

**Monthly minimum wage as a proportion of average monthly earnings (%) – Nace Rev. 2 (from 2008 onwards) – country-specific notes**

(earn\_mw\_avgr2 dataset)

**Situation as of 1 January 2022**

**Definition of average monthly earnings to be used for this indicator:**

Gross monthly earnings: data should cover remuneration in cash paid before any tax deductions and social security contributions payable by wage earners and retained by the employer, and restricted to gross earnings, which are paid in each pay period. 'Non-standard payments' such as 13<sup>th</sup> or 14<sup>th</sup> month payments, holiday bonuses, etc. are excluded.

*This definition follows the Structure of Earnings Survey (SES).*

Data should refer to sections B-N (Business economy) and B-S (Industry, construction and services [except activities of households as employers and extra-territorial organisations and bodies]) of Nace Rev. 2, to enterprises of all size classes and to full-time employees. Reference period: annual average; if not available: a specific month.

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**Country-specific notes**

**BE** The reference period is October of each year. Only enterprises with at least 10 employees are covered. Data for sections B-N are without section O (Public administration and defence; compulsory social security).

**BG** Gross earnings include irregular bonuses and other payments not paid at each pay period. Final gross earnings data refer to the full-time employees. The provisional data are calculated for the total number of employees in full-time equivalents. Data for sections B-S including section O (Public administration and defence; compulsory social security).

**CZ** 'Non-standard payments' such as 13<sup>th</sup> or 14<sup>th</sup> month payments and holiday bonuses are included. Data refer to all employees in full-time equivalents. Data for sections B-N and B-S including section O (Public administration and defence; compulsory social security). All size classes of enterprises.

**IE** Includes pay in each pay period such as overtime but excludes other irregular payments. Hourly rates were used as the basis of the estimations. The Median gross monthly earnings data for sections B-S are without section O (Public administration and defence; compulsory social security). Structure of Earnings Statistics from Eurostat are utilised to estimate Median Monthly regular earnings. These estimates are based upon an administrative data project that linked Revenue earnings data with characteristics from other administrative and survey sources.

**EL** Data for sections B-S excluding section O (Public administration and defence; compulsory social security).

- ES** Earnings include remuneration in cash and in kind. They include base salaries, bonuses and payments for overtime, extraordinary payments including 13<sup>th</sup> and 14<sup>th</sup> month payments and cost-of-living and other adjustments. Average monthly earnings are calculated using the annual average of quarterly data on average monthly wages from the Quarterly Labour Costs Survey. Median monthly earnings are calculated using the median annual earnings from the Annual Structure of Earnings Survey divided by 12. NACE sections covered B-N and B-S. All size classes of enterprises.
- FR** Private and semi-public enterprises are covered. The percentage is calculated based on the hourly rate.
- HR** Source of data is monthly survey on gross earnings. Definition of gross earnings is based on national law. This means, non-standard payments such as 13<sup>th</sup> or 14<sup>th</sup> month payments, holiday bonuses, etc. are included. Data for sections B-N and B-S including section O (Public administration and defence; compulsory social security). All size classes of enterprises. Full-time employees: All persons in paid employment, irrespective of whether they work full time or part time are taken into consideration.
- LV** Data refer to full-time equivalents. The average gross monthly wage is established by dividing the estimated total labour remuneration by the number of employees on the payroll in the year. The number of part-time employees is recalculated into full-time equivalents. Data for sections B-N and B-S including section O (Public administration and defence; compulsory social security).
- LT** No differences from the general definition of gross earnings. Gross earnings cover remuneration in cash paid before any tax deductions and social security contributions payable by wage earners and restricted to gross earnings which are paid in each pay period. Full coverage of enterprises (individual enterprises included). Data of B-S and B-N sections according NACE Rev. 2 are provided. 'Non-standard payments' such as 13<sup>th</sup> or 14<sup>th</sup> month payments, holiday bonuses, etc. are excluded. The reference period of gross earnings corresponds to the reference period of NMW (i.e., annual average).
- LU** Are considered as full-time employees  
For March 2009, 2012, 2015, 2016, 2018, 2020: employees with  $\geq 75\%$  of 176 working hours. For March 2010, 2011, 2017: employees with  $\geq 75\%$  of 184 working hours. For March 2013, 2014, 2019:  $\geq 75\%$  of 168 working hours. Data for sections B-N and B-S including section O (Public administration and defence; compulsory social security).
- HU** Mean gross monthly earnings excluding regular and non-regular premiums, bonuses and 13<sup>th</sup> or 14<sup>th</sup> month payments. Data available for sections B-N and B-S including section O (Public administration and defence; compulsory social security). Only enterprises with at least 4 employees are covered.
- MT** Gross earnings excluding overtime, bonuses and allowances are being covered. Reference period of gross earnings based on the first three quarters of 2021 LFS. All NACE rev. 2 sectors are covered. All size classes of enterprises. Since March 2020 Government introduced a wage supplement scheme in order to assist workers impacted by COVID-19. This reflected itself in the distribution of salaries and hence

impacted the share of minimum wage earners from mean gross monthly earnings and from median gross monthly earnings.

- NL** Gross monthly wages, excluding overtime payments, bonuses and allowances. From 2006 and up, gross monthly earnings are derived from the 'Register on Jobs and Wages' (RJW). The RJW is based on (a combination of) the 'Register of persons insured under employee insurance schemes' (in Dutch: Polisadministratie) and the 'Tax register of earnings (in Dutch: Loonaangifte) and contains all employees in The Netherlands. To calculate mean and median monthly earnings, all regular monthly wages (excluding irregular payments) per year of all employees are taken: for employees who worked the whole year, 12 monthly wages are taken, for an employee who worked (for example) 3 months, 3 monthly wages are taken. For employees who did not work a full month, the wages are adjusted in such a way that they amount for a full month. The monthly National minimum wage is calculated per year as the average of the National minimum wages (of employees aged 23-64) in January and July. NACE Rev. 2 sections B-N and for NACE Rev. 2 sections B-S (except activities of households as employers and extra-territorial organisations and bodies).
- PL** Gross wages and salaries excluding: payment for jubilee award, allowance due to the employee becoming pensioner due to the inability for work, overtime, 13 payment, payment from profit and balance surplus (Law of 10.10. 2002 on minimum wage (Journal of Laws 200, item. 1679). The source for these data is current national economy survey, not SES 2018. Minimum wages and gross monthly earnings are based on the same method. The proportion of minimum wage in gross monthly earnings is calculated directly by dividing those two figures after having obtained the same threshold (i.e payment excluding payment for jubilee award, allowance due to the employee becoming pensioner due to the inability for work, overtime, 13 payment, payment from profit and balance surplus).
- PT** Average monthly earnings of April and October for earnings means (using a survey as source), October for earnings medians (obtained from an administrative source). Non-standard payments are excluded. However, 13th and 14th month payments are mandatory according to the Labour Legislation (Currently in force, Law n° 7/2009, of February the 12th). Data of NACE rev. 3 sections B-S excluding sections O, P and Q are provided.
- RO** Monthly rate calculated based on the total gross earnings and the average number of employees, for the whole year. % calculated from the gross average monthly earnings for sections B-N / B-S and the average monthly national minimum wage of the reference year. Enterprises of all sizes are covered.
- SI** 13<sup>th</sup> month payments are included. Part-time employees are included (but very small share). Reference period: Annual average January to December 2019
- RS** 'Non-standard payments' are not included. Data on the minimum and gross monthly earnings refer to all NACE sectors of activity and all size classes of enterprises. The average gross monthly earnings for the year is calculated according to the following formula:  $\Sigma$  paid earnings in the year (cumulative from January to December) /  $\Sigma$  employees (cumulative from January to December). Since 2009 wages and salaries of employed with entrepreneurs are included in the calculation of average earnings,

which reduced the average wage but also the difference between the average and the minimum wage.

- TR** Only enterprises with at least 10 employees are covered.  
Data for sections B-S excluding section O (Public administration and defence; compulsory social security).
- US** Data include overtime pay, shift premiums, and payments for holidays, vacations, sick leave, and other leave made directly by the employer to employees for the pay period reported. They refer to average hourly earnings of all employees in total private industries (in all Nace Rev. 2 sections excluding A). Full-time and part-time employees are included. The percentage is calculated based on hourly rates.