

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 717 final.

Brussels, 6 January 1978.

Draft for a  
COUNCIL REGULATION (EEC)

relating to the organization of a survey of labour costs  
in industry, the wholesale and retail distribution, banking and insurance

---

(submitted to the Council by the Commission)

COM(77) 717 final.



Explanatory Memorandum

The Commission cannot carry out certain tasks assigned to it by the Treaty establishing the European Economic Community, in particular with respect to the implementation of Articles 2, 3, 117, 118, 120 and 122, without access to valid data, comparable for the different countries, on the cost of labour and on the incomes of employees in the Community.

That is why, since 1959, in pursuance of Council Regulations, a whole series of specific Community surveys has been carried out in industry (1), in commerce, banking and insurance (2), and in road transport (3). These surveys were carried out by the Statistical Office of the European Communities in collaboration with the National Institutes of Statistics and the Ministries of Labour of Member States. The results of these surveys were published in the "Social Statistics" series issued by the Statistical Office of the European Communities (4); they were greatly appreciated by governments and by economic and social bodies.

The activities of the Commission in the various sectors make it necessary that the most recent possible figures on total labour costs should be available at all times. In collaboration with the competent authorities in Member States, the Statistical Office has, therefore, developed methods of updating the results of surveys of labour costs. However, in view of the fact that expenditure on wages and related costs is subject to substantial change, this technique of updating can provide valid results only for the first few years following a survey; thereafter, the survey must be repeated.

- 
- (1) Regulation No 10 (OJ No 56, 31.8.1960, p. 1199/60).  
 Regulation No 14 (OJ No 55, 16.8.1961, p. 1054/61).  
 Regulation No 28 (OJ No 41, 28.5.1962, p. 1277/62).  
 Regulation No 151 (OJ No 133, 13.12.1962, p. 2841/62).  
 Regulation 101/66/EEC (OJ No 134, 22.7.1966, p. 2540/66).  
 Regulation (EEC) No 1899/68 (OJ No L 289, 29.11.1968, p. 4).  
 Regulation (EEC) No 2259/71 (OJ No L 238, 23.10.1971, p. 1).  
 Regulation (EEC) No 328/75 (OJ No L 37, 12.2.1975, p. 1).
- (2) Regulation (EEC) No 2053/69 (OJ No L 263, 21.10.1969, p. 8).  
 Regulation (EEC) No 3192/73 (OJ No L 326, 27.11.1973, p. 1).
- (3) Regulation No 100/66/EEC (OJ No 134, 22.7.1966, p. 2538/66).
- (4) No 3/1961, 3/1962, 1/1963, 2/1964, 5/1964, 6/1965, 5/1966, 4/1969, 1/1970, 6/1970, 3/1971, 4/1972, 4/1974, 6/1975, 1977.

It is in that connection that the Working Party on "Wage Statistics", comprising representatives of governments (Ministries of Labour and National Institutes of Statistics) and of employers and labour, came to the conclusion that it would be necessary to repeat the surveys of labour costs at three-yearly intervals; this view was shared by the Commission and the Council; thus the years 1966, 1969, 1972 and 1975 have been selected so far for industry.

In order to rationalize and further facilitate procedures, plans have been made to incorporate into a single survey the investigations that had hitherto been made separately, into industry on the one hand, and into commerce, banking and insurance on the other. This proposal was approved in principle by the enlarged conference of the Directors-General of the National Institutes of Statistics held on 8, 9 and 10 December 1976, which also agreed that the first "dual" survey of this kind could be carried out in 1979 on the basis of the accounts for the year 1978.

So that the survey should not constitute too heavy a burden on the undertakings and on the budget of the European Communities and Member States, the intention is not that it should involve exhaustive returns from all undertakings, but that it should be based on a representative sample.

The Working Party on "Wage Statistics", which met in Luxemburg on 4, 5, 6 and 11, 12, 13 July 1977, reached agreement on the technical basis for the survey (the basic questionnaire, the survey field, methods, transmitting of results, etc.) which will ensure the comparability of the results and will allow the maximum amount of information on the Community to be derived from the survey.

As in the surveys of 1974 and 1975, this survey will cover the establishments or undertakings employing at least ten wage-earners. This will ensure the comparability of the survey with those of previous years and with the other wage statistics of the Community (harmonized statistics on earnings and statistics on the structure and distribution of wages) which cover the same field.

The planned survey will provide detailed statistical information on the expenditure on wages and related costs borne by the employers, as well as on the incomes of employees in all branches of industry (including the energy, water and construction industries), in commerce, banking and insurance (1). The results of this survey will, of course, be used as a new basis for the updating which is carried out regularly during intervening years.

Both government experts and the representatives of professional organizations of employers and workers have urged that the decision to undertake this survey be taken as quickly as possible, so that the undertakings forming part of the samples should be in a position at the beginning of 1978 to take the necessary measures enabling them to complete the questionnaire.

With this in view, the Commission submits to the Council for its approval the attached draft regulation.

In accordance with Article 8 of this Regulation, a flat-rate contribution for each returning undertaking or establishment will be charged to the sum allocated for the purpose in the budget of the European Communities. On the basis of experience gained in preceding surveys, the total cost of the survey envisaged in the draft regulation can be estimated at 1 500 000 units of account (125 000 undertakings or establishments at 12 units of account per questionnaire).

---

(1) Classes and groups falling under Divisions 1 to 5 and Classes 61, 64/65, 81 and 82 of the Nomenclature of Economic Activities in the European Communities (NACE).

REGULATION (EEC) No                      OF THE COUNCIL

---

of

relating to the organization of a survey of labour costs in industry, the wholesale and retail distribution, banking and insurance

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 213 thereof;

Having regard to the draft Regulation submitted by the Commission;

Whereas, in order to carry out the tasks assigned to it by the Treaty, in particular those set out in Articles 2, 3, 117, 118, 120 and 122 thereof, the Commission must be kept informed of the position and trends in the nine Community countries, as regards labour costs and employee incomes;

Whereas statistical information available in each Member State does not provide a valid basis for comparisons, in particular because of the differences existing between the laws, regulations and administrative practices of the Member States; and whereas surveys must therefore be carried out and the results processed on the basis of uniform definitions and methods;

Whereas the best method of assessing the level, composition and trends both of labour costs and of employee incomes is to carry out specific Community surveys, as has been done since 1959, pursuant to Council Regulations No 10 (1), No 14 (2), No 28 (3), No 151 (4), No 101/66/EEC (5), (EEC) No 1899/68 (6), (EEC) No 2259/71 (7) and (EEC) No 328/75 (8), on the basis of accounting data for the years 1959 to 1964, 1966, 1969, 1972 and 1975 in industry,

- 
- (1) OJ No 56, 31.8.1960, p. 1199/60.
  - (2) OJ No 55, 16.8.1961, p. 1054/61.
  - (3) OJ No 41, 28.5.1962, p. 1277/62.
  - (4) OJ No 133, 13.12.1962, p. 2841/62.
  - (5) OJ No 134, 22.7.1966, p. 2540/66.
  - (6) OJ No L 289, 29.11.1968, p. 4.
  - (7) OJ No L 238, 23.10.1971, p. 1.
  - (8) OJ No L 37, 12.2.1975, p. 1.

No 100/66/EEC (1), on the basis of data for the year 1967 in road transport, and (EEC) No 2053/69 (2) and (EEC) No 3192/73 (3), and on the basis of accounting data for the years 1970 and 1974 in commerce, banking and insurance;

Whereas, since expenditure by undertakings on wages, salaries and related costs is subject to substantial change, it is appropriate to carry out a new survey based on accounting data for the year 1978 in order to bring up-to-date the results of the previous surveys, based on accounting data for the year 1975 in industry and the year 1974 in commerce, banking and insurance;

Whereas, in order to rationalize procedures and to lighten the burden on undertakings and on the budget of the European Communities and the Member States it is necessary to obtain the required information by sampling, and by means of a single survey of industry, commerce, banking and insurance,

HAS ADOPTED THIS REGULATION:

#### Article 1

Within the framework of its periodic surveys on labour costs and employee earnings, the Commission shall undertake in 1979, on the basis of accounting data for the year 1978, a survey of labour costs (manual and non-manual workers) and of employee incomes in industry, wholesale and retail distribution, banking and insurance.

#### Article 2

The survey shall cover undertakings or establishments employing at least ten persons of which the main activities fall within the scope of Divisions 1, 2, 3, 4 and 5 and Classes 61, 64/65, 81 and 82 of the Nomenclature of Economic Activities in the European Communities (NACE), with the exception of groups 651, 652 and 811 and, for Ireland, of Class 50. In banking and insurance undertakings in Luxembourg, however, the survey shall be conducted without regard to a minimum number of employees.

The survey shall be carried out by sampling.

---

(1) OJ No 134, 22.7.1966, p. 2538/66.

(2) CJ No L 263, 21.10.1969, p. 8.

(3) CJ No L 326, 27.11.1973, p. 1.

Article 3

Employers shall, in respect of their undertakings or establishments which are included in the sample, supply the information needed to determine labour costs (manual and non-manual workers) and employee incomes on the basis of the accounting data for the whole of the year 1978, in the manner set out hereinafter.

Article 4

The survey shall cover:

- a) costs of wages and salaries, including bonuses and allowances, and all incidental expenditure, in particular employers' contributions to social security and supplementary schemes, and other social payments, including the cost of vocational training of employees, and any taxes or subsidies directly related to labour costs;
- b) the number of employees engaged in the establishments or undertakings;
- c) the length of time worked by employees.

Article 5

The information shall be collected by the statistical offices of the Member States by means of a questionnaire drawn up by the Commission in cooperation with these offices.

The Commission shall, in cooperation with these offices, determine the detailed procedures for the conduct of the survey. Further, it shall lay down in the same way the starting and closing dates of the survey and the time limit for replying to the questionnaires.

Persons required to supply information shall reply to the questionnaire truthfully, completely and within the time limits set.



Article 6

The statistical offices of Member States shall analyse the replies to the questionnaires. They shall forward to the Commission the results of the survey, excluding individual items of information, in accordance with the processing programme laid down by the Commission; the results shall be broken down by sectors of activity and, if so required, by region and size category of the establishment or undertaking.

Article 7

Individual items of information supplied for purposes of the survey shall be used for statistical purposes only. It shall be prohibited to use the information for other purposes, particularly for taxation purposes, or to communicate it to third parties.

Member States shall take appropriate measures to avoid any infringement of:

- a) the obligation to supply the information referred to in Article 3, and
- b) the obligation, under the first paragraph of this Article, to maintain confidentiality as regards the information obtained.

Article 8

For the conduct of the survey, Member States shall receive a flat-rate sum proportional to the number of establishments or undertakings surveyed. This amount shall be entered against appropriations provided for this purpose in the budget of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the Council

The President

Incidence financière  
sur le budget communautaire  
du projet de règlement relatif à l'organisation d'une enquête sur  
le coût de la main-d'oeuvre dans l'industrie, le commerce de gros  
et de détail, les banques et les entreprises d'assurances

---

Comme il est prévu à l'article 5 du projet de règlement, les Etats membres recevront pour l'exécution de cette enquête une contribution forfaitaire par entreprise ou établissement interrogé.

Compte tenu du nombre d'entreprises ou d'établissements qu'il est prévu d'investiguer ( $\pm$  125.000), le coût de l'enquête peut être estimé, pour les neuf Etats membres, sur la base d'une contribution de 12 unités de compte par entreprise ou établissement interrogé, à 1.500.000 unités de compte.

Ces frais sont à imputer sur les crédits prévus à cette fin au budget des Communautés européennes (art. 264 : Etudes et enquêtes statistiques) et à répartir sur deux exercices budgétaires (1979 : 750.000 unités de compte, et 1980 : 750.000 unités de compte).