

## Methodological sheet

### Wages

#### I. Definition and content

The file includes data on average monthly wages recalculated for natural persons, broken down by industry. The wages involved are average gross monthly wages, i.e. before their decrease by premiums for general health insurance and social security, by advance instalments on tax on income of natural persons and other legal deductions or deductions which have been agreed upon with the employee. The wages include the amounts cleared in the given period, regardless of whether they were actually paid out to the employees.

The average wage is monitored for the registration number of employees.

#### II. Sources and methodology of ascertainment

The data source is the data of the Czech Statistical Office. The data include the data for the civilian sector of the national economy of the CR (i.e. excluding the part of sector the Ministry of Defence and the Ministry of the Interior). Further data which are not included are the data for some other economic entities which are not monitored statistically, for persons performing public functions (members of the parliament, members of the senate, released members of municipal councils, judges *et alia*).

The data issue from the ascertainment of average monthly wages recalculated for natural persons in the case of economic entities

- with 20 and more employees (non-financial companies and corporations, employees of natural persons not incorporated in the Commercial Register)
- regardless of the number of employees (financial institutions and corporations, insurance companies, government institutions and not-for-profit institutions serving households),

The data for the individual quarters and the years under review were processed by the company method.

#### III. Break-down

Average gross monthly wages and salaries of employees.

The data are sorted out into industries according to the Branch Classification of Economic Activities - CZ-NACE.

The average wage is given in nominal terms in CZK, the nominal wage indices in percents as against the same period of last year.

#### IV. Method of calculation

Average monthly wage in absolute terms in CZK = the quotient of the wage resources without OON (in CZK thous.) and the average registration number of employees divided by three, times one thousand.

Nominal wage index = the quotient of the average monthly wage in the period under review and the average monthly wage in the same period of last year times one hundred.

#### V. Change in methodology

The average wage and the nominal and real wage indices are mentioned and calculated in the case of economic entities:

a) in the business sphere

- from 1993 with 25 and more employees (in industry, trade, catering and accommodation in the years 1995 and 1996 with 100 and more employees),

- since 1997 with 20 and more employees (including the employees of private businessmen not incorporated in the Commercial Register),
  - in the banking industry regardless of the number of employees;
- b) in the non-business sphere, i.e. for employees of all organizations fully or partially financed from the state or local budgets and employees of not-for-profit institutions.

Since the 1st quarter of 2003, units surveyed have been enlarged by parts of the Ministry of Defence and the Ministry of the Interior that were previously not published. Data starting from 1998 have been recalculated to comply with this change.

Administrative data sources (the Czech Social Security Administration) have been used since the 1st quarter of 2003 to find out activity/inactivity and the size of businesses; indices (corresponding period of preceding year = 100) for individual quarters of 2003 are related to quarters of 2002 adjusted according to the same methodology.

## **VI. Reporting entities**

The reporting entities are the companies which submit the quarterly statements P3-04, Pen 3a-04, Pen 3b-04, Poj-3-04, Zdp3-04 and Práce 2-04 to the Czech Statistical Office.