find suitable candidate from outside the enterprise and is prepared to take more steps. Under the term “active steps” are included the following activities: announcing the post in Employment Agency, media (TV, newspapers, internet), direct contact with possible candidates and announcing a vacant post open to competition.

4. Classifications and nomenclatures

- National Classification of Economic Activities 2003 - fully compliant with the European classification NACE Rev. 1.1.
- National Classification of Occupations and Duties - consistent with the International Standard Classification of Occupations ISCO-88 (COM)
- Classification of Territorial Units for Statistical Purposes - national version, in force since 2005, in compliance with the European classification NUTS 2003.

5. Periodicity

The survey is conducted quarterly with figures for each month of the quarter.

Preliminary annual estimates of earning and wage rates, and number of employees are reported within 60 days after the end of the fourth quarter.

6. Sampling design and sampling size

Up to 2007 the survey is carried out exhaustively for the public sector units and by a sample for the private sector units. Since first quarter of 2008 a sample from the public owned schools and kindergartens is drawn and they are no longer exhaustively covered in the survey.

The sample used for the survey is a stratified random sample without replacement. Stratification criteria used include:

- Economic activity (at the 2-digit level of NACE, rev.1.1)
- The number of employees in the enterprises:
 - to 49 employees;
 - 50 to 99 employees;
 - 100 and more employees.
- Regional breakdown (28 districts, NUTS3)

The sampling rates for the enterprises according to the number of employees are as follows: up to 49 employees - 5%, from 50 to 99 employees – 40% and 100 and more employees – 100% (census)

The sampling size is fixed every quarter on the grounds of information from the Regional offices (about privatization, close down, acquisition, merger and restriction of enterprises).

The principle of compulsory participation in this survey is laid down in National program for statistical surveys.

7. Data collection and data sources

The survey questionnaire is developed in paper and electronic format. The paper questionnaire together with a dispatch note about the purpose of the survey is sent by post to each of the respondents. The electronic questionnaire is available for downloading on the official web page of NSI. Respondents' deadline to fill and return the forms is 15 days after the reference period.

Sources of information are: pay-roll sheets, presence and absence sheets, labour or non-labour contracts, management contracts, letters of appointment or discharge, applications for paid or unpaid leaves etc.

8. Work organization

National Statistical Institute Head Office and its 28 Regional Statistical Offices are responsible for the organization of the survey.

The staff of the Head Office of NSI is responsible for:

- Development of the methodology, questionnaire design and explanatory notes;
- Sampling design;
- PC programming for dataset and output tables;
- Answer to questions from respondents and Regional offices;
- National data validation;
- Preparation of release tables, publications and bulletins.

Regional offices carry out and organize the survey at regional level by:

- Establishing a contact with the respondents;
- Answer to questions from respondents;
- Data collection;
- Data entry and regional data validation;
- Back calls on respondents in case of missing or wrong data.

9. Main statistical indicators

The monthly average number of employees under labour contract is an average value of the daily number of employees (sum of daily number of employees divided by the number of days from reference month). Part-time employees are converted into full-time equivalents.

The annual average number of employees (full-time units) under labour contract is an average value of the monthly average number of employees (sum of monthly average number of employees divided by twelve months).

The average gross (monthly/annual) wage and salary is the total amount of earnings accrued during the reference period divided by the average (monthly/annual) number of employees under labour contract excluding those on maternity leave.

The job vacancy rate measures the proportion of number of job vacancies and the total sum of number of occupied posts and number of vacancies.

The number of occupied posts is corresponding to the number of employees at the last day of the reference quarter without those absent from work for a period longer than 3 months (maternity leave, sick leave, unpaid leave).

10. Data revision

Post-stratifications method is used for revising quarterly data with annual census data.

The population from which the survey sample for year t is drawn contains all private sector enterprises that submitted annual balance sheets (incl. labour form) for year $t-2$ (the most recent available at the time of sampling) and the privatized enterprises during year $(t-1)$. Due to the long period of time between the population from which the sample is made and the reference year two revisions of quarterly data are needed to be done. The first revision is done when annual final data for year $(t-1)$ are announced. Its aim is to update the population. The second one is imposed due to the impossibility to cover the newly established firms in time and it is done when annual final data for year (t) become available.

11. Publicity and clarity

Survey data on the number of employees and their average monthly and quarterly wages and salaries are published 40 days after the end of I-st, II-nd and III-rd quarter. The IV-th quarter data are announced 45 day after the end of the reference period.

Accessibility to methodological notes

All dissemination papers include short methodological notes.

Press

The main results from every survey are sent to the Bulgarian Telegraphy Agency, which forwards them to all media. After this moment data are available for all users from the NSI Statistical Services Division.

Source: National Statistical Institute

Contact person: Todor Davidkov – head of unit „Labour Statistics“, tel. +359 2 9857 568, e-mail: tdavidkov@nsi.bg.