

# Instructions for the Labour Cost Survey 2016

## General information

The labour costs survey collects data about the total expenditure borne by an employer in order to have people employed. Data should be submitted about the number of employees, hours worked, salary, benefits in kind, social insurance contributions, other labour costs and subsidies. The objective is for example to measure the average labour cost per hour.

### Who should be included?

Employees that you have paid labour costs for are to be reported.

*The following should not be included:*

- Hired personnel, board members, assisting family members, employees working on-board or abroad.
- Employees whose remuneration mainly consists of a share of the profits or a one-off payment.

### Please note:

- If an item of information cannot be measured, an estimate should be provided.
- Verify that the submitted data are accurate and is reasonable for your operation, i.e. that hours and information about costs relate to the employees you are reporting. A number of average values will be calculated and available as data is entered on the website, for example salary per hour worked.

## Survey unit

The reporting should refer to the specified company or workplace. The information provided about the stated business has been obtained from Statistics Sweden's Business Register. Contact Statistics Sweden if the company/workplace, for example, has been merged, closed down or in some other way is not consistent with the specified information.

## Reporting period

The reporting period is the full year 2016. If your financial year is split, e.g. if it runs from 1 April to 31 March, add up the parts of the financial years that fall within 2016. If this is not possible, you may report the split financial year, selecting the financial year that falls for most part in 2016.

If your reporting period deviates from the full year 2016, please add a comment to that when you fill in the form.

## Payroll and accounting systems

Payroll systems contain much of the data that is being requested. Some payroll systems allow extraction of data for statistical reporting. If you extract data from the payroll system, please be sure that the system has the correct settings. It may also be necessary to get some data from the accounting system. For more information on this and accounting guidelines, see the last page of this document.

## A. Employees

### A.1 Average number of employees (A.1=A.2+A.3)

Report the average number of employees during the year for whom you have paid labour costs. If possible, determine the number of employees each month throughout the year according to the payroll, and provide an average of them. Otherwise report the number of employees calculated as an average based on measurements at two or more points in time. Round off to the nearest integer.

Example: If seven persons were employed from January–March, nine persons from April–June and 14 persons in July–December, the average is:

$$(7+7+7+9+9+9+14+14+14+14+14+14)/12=11$$

### A.2 Average number of full-time employees

State the average number of full-time employees that are included in A.1.

### A.3 Average number of part-time employees

State the average number of part-time employees that are included in A.1. Seasonal workers and those paid by the hour should also be included.

### A.4 Number of part-time employees converted into full-time units

Calculate and add up the activity level of the employees reported in A.3 (part-time employees including seasonal workers and those paid by the hour). That means that two employees working at 50 percent and 70 percent together make up an activity level of 1.20 full-time employees.

If the activity level for part-time employees is not available, it can be calculated by dividing the part-time employee's agreed working hours by the full-time employees' agreed working hours. Next, add up the activity level of the part-time employees and report the total here.

$$\text{Activity level} = \frac{\text{agreed working hours, part-time employees}}{\text{agreed working hours, full-time employees}}$$

Example 1: An employer has eight employees working 50 percent of full time and two employees working 80 percent of full time. Together, they correspond to 5.60 full-time employees.  $8*0.5+2*0.8=5.60$

Example 2: An employer had three part-time employees during the year. Their agreed working hours were 20, 30 and 32 hours per week, respectively. The latter worked for a period of six months. The working hours for a full-time employee are 40 hours per week. Together, these people equal 1.65 full-time employees.

$$\frac{20}{40} + \frac{30}{40} + \left( \frac{32}{40} * \frac{6}{12} \right) = 1.65 \text{ full-time units}$$

## B. Hours

The number of hours actually worked and hours paid should be reported separately for the full-time and part-time employees reported in Section A. The difference between hours worked and hours paid is that hours paid also include paid absences such as holidays.

### B.1 Number of hours actually worked

#### for full-time and part-time employees, respectively

*To be included:*

- hours worked during ordinary working hours, overtime, additional time and on-call duty, non-regulated working hours, shorter breaks, waiting- and travel time during ordinary working hours

*Not to be included:*

- holidays, sick leave, non-working days, leave of absence, care of children and any other absence for which remuneration is paid
- hours worked for which employees do not receive remuneration
- preparation and waiting time beyond ordinary working hours

If no information is available on the number of hours actually worked, it can be calculated in the following way for full-time and part-time employees, respectively:

$$\begin{aligned} & \text{agreed weekly working hours for full-time employment} * (\text{A.2 or A.4}) * 52.29^1 \\ & + \text{overtime during the year} \\ & + \text{on-call duty during the year} \\ & - \text{hours of absence during the year (holiday, sick leave, etc.)} \\ \hline & = \text{number of hours actually worked during the year} \end{aligned}$$

### B.2 Number of hours paid

#### for full-time and part-time employees, respectively

Hours paid are B.1 plus paid absences such as holidays. Sum up the hours worked and not worked for which the employee has received remuneration.

*To be included:*

- hours worked during ordinary working hours, overtime, additional time, on-call duty, non-regulated working hours, shorter breaks, waiting- and travel time during ordinary working hours
- compensated absences such as public holidays, holidays, sick leave and paid leave of absence

*Not to be included:*

- waiting day before benefits are paid, preparation time, waiting time, travel time outside of ordinary working hours or overtime compensated with free time
- sick leave not compensated by the employer (as a rule, after 14 days of consecutive sick leave).

If no information is available on the number of hours paid, it can be calculated in the following way for full-time and part-time employees, respectively:

$$\begin{aligned} & \text{agreed weekly working hours for full-time employment} * (\text{A.2 or A.4}) * 52.29^1 \\ & + \text{overtime during the year} \\ & + \text{on-call duty during the year} \\ & - \text{unpaid hours of absence during the year, such as} \\ & \quad - \text{waiting day before benefits are paid} \\ & \quad - \text{other unpaid sick leave} \\ & \quad - \text{unpaid leave of absence} \\ \hline & = \text{number of paid hours during the year} \end{aligned}$$

## C. Wages and salaries

In Section C, the costs of wages and salaries in 2016 are to be reported for the employees reported in Section A.

### C.1 Total cost of wages and salaries (C1=C2+C3+C4+C5+C6)

Report the total salary cost, which should be the sum of C.2 to C.6. Benefits should not be included here, but instead should be reported in Section D.

### C.2 Payment for hours worked and not worked

Add up the salary for hours worked and salary for hours not worked. The reporting should include all **regular salaries** except the parts of a salary that are included in C.3-C.6

*To be included:*

#### Salaries for hours worked:

- fixed salary and allowances linked to the position or individual
- variable salary and variable allowances, for example commission, incentive pay, supplements for inconvenient hours, staggered working hours, overtime/additional time, on-call duty, waiting and preparation time, shift and piece work, supplements for hazardous work and special working conditions
- severance pay, supplement for reassignment

#### Salaries for hours not worked:

- salaries for holidays
- public holidays
- family-related matters
- compensation for absences such as training leading to broader professional competence

*Not to be included in C2:*

Sick pay and compensation over and above the Swedish Social Insurance Agency's benefits, bonuses, savings programmes, director's fees, redundancy pay, any types of benefits.

### C.3 Sick pay and remuneration over and above the benefits paid by the Swedish Social Insurance Agency

Report the sick pay by the employer, such as sick pay for sick days 2–14. Note that it is not the sick deduction that is to be reported.

Remuneration paid by the employer in addition to the benefits paid by the Swedish Social Insurance Agency should also be included here, such as supplementary parental benefits and sick leave paid by the employer to the employee after day 14.

### C.4 Bonuses, share of profits, employee stock options

Report any bonuses, shares of profits, employee stock options and other irregular payments that is paid without any legal obligation, such as a thirteenth monthly salary. Bonuses which are paid regularly every month should be reported under C.2. Regarding employee stock options, it is suitable to report the taxable part, i.e. the share value minus the redemption price.

### C.5 Redundancy pay

Report redundancy pay to employees who have been made redundant or remuneration paid in lieu of notice.

### C.6 Payments into employee savings schemes

Report transfers into savings schemes or funds for the purchase of the company's shares or other financial assets on behalf of the employee.

<sup>1</sup> Number of weeks in 2016

## D. Benefits, etc.

### D.1 Benefits in kind and cash contributions

Report the actual costs for benefits. If it is easier, you may instead report the value of the benefits calculated according to recommendations by the Swedish Tax Agency.

*To be included:*

- free/company cars, housing provided by the employer, free or subsidised meals, free travel to and from the workplace, beneficial loans to employees, etc.
- daily allowances *over* the standard (the taxable part) and other *taxable parts* of reimbursements
- cash remuneration such as remuneration for proposal activities, inventions, compensation/contributions to housing costs, meal costs, travel to/from the workplace, work clothes and gratuities
- costs that occur in cases where the employer provides the company's products free of charge or at a reduced price to employees.

The value of products, goods and services is calculated at the market value, which is according to the Swedish Tax Agency, corresponds to the regular price (including VAT) of the goods or services. The market value of tax exempt discounts should also be included. If benefits are received at a reduced price, the cost should be calculated as the difference between what the employee paid and the market value of the benefit.

## E. Social insurance contributions

### E.1 Statutory employer's social security contributions

Report the cost for the statutory social security contributions. These include general old-age pension and sick and parental insurances, which the employer is required to pay by law.

The statutory social security contributions for 2016 was 31.42 percent, but less for younger employees the first five month (24.46 percent). The contributions were also less for older employees (10.21 percent in pension fees + 6.15 percent in special payroll tax).

Please note that special payroll tax should be reported under E.3. Social security contributions associated with collective agreements should be reported under E2a.

### E.2 Employer contributions according to contractual agreements

#### E.2a Collective agreement benefits (pension and insurances premiums)

Report costs for social security contributions and insurances regulated by a collective agreement/affiliated collective agreement. That includes old-age pension fees (such as ITP), fees/premiums to labour market insurances (FORA, Collectum AFA, Alecta, etc.) and group insurances or other social costs associated with collective agreements.

Employers who finance old-age pension under its own management should report paid pensions and changes in pension liabilities. If the change in pension liabilities is negative, subtract the amount from the total.

Costs should refer to those who were employed in 2016 reported in Section A. Redemption of pension liabilities should not be included.

#### E.2b Individual contractual benefits

Report costs of complementary individual contractual benefits, such as individually covered pension insurances that have arisen by special agreement between employers and employees.

### E.2c Other social insurance

Report costs of insurance premiums for sick pay or holiday pay costs or other social insurance costs not reported earlier under E.2a or E.2b.

### E.3 Special payroll tax, etc.

Report any costs of special payroll tax, both on earned income (SLF) and pension costs (SLP). Tax on returns from pension funds and other taxes that may be regarded as labour costs should be included. The special payroll tax is 24.26 percent of the basis for taxation (SLF/SLP). A novelty in 2016 is that a special payroll tax of 6.15 percent of the gross pay is payable for employees aged over 65. The old-age pension fee should be reported under E1.

## F. Other labour costs

### F.1 Staff training costs

Report course fees, external teachers, hire of equipment, etc. Any contributions to staff training costs should be deducted. Salary costs for own staff who take part in training, costs for buildings or own equipment used for training should also not be included.

### F.2 Employer costs for company medical and healthcare schemes

Report the cost of company medical and healthcare schemes, free medicine, medical materials, treatment outside of business operations, eye glasses for computer terminals, etc.

### F.3 Costs for staff welfare

Report costs for leisure activities, leisure establishments, health promotion funds, staff parties, trivial benefit, etc. Child care should also be included in the costs for staff welfare activities, as are staff curative activities, staff magazines, directly paid assistance with burials, holiday bonuses, etc. Provisions for staff funds should be reported here. Any reimbursements from a staff fund should be subtracted from the costs reported.

### F.4 Costs for staff recruitment and work clothes

Report costs incurred in connection with recruitment of staff. For example costs for the applicant's travel from another town for the interview, contributions to accommodation in connection with recruitment, costs of language training before the employment begins, costs of recruitment advertisements and fees paid to recruitment consultants.

You should also state the costs for work clothes provided by the employer.

### F.5 Other labour costs

Report any costs not mentioned earlier.

## G. Subsidies

### G.1 Subsidies to labour costs

Report all subsidies received that are intended to cover a part or all of the remuneration to employees. Subsidies can, for example, come from regional policy or labour market policy measures, be in the form of a standard subsidy per man year or be a subsidy to cover salary costs, such as wage subsidies. Compensation for high sick pay costs should be reported here. The subsidies should not relate to social security contributions or staff training costs. Reimbursements from social insurance institutions or extra insurance should not be reported here.

## ACCOUNT GUIDELINES

Payroll systems generally contain much of the information requested, but information may also need to be collected from sources such as accounting systems.

Below are references to accounts for those who use the BAS accounting plans' standard accounts. The references should only be considered as guidelines and not complete sources for requested information. The accounts may contain parts of the information and it may be necessary to use supplementary information from other accounts and sources.

Note that most references are at sub-account level. If accounting is done on the main accounts or on accounts not in line with the intentions of the standard (the meaning of an account has changed), this has to be taken into account in the data collection. The same applies if accounts are used that are tailored to your activities.

If data is collected from both payroll and accounting system, ensure that the data is cohesive. The costs should relate to 2016 and the employees reported in Section A.

	<b>BAS 2016</b>	<b>L-BAS 2013</b>	<b>Kommun-Bas 13:</b>	<b>Statlig baskontoplan</b>
<b>C.2 Payment for hours worked and hours not worked</b>	7011, 7013, 7014, 7015, 7082, 7089, 7090, 7211, 7213, 7214, 7215, 7221, 7223, 7224, 7225, 7285, 7286, 7288, 7289, 7290, part of accounts: 7019, 7219, 7229	40, 411, 419	502, 503, 505, 511, 513, 519	401, 402, 403
<b>C.3 Sick pay and remuneration over and above the benefits paid by the Swedish Social Insurance Agency</b>	7081, 7083, 7281, 7282, 7283, 7284	412	512	-
<b>C.4 Bonuses, share of profits, employee stock options</b>	7012, 7016, 7212, 7216, 7222, part of accounts: 7019, 7219, 7229	-	-	-
<b>C.5 Redundancy pay</b>	7017, 7217, 7227	-	-	-
<b>C.6 Payments into employee savings schemes</b>	-	-	-	-
<b>D.1 Benefits in kind and cash contributions</b>	7310, 7322, 7324, 7332, 7380, 7390	4312, 4322, 433 alt. konto 434, 435, 4392	530, 541, 548, 5512, 5522, 5532, 5592, 5598	43221, 43222, 43223, 43231, 43232, 43233, 4332, 4333, 4334, 438, 439
<b>E.1 Statutory employer's social security contributions</b>	7510 exkl. 7516, part of account: 7520, 7560	4517	561	4511, 4512, 4513, 4514, 4518, 4519, 4541
<b>E.2a Collective agreement benefits</b>	7411, 7418, 7420, 7430, 7440, 7460, 7470, 7490, 7570, 7580	4411, 442, 447, 457	567, 568, 572, 574, 575	461, 462, 467, 468
<b>E.2b Individual contractual benefits</b>	7412	4413	571	463
<b>E.2c Other social insurance</b>	7590, 7650	459	569	-
<b>E.3 Special payroll tax, etc.</b>	part of account: 7520, 7530, 7550	453	part of account: 563	453, 455
<b>F.1 Staff training costs</b>	7610	461	765	48
<b>F.2 Employer costs for company medical and healthcare schemes</b>	7620	462	part of account: 645, 747	47
<b>F.3 Costs for staff welfare</b>	7630, 7670, 7692, 7693	463, 466, 469	711	493, 494, 496, 498
<b>F.4 Costs for staff recruitment and work clothes</b>	5480, 7350, 7691	464, 648	part of accounts: 648, 722	491
<b>F.5 Other labour costs</b>	7699	465	-	497
<b>G.1 Subsidies to labour costs</b>	part of account: 3980 (concerning subsidies for labour cost), 3988, 3997	part of account: 38 (concerning subsidies for labour cost), 382	part of account: 35 (concerning subsidies for labour cost)	-

BAS 2016 is available on the BAS website. L-BAS 2013 and Kommun-Bas 13 are available on the Swedish Association of Local Authorities and Regions website and basic classification of accounts for government agencies is available on the Swedish National Financial Management Authority website.

- Means that there are no BAS accounts that can be linked to this data. "Free accounts" may have been used to register costs, or the costs may have been registered as part of another BAS account. The current cost is to be reported for this data.