

'Main source of income' and 'Work-related income level'

Population by Labour market status (BAS) is a statistical product that uses administrative data to describe the supply of labour in Sweden. Statistics are disseminated concerning the number of employed, unemployed and persons outside the labour force, among other things, for the registered population aged 15 to 74. BAS describes the population based on six labour market statuses (Employed, Unemployed, Students, Retiree, Sick and Others).

These statuses are defined and presented according to a hierarchical principle based on the ranking above, which means, among other things, that a person can only hold *one* labour market status. The ranking has an impact on the number of persons in each labour market status. The definition of labour market status uses, among other things, the existence of certain income data, but does not take into account amounts. For example, amounts of earned income are not taken into account in the definition of employed.

To add further nuance to the description of labour supply, labour market status is presented in combination with two classification criteria: 'Main source of income' and 'Work-related income level'.

Statistics based on both variables are reported in the preliminary as well as the final statistics, and in the latter for statistics based on monthly as well as annual data. The main difference between the preliminary and final statistics for these two variables is that, while the final statistics use data on the time period when the activity to which each payment refers actually took place, the preliminary statistics use data based on the time of payment. The final statistics use such data in cases where this information is available. The final statistics also use certain payments that are only available on an annual basis, and which are therefore not available for the production of preliminary statistics.

‘Main source of income’

By associating a person's labour market status to their main source of income, the description of the labour supply can be further nuanced. The value set of the variable is shown in Table 1.

Table 1. Value set for the variable ‘Main source of income’.

Category
Earned income
Unemployment benefit
Student finance
Pension
Benefit for long-term reduced work capacity
Sickness benefit
Parental benefit/care of close relative
Financial aid
Without income

This variable is generated based on whichever of the eight categories of employment and business income and payments is the largest. The data on which the categories are based are shown in Table 3 of the Annex. Some payments are tax-exempt. In order to make all payments comparable, the payments that are not tax-exempt are adjusted by subtracting an expected income tax. For a given month, the breakdown is made on the basis of employment and business income and payments relating to that month. Final statistics based on annual data rely on the payments received by the persons for the calendar year.

It is worth noting that the category ‘Earned income’ includes payments not included in the definition of the labour market status ‘Employed’, e.g., total defence per diems and payments not subject to social security contributions.

The statistics showing the combination of labour market status and ‘Main source of income’ provide further description that labour market status alone cannot provide. For example, it makes it possible to study the share of employed (or unemployed) whose main source of income is student finance.

‘Main source of income’ also allows further description of the group of persons with labour market status ‘Others’. This involves, for example, studying the share of these people with the category ‘Financial aid’ under ‘Main source of income’. Persons with the labour market status ‘Others’ in the category ‘Without income’ under ‘Main source of income’ include persons who have no income at all, or whose only income consists of child allowance or capital gains. There may also be

people that have emigrated from Sweden, without declaring this, and should not be registered in the population register.

Work-related income level

Another form of nuanced description of the supply of labour in the population is obtained by disseminating labour supply according to the variable 'Work-related income level'. This variable can be used, for example, to determine labour market attachment.

Work-related income level is a categorical variable, where each person is assigned to a category by relating their income from employment and business and work-related benefits to the income base amount for the reference period¹. The various types of income from employment and business used in the definition of the labour market status 'Employed', together with work-related benefits received while temporarily absent from work, are the starting point for determining work-related income. For more information, see Table 3 in the Annex, where the income from employment and business, and the work-related payments, included in 'Work-related income level', are marked with an asterisk.

In the preliminary and final statistics based on monthly data, 'Work-related income level' is disseminated on the basis of income from employment and benefits and the work-related payments received in the last 12-month period. For final statistics based on annual data, the calendar year is used as the corresponding time period. By basing this variable on a twelve-month period, rather than just the current month, the variable can be used to study labour market attachment. The variable is derived for those persons who have had the labour market status 'Employed' at some point in the last 12 months. For other persons, this variable is set to SEK 0.

In the statistics, there are persons with the labour market status 'Employed' who also have SEK 0 in 'Work-related income level'. These persons are either temporarily absent from work or have the status in employment of self-employed or self-employed in a joint-stock company (the latter only applies in the final statistics).

Table 2. Work-related income level

Category
SEK 0
SEK 1– < 1 income base amount

¹ For more information on income base amounts, see <https://www.pensionsmyndigheten.se/content/dam/pensionsmyndigheten/blanketter---broschyren---faktablad/publikationer/svar-p%C3%A5-regeringsuppdrag/2022/Berakning-av-inkomstindex-och-inkomstbasbelopp-for-2023.pdf>. Retrieved 11/04/2023. The income base amount for 2023 is set at SEK 74,300.

Category
1 - < 2 income base amounts
2 - < 3 income base amounts
3+ income base amounts

Work-related income levels are disseminated on the basis of one, two and three income base amounts. The value set is shown in Table 2.

BAS are individual statistics

The statistics reported in BAS are individual statistics, not household statistics. 'Main source of income' and 'Work-related income level' are thus defined in terms of income attributed to an individual. Therefore, the statistics do not take into account whether the person is a member of a household, which may affect a person's degree of activity in the labour market or other choices affecting the individual's livelihood. Those seeking insight into incomes from a household perspective are, for the present, referred to the statistics on income.

Annex

Table 3. Input data 'Main source of income'. The data belonging to 'Work-related income level' are marked with an asterisk (*).

Description	Input data
Earned income	<ul style="list-style-type: none"> - Gross cash salary, remuneration subject to employer contributions* - Cash remuneration that is the basis for individual social security contributions - Cash remuneration not subject to social security contributions - Salary from other Nordic country, taxed abroad* - Basis for employer contributions according to PAYE tax return* - Basis retiree according to PAYE tax return* - Basis for reduced employer contribution according to PAYE tax return* - Remuneration not subject to social security contributions, according to PAYE tax return* - Total defence per diem - Expected business income, (modelled using F-tax)* [preliminary statistics only] - Annual statement of earnings and tax deductions filed by employer* [final statistics only] - Business income surplus* [final statistics only]
Unemployment benefit	<ul style="list-style-type: none"> - Unemployment benefit fund - Activity grant, for participants in Swedish Public Employment Service programmes - Development compensation, for participants in Swedish Public Employment Service programmes - Introduction benefits, for participants in Swedish Public Employment Service programmes - Housing allowance, for development-programme participants living alone
Student finance	<ul style="list-style-type: none"> - Study grants, all types of loans and grants - Child allowance for extended schooling - Activity compensation for extended schooling
Pension	<ul style="list-style-type: none"> - Income pension - Supplementary pension 37 - Supplementary pension 38 - Guarantee pension 37 - Guarantee pension 38 - Premium pension - Special pension supplement - Housing supplement, for retirees - Special housing supplement, for retirees - Occupational pensions [final statistics only] - Private pension [final statistics only] - Pension, taxed abroad [final statistics only]
Benefit for long-term reduced work capacity	<ul style="list-style-type: none"> - Activity compensation - Sickness allowance - Housing supplement, for activity compensation or sickness allowance recipients - Working injury annuity* - Occupational injury annuity*
Sickness benefit	<ul style="list-style-type: none"> - Sickness allowance* - Occupational injury allowance* - Rehabilitation allowance* - Accommodation supplement, for rehabilitation or sickness allowance recipients - Disease carrier allowance* - Waiting-period compensation* - Risk-group compensation* - Contractual insurance payment
Parental benefit/care of close relative	<ul style="list-style-type: none"> - Parental allowance upon birth/adoption of a child* - Temporary parental allowance* - Benefit for care of closely related persons* - Prenatal allowance* - Care allowance

	- Nursing allowance
Financial aid	- Social assistance for the applicant and any co-applicants - Housing allowance for the applicant and any co-applicants - Maintenance support for the elderly
Without income	