

**Documentation of statistics for
International Labour Cost Indices 2014 Quarter 1**

1 Introduction

The purpose of the international labour cost indices is to compare trends in earnings and other labour costs in the private sector in Denmark with trends in the EU and the US. The figures for EU are collected from EU's statistical office, Eurostat, which publishes the figures on their homepage. Eurostat collects information from each member state's national statistical bureau. EU figures on labour costs go back to the first quarter of 1996. The U.S. figures are collected by the U.S. Department of Labour, Bureau of Labor Statistics, which publishes their figures on their own homepage. The U.S. figures can be obtained from 2001 and onwards.

The international labour cost indices are not directly comparable to the national indices of average earnings.

The statistics were first published in Denmark in December 2003.

2 Statistical presentation

The statistics are ongoing quarterly publications of international figures of the development in the labour cost indices. The figures from EU members are based on EU-harmonized publications. It is expected that the harmonization will extend gradually over time. The numbers are not fully comparable to the Danish national indices of average earnings, which are collected and published quarterly. The international labour cost indices are exclusively published in Statistics Denmark's quarterly news release *NYT fra Danmarks Statistik* about the subject, where the EU-figures are collected from Eurostat's database and the US figures from the Bureau of Labor Statistics (BLS).

2.1 Data description

The statistics show the yearly developments in the total labour cost per hour in the private sector for the 28 EU-member countries and the U.S. The labour costs constitute all costs associated with having employees employed in the production, i.e. including both direct and indirect remuneration of employees. The total labour costs areas a general rule measured against the total hours worked.

2.2 Classification system

The statistics are published for each country, which includes all EU member countries and the U.S.

2.3 Sector coverage

The statistics are communicated as more or less covering the whole private sector. In practice this is defined by Eurostat as the "Business economy" and the BLS as the "Private Industry workers".

2.4 Statistical concepts and definitions

Direkte løn: Direkte løn til de ansatte.

Samlede arbejdsomkostninger: Summen af direkte løn og øvrige arbejdsomkostninger.

Samlede arbejdsomkostninger pr. præsteret time: Samlede arbejdsomkostninger sat i forhold til det samlede antal præsterede timer.

Samlede præsterede timer: Samlede præsterede timer.

Øvrige arbejdsomkostninger: Øvrige arbejdsomkostninger omfatter især socialforsikringsbidrag (fx arbejdsgivers andel af pensionsbidrag, fratrædelsesgodtgørelser mv.) samt skatter og afgifter netto, altså fratrukket diverse refusioner.

2.5 Statistical unit

The statistics are published for all the 28 EU member countries and the U.S.

2.6 Statistical population

Not relevant for this statistics.

2.7 Reference area

All EU member countries and the U.S.

2.8 Time coverage

The statistics have been published by Statistics Denmark since 2003. Eurostat has information about labour costs going back to 1996, while the U.S. Bureau of Labor Statistics has published labour costs going back to 2001.

2.9 Base period

Not relevant in the case of International Labour Cost indices.

2.10 Unit of measure

The counting unit in the statistics is shown in percentage.

2.11 Reference period

The period of reference is a quarter of a year.

2.12 Frequency of dissemination

The statistics are published quarterly.

2.13 Legal acts and other agreements

There is no actual act stating that Statistics Denmark shall publish statistics on the development of international labour costs, as the statistics in question are simply adopted and communicated from already existing sources in Eurostat and the U.S. Bureau of Labour Statistics. Instead, it is statutory for all EU member countries, including Denmark, to collect and transmit information on labour costs to Eurostat. The legal basis for this is stated in Regulation (EC) No 450/2003 of the European Parliament and of the Council of 27 February 2003 concerning the labour cost index.

2.14 Cost and burden

There is no burden of reporting concerning the published indices.

2.15 Comment

For further information, visit the page [Information on earnings and labour costs](#) or contact Statistics Denmark.

3 Statistical processing

Data is collected from different sources where the data already has been treated.

3.1 Source data

Eurostat's and the U.S. Bureau of Labour Statistic's homepage.

3.2 Frequency of data collection

Quarterly.

3.3 Data collection

The figures being used are collected from the homepage of Eurostat and the U.S. Bureau of Labour Statistics (BLS).

3.4 Data validation

Not relevant for this statistics.

3.5 Data compilation

Not relevant for this statistics.

3.6 Adjustment

Not relevant for this statistics.

4 Relevance

The statistics are used to analyze and view the trend of the Danish labour cost index in an international perspective, as it is an important indicator of the state of play of the Danish competitiveness compared to other countries. The statistics are therefore often mentioned in the daily news press and are often an important feature in the national public debate.

4.1 User Needs

The international labour cost indices are used in particular by national and international organizations, ministries and other public institutions. The indices are often used to follow the development of the labour costs in an international perspective. Furthermore, the European Central Bank (ECB) follows the indices closely to see how it affects the inflation rate in the Eurozone, as these are essential elements in deciding on the right monetary policy.

4.2 User Satisfaction

When looking at the extent of coverage in the press, the user satisfaction is considered to be quite high.

4.3 Data completeness rate

Not relevant for this statistics.

5 Accuracy and reliability

Not relevant for this statistics.

5.1 Overall accuracy

Not relevant for this statistics.

5.2 Sampling error

Not relevant for this statistics.

5.3 Non-sampling error

Not relevant for this statistics.

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

It is not possible to perform a quality control of the figures for each member country, as they all have different ways of collecting data. For this type of information it can be referred to Eurostat, BLS or the different member countries' national statistical bureaus.

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the [Revision Policy for Statistics Denmark](#). The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

5.8 Data revision practice

Revisions of historical figures for EU member countries occur on a more or less comprehensive scale continuously from quarter to quarter. For more information about this it can be referred to Eurostat.

6 Timeliness and punctuality

The statistics are published without any delay approximately 80 days after the end of the quarter being measured.

6.1 Timeliness and time lag - final results

Not relevant for this statistics.

6.2 Punctuality

The statistics are published on time and always follow the announced date of publication.

7 Comparability

In 2008 Eurostat changed from using Industry Classification NACE Rev. 1.2 to NACE Rev. 2. Because of this, there is a small breach in the data concerning *the private sector* starting from 2008, which was also conveyed in the publications of the statistics. Before the breach, the statistics included the class of industries C-F according to NACE Rev. 1.2. After the breach, the class of industries changed to B-N according to NACE Rev. 2.

7.1 Comparability - geographical

Regulation (EC) No 450/2003 of the European Parliament and of the Council of 27 February 2003 concerning the labour cost index ensures a high degree of comparability between the indices of the member countries.

7.2 Comparability over time

In 2008 Eurostat changed from using Industry Classification NACE Rev. 1.2 to NACE Rev. 2. Because of this, there is a small breach in the data concerning *the private sector* starting from 2008, which was also conveyed in the publications of the statistics. Before the breach, the statistics included the class of industries C-F according to NACE Rev. 1.2. After the breach, the class of industries changed to B-N according to NACE Rev. 2.

7.3 Coherence - cross domain

Not relevant for this statistics.

7.4 Coherence - internal

Not relevant for this statistics.

8 Accessibility and clarity

The indices are only published in Statistics Denmark's news release NYT. The international figures are not available in the Statbank. The figures and other information can instead be found on Eurostat's or BKS' homepages or Statbanks.

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 Calendar can be accessed on our English website: [Release Calendar](#).

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

See the homepage [Information on earnings and labour costs](#).

8.5 Publications

Not relevant for this statistics.

8.6 On-line database

Not relevant for this statistics.

8.7 Micro-data access

Not relevant for this statistics.

8.8 Other

For the European figures, see the following page on [Eurostat](#). For U.S. numbers see [BLS](#).

8.9 Confidentiality - policy

Not relevant in the case of international labour cost indices.

8.10 Confidentiality - data treatment

Not relevant for this statistics.

8.11 Documentation on methodology

Not relevant for this statistics.

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 person responsible is Uwe Pedersen, tel.: +45 3717 3424, e-mail: uwp@dst.dk

9.1 Contact organisation

Statistics Denmark

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