V. INCOME, EXPENDITURE, CONSUMPTION

The average annual wages and salaries of the employed under labour contracts are calculated on the base of: a basic salary/wage for time worked or work done; extra-remunerations according to the wage systems; additional incentives according to Labour Codex, some other laws, collective or individual contracts (incl. annual vacations, public holidays, other paid leave, overtime premiums etc.), without the deductions made in respect of taxes and other obligations of employees.

Data refer to average earnings of the employees in the public sector of economy. Since 1992 persons on maternity leave are excluded from the number of the employees.

The farmers' pensions include pensions, granted according to the already abolished Law for Farmers' Pensions and according to Part IV of Social Security Law.

The average annual amount of a pension is estimated as a ratio of the sums paid for pensions and the annual average number of pensions.

The survey of household budgets is carried out monthly with a representative random sample of 6000 households.

The total income of households includes all monetary income and those in kind irrespective of their sources.

The cash income of households comprises all monetary receipts from wages and salaries, own economic activity, property, sales of agricultural products, animals and other property, money benefits from social security funds and insurances, pensions, family allowances, sickness and birth allowances and others, scholarships, gratuitously received money from relatives and friends and others.

The income in kind of households comprises the value of food and non-food products, obtained from the household plots, agricultural enterprises, friends and relatives as well as the value of the increase of farm products and animals.

The evaluation of the income in kind is based on a retail trade prices.

The total expenditure of households embrace all monetary and in kind expenditure made during the year for food and non-food goods and services.

The income, expenditure and consumption of households are represented by decile groups of income, i.e. ten groups, which include equal number of persons in an ascending range by the personal income per capita (Tables 11, 16 and 20).

The data on income and expenditure entail a certain stochastic error deriving from the representative character of the survey.

Maximal Errors of Household Total Income and Expenditure for Some Months of 1995

(Per cent ±)

	January	July	December
Total Income	2,6	2,1	1,5
Wages and salaries	3,9	2,6	2,5
Unemployment benefits	16,7	24,3	25,2
Pensions	1,7	2,2	2,3
Child allowances	4,0	4,0	5,2
Household plot	12,4	7,0	5,6
Total Expenditure	2,0	2,5	1,9
Foods	1,6	1,6	1,2
Household energy	13,8	6,6	20,6
Household equipment	19,7	12,5	14,8
Hygiene and health care	5,4	4,8	2,9
Education and recreation	16,0	18,9	9,4
Household plot	16,3	10,6	30,1

The estimation of the errors is based on the method of mutually infiltrating sub-samples.

The formula used in the errors estimation is as follows:

$$\Delta_{i\%} = \frac{\Delta_i}{\bar{x}_i} \cdot 100,$$

where:

Δ_i and $\Delta_{i\%}$ are the absolute and relative maximum errors, respectively, of i-indicator $\bar{x}_i$ v.

$$\Delta_i = 2,262 \cdot \frac{\sigma a_i}{\sqrt{a}} \cdot \sqrt{1 - \frac{n}{N}},$$

where:

a - number of sub-samples (10);
n - volume of the sample;
N - volume of the general population;
σa_i - standard deviation of estimates, calculated by the formula:

$$\sigma a_i = \sqrt{\frac{\sum\limits_{j=1}^{a}(x_{ij} - \bar{x}_i)^2}{a-1}} \; ; \; \bar{x}_i = \frac{\sum\limits_{j=1}^{a} x_{ij}}{a} .$$

2,262 - Student-Fisher coefficient for 0,95 probability and k = a - 1.