

Quality declaration Wages and salaries

0.General Information on Statistical Products		
0.1	Title	Wages and salaries
0.2	Subject Area	Labor cost
0.3	Responsible Authority, Office, Person, etc.	Ms. Lusine Kalantaryan Head Labor Statistics Division Armstat 3 Government House, Republic Avenue, Yerevan, 0010, Republic of Armenia Phone: +374 11 58 78 29 E-mail : kalantaryan@armstat.am, info@armstat.am
0.4	Purpose and History	Provides information about the amount of salaries and wages and their changes in different sectors of economy. The statistical observation of salaries and wages is carried out since 1920's. The indicator has been revised throughout the years taking into consideration the legislative changes and has been improved to be harmonized in line with classifications of International Labor Organization (ILO).
0.5	Users and Application	The main users of statistical information are state government and local self-government bodies, public, scientific, educational, financial organizations, business society, mass media, international organizations, etc. The indicator is used for development of strategies not only in labor market, but also in social –economic field, for the solution of challenging issues, analysis of education system, business environment and revealing social development trends, etc.
0.6	Information Sources	The main source of information is data collected from legal persons, governmental and community authorities through statistical reports “On the number and wages/salaries of employees” on monthly basis.
0.7	Legal Authority to Collect Data	The data are collected based on the Law on "Official Statistics" and “Five Year Statistical Program”, as well as the Resolution No. 05-N of RA State Council on Statistics “On Approval of the Procedure for the collection of statistical data” dated 20 June 2016 and Resolution “On Approval of Annual Statistical Program”.
0.8	Response Burden	Response burden is not measured.

Content		
1.1	Description of the Content	Wage/salary is a monetary indicator, which characterizes the average monthly nominal wage of the paid employee paid during the reference period.
1.2	Statistical Concepts	<p>Concepts</p> <p>The methodology (definitions, classifications) for the calculation of the indicator is based on ILO definitions by taking into account some peculiarities of RA legislation.</p> <p>The nominal wage is the value characterizing the sum of gross wage calculated per employee for the work done, which is not related with the costs of goods and services.</p> <p>Average nominal wage is calculated by dividing the total remuneration of labor and other payments equal to it into the average number of employees.</p> <p><i>Remuneration and other payments equal to it includes:</i></p> <ol style="list-style-type: none"> 1. Remuneration for worked hours, 2. Remuneration for non-worked hours, 3. One-time bonuses and other payments, 4. Payments for food, housing, fuel and other related payments <p>In other words, Remuneration and other payments equal to it is formed:</p> <ol style="list-style-type: none"> a) from base salary (remuneration of work according to tariffs, official rates, transaction based payments) other additional regular payments defined by legislation (compensations related with work regime or conditions, premiums and bonuses, additional payments, etc), b) from remuneration for non-worked hours (payments given for annual and additional leave and other similar payments), c) one-time bonuses and incentive payments, d) regular in-kind remuneration (food, fuel, housing fee, etc provided free of charge and other similar payments)

		<p>Coverage</p> <p>Statistical monitoring includes the organizations from state and private sectors, which are considered as large and medium for statistical purposes. According to industry classification 19 from 21 sections of Armenian Classification of Types of Economic Activity (NACE Rev. 2) are included. NACE Rev. 2 is developed based on NACE Rev.2, Classification of Types of Economic Activity, approved by Eurostat.</p> <p>Section T is not included (Activities of households as employers, undifferentiated goods and services producing activities of households for own use) which is related with the small number of those enterprises dealing with that activity.</p> <p>Section U (Activities of extra-territorial organizations) is also not included, since those organizations are not residents.</p> <p>According to employment status, only hired employees are included in the calculation of the indicator.</p> <p>According to geographical coverage, it covers all marzes of the Republic of Armenia and Yerevan city.</p> <p>Variables</p> <p>Wage/salary for one unit, one employee is calculated by dividing the total sum of remuneration and other payments equal to it into the average monthly payroll number of employees used for calculation of salary in the reference month.</p> <p>The indicator is calculated both for the Republic of Armenia, and is grouped into 19 sections of Types of Economic Activity (NACE (rev. 2)), RA marzes, territories, on the village/town level.</p> <p>No seasonal adjustment is implemented.</p>
2. Time		
2.1	Reference Period	Data refers to calendar year preceding the statistical observation.

2.2	Date of Publication	The preliminary data is published on the 20th day of the month following the reference period (year) and the final data is published on the 50th day following the reference period (month).
2.3	Punctuality	The data is published according to publication schedule of annual programs and without any delays from the defined time schedule.
2.4	Frequency	Monthly
3.Accuracy		
3.1	Overall Accuracy	<p>The main information is collected from both legal entities and governmental and community authorities. Meanwhile, large and medium organizations, governmental and community authorities are included in the survey widespread, and the rest of the organizations are sampled.</p> <p>The general population of the sample is formed on the basis of a business register and stratified by marzes, types of activities and groups of employees. The general population is about 10,000 organizations. The sampling volume is determined based on available resources, is 30 to 30% and is distributed in strata according to the optimal distribution of Nayman formula.</p>
3.2	Sources of Inaccuracy	<p>During the observations errors or discrepancies may occur due to non-response, in corrections in business register (the main activity type was not decided properly or changes during the year are not properly registered), etc. The data undergo several stages of validation which start from the local statistical division and finish at the Armstat central office.</p> <p>The software used mainly allows to logically and mathematically verifying the data.</p> <p>If necessary they contact the respondents. In case of non-response the data for the previous period or previous 12 months are taken.</p>
3.3	Measures on accuracy	The response rate is 98 %, the sample error rate does not exceed 5%.
4.Comparability		
4.1	Comparability over Time	The indicators included in the statistical reports had undergone some partial changes throughout the years. All the major groups of standard classifications of costs suggested by ILO have been kept, and sub-costs had undergone some changes based on necessity or based on the actuality of indicator or based on the requirements of external and internal users. It didn't result in data incompatibility in time series, because the indicator is published by major groups of classification.

		<p>The industry classification has been also changed. Before 2006, the indicator has been represented in accordance with the structure of All Union Classification of Branches of National Economy (AUCOBONE). Since 2006-2009, the indicator has been submitted in accordance with the NACE Rev.1 and since 2010 NACE rev. 2 is applied.</p> <p>For data comparability in time series the indicators of transitional years have been calculated parallel with old and new classifications.</p>
4.2	Comparability with other Statistics	There is no other source of information on monthly salary.
4.3	Coherence between Provisional and Final Statistics	<p>The initially published indicator is qualified as preliminary, which is based on statistical evaluation based on analysis of time series until the collection and summary of reference data. The indicator is considered final when it is based on monthly operative data of statistical reports of the reference period. In separate cases the initial data may be reviewed based on adjustments and (or) other corrections submitted by the organization.</p> <p>In case of changes of the published data the verification is presented along with explanatory notes.</p> <p>The indicator is submitted in monthly, quarterly and annual publications.</p>
5. Accessibility		
5.1	Forms of Dissemination	<p>Publications</p> <p>Annual publications</p> <p>“Main macro-economic indicators characterizing on socio-economic situation of RA” (Armenian, Russian and English)</p> <p>“Socio-Economic situation of the Republic of Armenia” monthly information report (Armenian and Russian)</p> <p>Quarterly publications</p> <p>“Food security and poverty” statistics summary (Armenian and English)</p> <p>Annual publications</p> <p>“Statistical Yearbook of Armenia” (Armenian, English and Russian)</p> <p>“Labor Market in the Republic of Armenia” Statistical Handbook (Armenian and English),</p> <p>Databases:</p> <p>http://armstatbank.am/pxweb/hy/ArmStatBank/?rxid=602c2fcf-</p>

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5.2	Basic Material: Storage and Usability	The preliminary data necessary for the calculation of the indicator are maintained and archived according to the relevant procedures, both in paper form, as well as electronically in a form of database.
5.3	Documentation	Additional documentation is available in the Metadata subsection of the Statistics section of the Armstat official website, in line with IMF Special Data Dissemination Standards, in Armenian, Russian and English languages, at https://www.armstat.am/en/?nid=549 .
5.4	Other Information	The publication of indicators is accompanied with the methodology description, which is presented in a more detailed way in “Labor Market in Armenia” Statistical Handbook and in other thematic publications.
6. Supplementary Documentation		
6.1		Information is available under the General Statistical Business-Process Model at https://www.armstat.am/en/?nid=672 .