Population and social conditions

Authors: Simone CASALI, Veronica ALVAREZ GONZALEZ



17% of full-time employees in the EU are low-wage earners

In the EU-27, 17% of full-time employees were low-wage earners in 2006. This category included over 23% of female full-time employees, 28% of those with a low level of education, 31% of those having a fixed-term contract and 41% of those working in hotels and restaurants. The percentage of full-time employees who were low-wage earners was between 6% (Finland) and 31% (Latvia).

This publication analyses in more detail the structure of low-wage employment in Europe, based on data from the 2006 Structure of Earnings Survey (SES) – a survey which is conducted every four years. Low-wage earners among full-time employees are defined as those earning less than two-thirds of the *national* median wage *per year*.

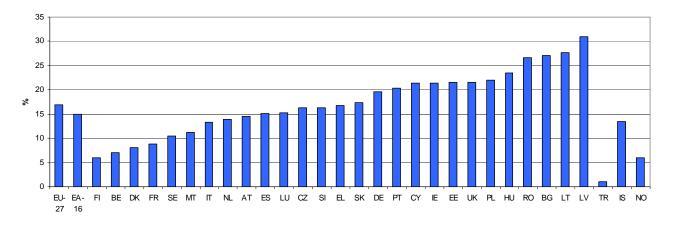
When looking at average gross earnings *per hour* wide variations around the average of 13.38 EUR per hour were reported in the EU. The highest hourly gross earnings were recorded by Denmark (22.38 EUR), Ireland (20.83 EUR) and the United Kingdom (19.47 EUR), while the lowest hourly wages were found in Bulgaria (1.11 EUR), Romania (1.87 EUR) and Latvia (2.64 EUR).

Gender and level of education play a significant role in average hourly earnings. On average, gross hourly earnings of women in the EU were 17.6% lower than for men in 2007 (this relative difference is known as the gender pay gap). Wages of persons with tertiary education were twice as high as those with lower education.

Average gross hourly earnings vary by a factor of 1 to 20 between countries in the EU-27

In 2006 in the EU-27, the highest gross hourly wage was recorded in Denmark, with 22.38 EUR, followed by Ireland and the United Kingdom where average earnings were respectively 20.83 EUR and 19.47 EUR per hour (Table 1). The three countries registering the lowest gross hourly wages were Bulgaria (1.11 EUR), Romania (1.87 EUR) and Latvia (2.64 EUR). The gross hourly wage of Norway – at 23.83 EUR per hour – exceeded that of all EU Member States.

Figure 1: Proportion of low-wage earners (full-time employees), 2006



Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L. Source: Eurostat, SES 2006 (earn_ses_adeci)



In the euro area (EA-16), where employees earned on average 13.99 EUR gross per hour, the top three highwage countries were Ireland (20.83 EUR), Luxembourg (19.19 EUR) and Belgium (17.45 EUR). The euro area

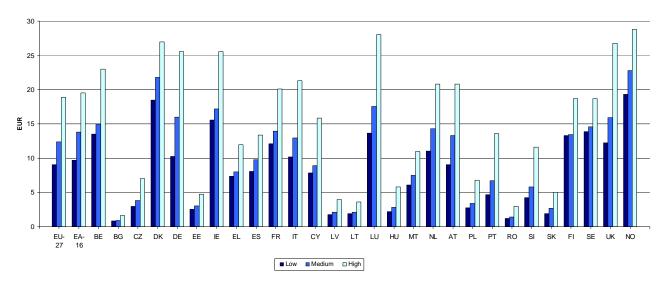
countries registering the lowest gross hourly wages were Slovakia (3.10 EUR), Slovenia (6.75 EUR) and Portugal (7.00 EUR).

Education pays off: employees with tertiary education earned twice as much as those with a low level of education

Average hourly earnings of employees having completed tertiary education were at least twice as high (at 18.92 EUR) as wages of employees with a low level of education (9.07 EUR) (Figure 2). Employees with a high level of education were paid the most in Luxembourg (28.01 EUR), Denmark (26.93 EUR) and the United Kingdom (26.77 EUR), while the lowest hourly rates for this type of employees were in Lithuania (3.61 EUR), Romania (2.99 EUR) and Bulgaria (1.66 EUR).

However, there are considerable variations between Member States. The largest differences in earnings between employees with low and high educational levels were recorded for Portugal, Slovenia and Slovakia (nearly three times greater for highly educated employees), whereas the smallest differences were observed in Denmark, Finland and Sweden (under 1.5 times more).

Figure 2: Mean gross hourly earnings by educational attainment of the employee, 2006



Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L.

Iceland: not available.

Source: Eurostat, SES 2006 (earn_ses06_16)

Legislators, senior officials and managers earned the most per hour

Average gross hourly earnings also differ considerably by occupation (Table 1). On average in the EU-27, *legislators, senior officials and managers* earned the highest gross hourly wages (26.05 EUR). This group recorded the highest hourly earnings in nearly all Member States except for Ireland, where employees in the *professionals* group earned the most (30.48 EUR).

Legislators, senior officials and managers earned on average three times more per hour than employees working in *elementary occupations*, where on average the lowest wages in the EU-27 were recorded (8.65 EUR). *Elementary occupations* are at the lower end of the wage scale in most Member States. Denmark

(17.01 EUR), Ireland (13.52 EUR) and Poland (2.16 EUR) were the only countries in which *service* workers and shop and market sales workers were paid least.

As regards the highest gross hourly earnings by occupation in each Member State, Denmark recorded the highest average wages for most of the occupational groups. By contrast, while the hourly earnings of legislators, senior officials and managers and technicians and associate professionals were highest in Luxembourg, the earnings of professionals were highest in the United Kingdom.

Table 1: Mean gross hourly earnings by occupation, EUR, 2006

| | All occupations | Legislators, senior officials and managers | Professionals | Technicians and associate professionals | Clerks | Service workers and shop and market sales workers | Craft and related trades workers | Plant and machine operators and assemblers | Elementary occupations |
|-------|-----------------|--|---------------|---|--------|---|----------------------------------|---|------------------------|
| EU-27 | 13.38 | 26.05 | 19.93 | 15.11 | 12.51 | 9.57 | 10.10 | 10.05 | 8.65 |
| EA-16 | 13.99 | 27.20 | 21.44 | 15.73 | 13.30 | 10.04 | 11.57 | 11.73 | 9.25 |
| BE | 17.45 | 34.32 | 26.82 | 17.88 | 15.96 | 13.20 | 14.03 | 14.88 | 12.04 |
| BG | 1.11 | 2.61 | 1.72 | 1.43 | 0.97 | 0.69 | 1.02 | 1.01 | 0.66 |
| CZ | 4.21 | 8.81 | 5.81 | 4.76 | 3.47 | 2.64 | 3.55 | 3.42 | 2.46 |
| DK | 22.38 | 37.04 | 29.16 | 24.23 | 20.18 | 17.01 | 22.91 | 22.06 | 18.24 |
| DE | 16.21 | 34.48 | 25.50 | 18.24 | 16.68 | 11.26 | 14.53 | 14.17 | 10.84 |
| EE | 3.54 | 6.84 | 4.89 | 3.96 | 2.84 | 2.32 | С | 3.12 | 1.92 |
| ΙE | 20.83 | 28.70 | 30.48 | 22.17 | 16.50 | 13.52 | 19.09 | 15.94 | 14.04 |
| EL | 9.52 | 19.25 | 15.01 | 9.82 | 8.13 | 7.13 | 9.49 | 8.79 | 6.42 |
| ES | 10.05 | 23.69 | 15.63 | 12.02 | 8.64 | 7.46 | 8.88 | 8.93 | 6.78 |
| FR | 15.53 | 27.66 | 22.32 | 16.35 | 12.25 | 11.21 | 12.37 | 12.70 | 10.23 |
| IT | 13.50 | 34.09 | 22.40 | 15.05 | 13.03 | 10.33 | 10.08 | 10.95 | С |
| CY | 11.04 | 26.37 | 18.11 | 11.88 | 8.01 | 7.12 | С | С | 6.96 |
| LV | 2.64 | 4.72 | 3.81 | 2.99 | 2.30 | 1.64 | 2.20 | 2.16 | 1.53 |
| LT | 2.74 | 4.75 | 3.52 | 2.66 | 2.17 | 1.62 | С | 2.29 | 1.54 |
| LU | 19.19 | 43.04 | 28.67 | 24.42 | 17.12 | 12.70 | 14.26 | 14.90 | С |
| HU | 3.43 | 6.95 | 5.11 | 3.70 | 2.84 | 2.15 | 2.63 | 2.76 | 1.99 |
| MT | 7.40 | 12.66 | 10.50 | 7.88 | 6.18 | 5.66 | С | 5.92 | 5.03 |
| NL | 15.17 | 23.99 | 20.64 | 16.68 | 13.35 | 11.31 | 15.62 | 14.95 | 9.83 |
| AT | 13.26 | 32.27 | 21.69 | 17.55 | 13.93 | 9.57 | 11.76 | 12.16 | 9.28 |
| PL | 4.12 | 8.68 | 6.18 | 4.11 | 3.08 | 2.16 | 3.08 | 3.16 | 2.20 |
| PT | 7.00 | 19.76 | 13.92 | 9.36 | 5.91 | 4.16 | 4.10 | 4.78 | 4.03 |
| RO | 1.87 | 5.13 | 3.10 | 2.10 | 1.73 | 1.09 | 1.53 | 1.48 | 0.98 |
| SI | 6.75 | 16.87 | 11.35 | 7.68 | 6.28 | 4.68 | 5.14 | С | 3.80 |
| SK | 3.10 | 7.28 | 4.10 | 3.42 | 2.58 | 2.00 | 2.62 | 2.68 | 1.81 |
| FI | 15.52 | 30.08 | 20.80 | 15.98 | 13.30 | 11.54 | 14.56 | 14.40 | 11.37 |
| SE | 16.04 | 27.43 | 19.57 | 17.22 | 13.42 | 13.08 | 14.57 | 14.45 | 11.81 |
| UK | 19.47 | 32.59 | 30.64 | 21.21 | 14.09 | 10.83 | 16.88 | 14.02 | 11.29 |
| TR | 3.10 | 7.89 | 5.51 | 3.82 | 3.30 | 2.24 | 2.35 | 2.35 | 2.04 |
| IS | 17.92 | 34.16 | 22.17 | 19.48 | 15.28 | 13.78 | 17.36 | 15.67 | 12.47 |
| NO | 23.83 | 37.05 | 29.00 | 26.20 | 20.10 | 17.78 | 21.43 | 21.33 | 17.31 |

Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L. Due to low sample size the occupation group ISCO 06 (Skilled agricultural and fishery workers) is set as confidential.

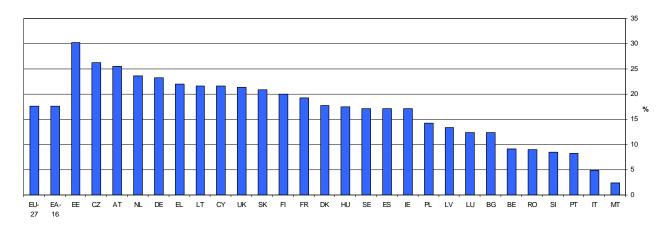
Source: Eurostat, SES 2006 (earn_ses06_47)

In the EU-27, women earned on average 17.6% less than men

The unadjusted Gender Pay Gap (GPG) is an important indicator used to monitor the inequality in pay between men and women. It is defined as the relative difference,

in percent, between the average gross hourly earnings of women and men.

Figure 3: The unadjusted Gender Pay Gap, 2008



Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L. BE, BG, DK, EE, IE, NL, PT, EU-27 and EA-16: 2007. ES, FR, CY and FI: provisional.

Source: Eurostat, GPG (tsiem040)

Looking at the economy as a whole, in 2007 women's hourly earnings were on average 17.6% less than those of men in both the EU-27 and the euro area. The GPG ranged from 2% for Malta (2008) to over 30% for Estonia (2007) (Figure 3).

The reasons for the existence and size of the GPG are varied and may differ considerably from one Member State to another; they include the kind of jobs held by women, the effects of career breaks or part-time working due to childbearing, and decisions in favour of family life.

In the EU-27 in 2006, 17% of full-time employees were low-wage earners

Having looked at the general picture of average hourly earnings and the main differences between different categories of employees, this section concentrates on *annual* earnings. These also include non-regular payments such as annual bonuses, "13th month" wages and other irregular work-related allowances which affect final take-home pay. This section looks specifically at *low wages*. Low wages are defined in *relative terms* for each country and measured against the national median gross earnings.

A full-time employee is defined as a low-wage earner when his/her annual gross earnings are less than two thirds of the annual full-time median gross earnings.

According to this definition, in 2006 low-wage earners accounted for 17.2% of all full-time employees in the EU-27, and for 14.7% of all full-time employees in the euro area (Table 2).

Low percentages of low-wage earners (who make up less than 10% of the number of full-time workers) were reported for Finland (6%), Belgium (7%), Denmark (8%) and France (9%).

Table 2: Distribution of annual earnings of full-time employees, 2006

| | Full-time employees | 10th percentile | Median | 90th percentile | | Low wage : (≤ 2/3 of median) | | |
|-------|------------------------|-----------------|--------|-----------------|-------------------------|------------------------------|------------------|---|
| | | • | | | Ratio | | Low-wage earners | |
| | Number | | EUR | | 90th/10th percentile | 2/3 of median EUR | Number | Proportion (%) of all full- time employees |
| EU-27 | 88 172 118 | - | _ | - | - | - | 15 183 229 | 17.2 |
| EA-16 | 53 679 696 | - | _ | - | - | - | 7 884 695 | 14.7 |
| BE | 711 264 | 24 224 | 34 506 | 61 116 | 2.5 | 23 004 | 50 020 | 7.0 |
| BG | 1 525 500 | 1 058 | 1 893 | 4 801 | 4.5 | 1 262 | 413 447 | 27.1 |
| CZ | 2 797 856 | 4 826 | 8 213 | 14 942 | 3.1 | 5 475 | 457 095 | 16.3 |
| DK | 1 468 310 | 29 824 | 43 035 | 70 060 | 2.3 | 28 690 | 117 925 | 8.0 |
| DE | 13 564 770 | 17 212 | 34 844 | 64 158 | 3.7 | 23 229 | 2 659 422 | 19.6 |
| EE | 196 023 | 3 439 | 6 615 | 13 981 | 4.1 | 4 410 | 42 091 | 21.5 |
| IE | 1 004 333 | 19 360 | 36 387 | 70 654 | 3.6 | 24 258 | 215 428 | 21.5 |
| EL | 1 232 911 | 11 888 | 19 702 | 42 623 | 3.6 | 13 135 | 207 212 | 16.8 |
| ES | 7 160 813 | 12 060 | 19 576 | 41 010 | 3.4 | 13 051 | 1 084 702 | 15.2 |
| FR | 11 466 222 | 17 965 | 26 460 | 51 590 | 2.9 | 17 640 | 1 010 472 | 8.8 |
| IT | 8 822 213 | 16 507 | 26 180 | 47 041 | 2.8 | 17 453 | 1 171 746 | 13.3 |
| CY | 152 550 | 10 575 | 20 088 | 43 954 | 4.2 | 13 392 | 32 721 | 21.5 |
| LV | 554 697 | 1 784 | 4 375 | 10 625 | 6.0 | 2 917 | 171 384 | 30.9 |
| LT | 766 701 | 2 164 | 4 518 | 10 042 | 4.6 | 3 012 | 212 033 | 27.7 |
| LU | 185 269 | 22 767 | 37 128 | 78 540 | 3.4 | 24 752 | 28 238 | 15.2 |
| HU | 1 811 485 | 3 087 | 6 093 | 13 971 | 4.5 | 4 062 | 425 076 | 23.5 |
| MT | 84 589 | 10 405 | 15 756 | 25 516 | 2.5 | 10 504 | 9 437 | 11.2 |
| NL | 2 696 329 | 20 510 | 33 232 | 60 760 | 3.0 | 22 155 | 374 999 | 13.9 |
| AT | 1 517 461 | 18 254 | 30 846 | 60 843 | 3.3 | 20 564 | 219 395 | 14.5 |
| PL | 5 500 117 | 3 518 | 6 810 | 14 342 | 4.1 | 4 540 | 1 205 913 | 21.9 |
| PT | 2 216 313 | 6 438 | 11 397 | 33 877 | 5.3 | 7 598 | 449 840 | 20.3 |
| RO | 3 829 185 | 1 378 | 3 101 | 7 763 | 5.6 | 2 067 | 1 021 826 | 26.7 |
| SI | 500 962 | 7 813 | 12 903 | 25 621 | 3.3 | 8 602 | 81 939 | 16.4 |
| SK | 1 295 296 | 3 159 | 5 449 | 10 931 | 3.5 | 3 633 | 225 412 | 17.4 |
| FI | 1 068 401 | 21 300 | 29 920 | 52 096 | 2.4 | 19 947 | 63 712 | 6.0 |
| SE | 2 057 031 | 19 908 | 30 468 | 50 163 | 2.5 | 20 312 | 216 419 | 10.5 |
| UK | 13 985 517 | 18 452 | 35 099 | 71 468 | 3.9 | 23 399 | 3 015 325 | 21.6 |
| TR | 4 917 453 | 3 522 | 4 643 | 17 069 | 4.8 | 3 095 | 29 923 | 0.6 |
| IS | 59 354 | 27 173 | 43 795 | 77 064 | 2.8 | 29 197 | 7 921 | 13.4 |
| NO | 1 157 166 | 32 432 | 45 450 | 74 047 | 2.3 | 30 300 | 70 973 | 6.1 |

Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L.

Source: Eurostat, SES 2006 (earn_ses_adeci)

¹ Full-time employees working in enterprises with 10 employees and more of all economic activities except agriculture, fishing, public administration, private households and extra-territorial organisations.

High percentages of full-time employees who are low-wage earners were found in Latvia (31%), Lithuania (28%), Bulgaria and Romania (27%), Hungary (23%), Poland and the United Kingdom (22%), and in Estonia, Ireland and Cyprus (21%).

Table 2 also shows the countries' earnings spread represented by the 90/10 ratio, which corresponds to the ratio of the earnings of the 90th percentile earner to those of the 10th percentile earner.² In Latvia, Romania and Portugal, the 90th percentile worker earned over

five times more than the 10th percentile worker: the corresponding 90/10 ratios are 6.0, 5.6 and 5.3. The spread between these two categories of workers was lowest in Denmark (2.3), Finland (2.4), and Belgium, Malta and Sweden (2.5).

Higher percentage of low-wage earners among women and persons with a fixedterm contract

In the EU-27 in 2006, 23.1% of all female full-time workers were low-wage earners (20.1% in the euro area), whereas only 13.5% of all male full-time employees were low-wage earners (Table 3).

The proportion of female low-wage earners was higher than the proportion of male low-wage earners in all Member States except Hungary. The countries with the highest proportion of female low-wage earners were Cyprus (33.4%), Latvia (32.3%), the United Kingdom (30.6%) and Lithuania (30.1%). Their proportion was the lowest in Finland (8.8%), France (10.6%), Denmark (11.6%), Belgium (12.8%), Malta (13.3%) and Sweden (14.9%).

Table 3: Proportion of low-wage earners (full-time employees) by sex and by type of employment contract, in %, 2006

| | Proportion of low-wage earners among full-time employees having the same sex or the same contract duration | | | | | |
|-------|--|-------|----------------------------------|-------------------------|--|--|
| | Men | Women | Indefinite duration contract (1) | Fixed-term contract (1) | | |
| EU-27 | 13.5 | 23.1 | 15.6 | 30.5 | | |
| EA-16 | 11.7 | 20.1 | 12.5 | 26.7 | | |
| BE | 4.8 | 12.8 | 6.6 | 12.9 | | |
| BG | 26.5 | 27.7 | 25.6 | 44.9 | | |
| CZ | 9.5 | 26.1 | 14.8 | 28.0 | | |
| DK | 4.7 | 11.6 | 6.9 | 8.7 | | |
| DE | 15.9 | 28.0 | 15.4 | 44.0 | | |
| EE | 11.7 | 28.7 | 21.6 | 19.6 | | |
| IE | 15.6 | 28.7 | 21.1 | 33.0 | | |
| EL | 12.4 | 23.2 | 21.5 | 5.1 | | |
| ES | 11.2 | 22.6 | 12.4 | 25.6 | | |
| FR | 7.7 | 10.6 | 7.9 | 19.7 | | |
| IT | 11.5 | 16.2 | 12.3 | 28.3 | | |
| CY | 11.0 | 33.4 | 21.3 | 27.2 | | |
| LV | 29.2 | 32.3 | 30.8 | 32.9 | | |
| LT | 25.0 | 30.1 | 27.8 | 22.2 | | |
| LU | 11.9 | 24.6 | 14.2 | 41.7 | | |
| HU | 24.5 | 22.3 | 22.6 | 37.8 | | |
| MT | 10.1 | 13.3 | 10.4 | 18.5 | | |
| NL | 10.5 | 25.0 | 11.9 | 31.8 | | |
| AT | 9.2 | 28.7 | 11.5 | 24.8 | | |
| PL | 18.3 | 26.3 | 16.6 | 39.2 | | |
| PT | 14.5 | 26.6 | 18.0 | 29.2 | | |
| RO | 25.7 | 27.8 | 26.7 | 29.5 | | |
| SI | 12.1 | 21.3 | 13.0 | 27.2 | | |
| SK | 10.8 | 25.0 | 16.6 | 25.3 | | |
| FI | 3.3 | 8.8 | 4.8 | 16.2 | | |
| SE | 7.6 | 14.9 | : | : | | |
| UK | 15.6 | 30.6 | 21.0 | 42.6 | | |
| TR | 0.6 | 0.7 | 0.6 | 1.0 | | |
| IS | 6.4 | 21.7 | : | : | | |
| NO | 4.9 | 8.8 | 5.4 | 17.2 | | |

Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L. (1) Excluding apprentices. EU-27 without SE.

Source: Eurostat, SES 2006 (earn_ses_adeci)

² The x percentile is the value of a variable below which x percent of the observations fall. For example, 10 percent of all wage earners earn less than the value given by the 10th percentile.

Low-wage earners made up 30.5% of the full-time employees working under a fixed-term duration contract in 2006 in the EU-27 (26.7% in the euro area). Of the full-time employees working under a contract of indefinite duration only 15.6% (14.0% in the euro area)

were classified as low-wage earners. Low-wage earners accounted for a higher percentage of workers on contracts of indefinite duration only in Greece (5.1% against 21.5%), Estonia (19.6% against 21.6%) and Lithuania (22.2% against 27.8%) (Table 3).

Highest proportion of low-wage earners among employees with low educational attainment and in hotels and restaurants

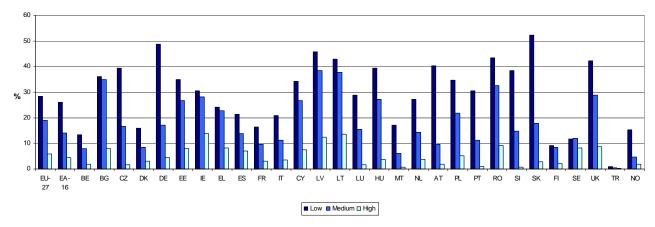
Not surprisingly, low-wage earners accounted for the highest proportion of employees among workers with a low level of education (28.3%) in the EU-27 (Figure 4). The proportion of employees was 19.0% among workers with a medium educational level but only 5.9% among those having completed a higher level of education.

For some countries the proportion of low-wage earners with low educational level was relatively high (above 40%). This is the case for Germany, Lithuania, Latvia, Romania, Slovakia and the United Kingdom. By

contrast, in Finland, the proportion of low-wage earners with low education was only 9.2%. Ireland had the highest proportion of low-wage earners among those holding a university degree (13.8%).

In the EU-27, hotels and restaurants (Figure 5) was the economic activity with the highest proportion of low-wage earners (40.9%). The lowest proportion of low-wage earners was in energy (4.1%), followed by mining and quarrying (4.6%) and financial services (5.3%).

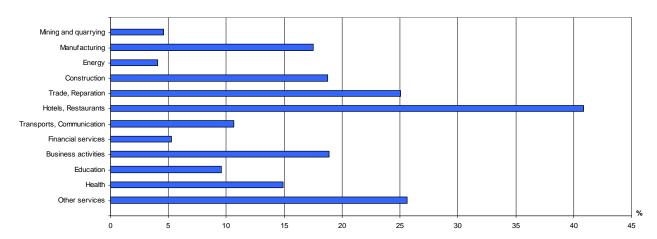
Figure 4: Proportion of low-wage earners (full-time employees) by educational level, 2006



Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L. Iceland: not available.

Source: Eurostat, SES 2006 (earn_ses_adeci)

Figure 5: Proportion of low-wage earners (full-time employees) in the EU-27 by economic activity, 2006



Notes: Data refer to enterprises with 10 employees or more and to NACE Rev. 1.1 sections C to O excluding L. Source: Eurostat, SES 2006 (earn_ses_adeci)

METHODOLOGICAL NOTES

The source for the data presented in this publication is Eurostat's Structure of Earnings Survey 2006 (SES 2006) covering enterprises with at least 10 employees and in all economic activities except agriculture, fishing, public administration, private households and extra-territorial organisations (NACE Rev. 1.1 classification: sections C to O (not L)). Iceland: only NACE Rev 1.1 sections D, F, G, I, J, L, M and N.

The results of the four-yearly SES provide comparable information at EU-level on relationships between the level of earnings, individual characteristics of employees (sex, age, occupation, educational level, etc.) and their employer (economic activity, size of the enterprise, etc.). The data collection is based on Council Regulation No 530/99 of 9 March 1999 concerning structural statistics on earnings and on labour costs.

Definitions

Categories and persons covered

All persons employed at the observation unit and with an employment contract are covered, except e.g. family workers; home workers; occasional workers; persons wholly remunerated by way of fees or commission; Board of Directors members; directors/managers paid by way of profit share or by fee; self-employed.

If not otherwise stated, earnings cover full-time workers and part-time workers. Part-time workers are converted into fulltime equivalents that means earnings of part-time workers are adjusted taking into account their reduced working time.

Gross hourly, monthly and annual earnings

Gross earnings cover remuneration in cash paid before any tax deductions and social security contributions payable by wage earners and retained by the employer. Included are: all payments relating to the reference year, including any overtime pay, shift premium, bonus, commission, etc.; allowances for team-, night-, weekend work, commissions etc., bonuses/allowances paid regularly in each pay period; payments for periods of absence and work stoppage paid entirely by the employer; family allowances and other gratuities in cash fixed by collective agreements or voluntarily agreed and payments to employees' savings scheme.

Excluded are: payments paid in the reference period but relating to other periods, periodic bonuses not paid regularly at each pay date, payments for periods of absence paid by the employer at a reduced rate, statutory family allowances, allowances for work clothes or tools, reimbursements or payments for travel, subsistence etc., and expenses incurred in carrying out the employer's business, payments in kind.

In contrast to gross hourly and monthly earnings, gross annual earnings cover remuneration in cash and in kind and include irregularly paid bonuses and allowances paid during the reference year.

Annual bonuses

Annual bonuses cover items which do not occur each pay period, such as: 13th or14th month pay, holiday bonuses, quarterly/annual company bonuses, productivity bonuses, recruitment incentives, leaving or retirement bonuses, backdated arrears.

Percentile

A percentile is the value of a variable below which a certain percent of observations fall. So the 10th percentile is the value below which 10 percent of the observations may be found.

Classifications

NACE – Statistical Classification of Economic Activities in the European Community

Economic activities are classified according to the classification NACE Rev. 1.1. The following NACE Rev. 1.1 aggregates and sections are used in this publication: All NACE branches except agriculture, fishing, public administration, private households and extra-territorial organizations (C_TO_O_NOT_L); Industry (including energy and construction) (C_TO_F); Services (excluding public administration) (G_TO_K); Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods; hotels and restaurants; transport, storage and communication (G_H_I); Financial intermediation; real estate, renting and business activities (J_K); Public administration and defence; compulsory social security (L); Education; Health and social work; Other community, social, personal service activities (M_N_O).

ISCO - International Standard Classification of Occupations

Data by occupation refer to ISCO-88(COM) which is the European Union variant of the International Standard Classification of Occupations (ISCO-88): Legislators, senior officials and managers (ISCO 1); Professionals (ISCO 2); Technicians and associate professionals (ISCO 3); Clerks (ISCO 4); Service workers and shop and market sales workers (ISCO 5); Skilled agricultural and fishery workers (ISCO 6); Craft and related trades workers (ISCO 7); Plant and machine operators and assemblers (ISCO 8); Elementary occupations (ISCO 9).

ISCED - International Standard Classification of Education

Educational level attained is classified according to ISCED-97. In this publication the following ISCED level groupings are used: *Low level*: ISCED 0, 1 and 2 (Pre-primary, primary education or first stage of basic education; Lower secondary or second stage of basic education); *Medium level*: ISCED 3 and 4 (Upper secondary and post-secondary non-tertiary education; *High level*: ISCED 5a, 5b and 6 (Tertiary programmes with academic orientation; Second stage of tertiary education leading to an advanced research qualification).

Abbreviations and symbols

European aggregates

The European Union (EU-27): Belgium (BE), Bulgaria (BG), Czech Republic (CZ), Denmark (DK), Germany (DE), Estonia (EE), Ireland (IE), Greece (EL), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Latvia (LV), Lithuania (LT), Luxembourg (LU), Hungary (HU), Malta (MT), the Netherlands (NL), Austria (AT), Poland (PL), Portugal (PT), Romania (RO), Slovenia (SI), Slovakia (SK), Finland (FI), Sweden (SE), United Kingdom (UK).

The euro area (EA-16): BE, DE, IE, EL, ES, FR, IT, CY, LU, MT, NL, AT, PT, SI, SK and FI.

The EFTA (European Free Trade Association) countries: Island (IS), Norway (NO).

Turkey (TR)

Symbols: 'c' confidential; '-' not applicable; ':' not available

Further information

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Data on "Labour market statistics - earnings"

http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/earnings/database

Select "Structure of earnings survey 2006"

http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/earnings/main_tables

More information about "Labour market statistics – earnings" http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/introduction

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