

EU-ARMENIA TWINNING PROJECT

Activity 3.2

Structure of wages

Labour Market Statistics

Yerevan, 23-27 May 2016





Mandatory result

Mandatory result MR4 related to this activity

Labour cost, labour cost index, structural statistics on wages calculated and published (July 2017)

Benchmarked by

- Labour cost and labour cost index calculated and published (July 2017)
- Structural statistics on wages calculated and published (July 2017)
- Staff of NSSRA trained on issues related to the labour cost, labour cost index, structural statistics on wages (July 2017)



Purpose and expected output of 3.2

Purpose

- Discussion on data collection, sample, survey design, calculation and publication
- Review of legislation concerning the Structure of Earnings Survey (SES)
- Identification of problems faced and possible solutions in respect to compliance with the European Commission Regulation
- To involve relevant stakeholders in the discussions

Expected output

- Mission report with identification of problems and solutions, and discussion of the possible use of administrative data.
- A lining up of work programme for the next activities:
 - 3.4: Study visit to Statistics Denmark (20-23 September 2016)
 - 3.3: Labour costs and labour costs index I (November 2016)
 - 3.5: Labour costs and labour costs index II (February 2017)



Conclusions (1)

1. Data on individuals is extremely important in an effort to analyze more in-depth the structure of earnings.
2. Statistics on more detailed structure of earnings is of huge interest to employers and government organizations, private companies and unions, which was confirmed in a successful and well-organized stakeholder meeting.
3. Data on individuals are important and equally expensive both for respondents to report, and for NSSRA to process.



Conclusions (2)

4. NSSRA has requested for access to a database administered by the State Revenue Committee, containing valuable information on individual employees. The response was negative, but a promising dialog has been initiated at a positive meeting with the State Revenue Committee.
5. Instead of waiting for access to the above mentioned data, NSSRA will initiate a pilot study collecting earnings data on the level of individuals.
6. Once again, the staff at NSSRA has been very open, dedicated and cooperative.



Recommendations (1)

- It is strongly recommended that NSSRA *immediately* follows up on the fruitful dialog with the State Revenue Committee, in an effort to make them formally committed to cooperate.
- It follows from the conclusions that NSSRA is recommended to keep on having regular meetings with the stakeholders. In this way they get involved and dedicated, and the usefulness of the earnings statistics will be anchored also outside of NSSRA. At the same time it constitutes a possibility to strengthen the pressure on SRC. Specifically it is recommended to partly involve the stakeholders in the correspondence with SRC.



Recommendations (2)

- Instead of waiting for possible access to the database, it is recommended that NSSRA establish a small-scale collection of individual data on earnings. In this way, NSSRA will also get an idea, of what is actually possible and what is working. In this way NSSRA will also be well prepared for the negotiations with SRC.
- It is recommended that NSSRA examine whether the current collected data, allow to anticipate or supplement a future individual statistics on structure of earnings.
- NSSRA should be aware of the challenges that come with administrative data in terms of the infrastructure and confidentiality and software for analyzing data and the training of staff



Road map and time plan (1)

- NSSRA has just now reached a positive dialog with the State Revenue Committee. It is important *immediately* to take advantage hereof.
It is recommended that NSSRA formulate a letter to SRC stating exactly what information they need. Another “letter of agreement” (agreement of cooperation) – for signature, should be written stating the common interests and benefits which will be achieved by both NSSRA and SRC in cooperating in this field.
- NSSRA should make a time schedule for the implementation of a small-scale survey on the structure of earnings.



Road map and time plan (2)

- The possibilities of using the current earnings data as a precursor for a future structure of earnings survey should be studied by NSSRA and if possible, an overall plan is prepared.
- The time schedule and the overall plan mentioned above will be submitted to the expert before end August and discussed in Copenhagen in September.
- NSSRA is invited to express their needs in terms of the study visit in Copenhagen.