COMPENSATIONS TO EMPLOYEES

Presentation

This note relates to the follow-up compilation of the Compensations to Employees metadata. Thus, it describes the definition, range, sources, and methodology used in preparing the Compensations item.

Definition and Scope

Definition

Compensations to Employees consist of salaries or wages, either in cash or in kind, payable by a company to salaried employees in exchange for the work done by them during the pertinent accounting period.

What is measured / What is excluded

Compensations measure salaries or wages, either in cash or in kind, paid by producers at current prices each year for each economic industry. It includes payments done or charged to the social security system, private pension funds, and other similar systems, and life insurance policies taken out by employers in favor of their employees. It excludes any non-remunerated voluntary work, including work performed by the members of a household in an unincorporated association owned by said household, and some goods and services received by salaried workers, but which are to be mandatorily used in the work they do.

Source Data

Administrative Records

- Source Name: Income Statement.
  Reporting Institution: Tax Revenue Service (SII).
  Data used: Compensations.
  Frequency: Annual.

- Source Name: Budget Statement.
  Reporting Institution: Office of the Comptroller General.
  Data used: Public sector compensations.
  Frequency: Annual.

Economic Surveys

- Source Name: Annual National Industry Survey (ENIA), Wholesale and Retail Trade Survey (ECOM), Service Survey (ESERV), and Tourism Survey (ESAAT).
  Data used: Total compensations.
  Frequency: Annual.

- Source Name: Survey on a variety of economic industries. (communications, building construction, education, energy, mining, fishing, health-care, and transport).
  Reporting Institution: Companies.
  Data used: Total compensations.
  Data remittance frequency: Annual.

Balance Sheets and/or Financial Statements
Compilation method

The compilation method to transform source data for determining the Compensations item consists of the following stages:

Aggregation, imputation and validation

Validations and Imputations
Record data on Compensations are validated with information resulting from surveys, administrative records, and other statistical data for each economic industry.

Estimation Procedure

Generally, the procedures used for estimating follow-up Compensations to Employees by economic industry depend on the information sources available:

- In the benchmark compilation, every five years, there is often more complete information available, such as a matrix of compensations and employment by industry. It is then possible to determine the “best level” for Compensations. For follow-up compilation, it is the case with financial services, health-care, education, and public administration.
- However, there is generally less complete information for follow-up compilation, since there is no detailed survey of sources allowing for the creation of an annual compensations-employment matrix. So, in order to obtain the “best-change”, wages and salaries, employment, and compensation indexes from the source data above detailed are used as indicators, whose changes are applied to the levels of the 2003 benchmark compilation, by extrapolation.

The extrapolation method distinguishes two situations:

i) The first one applies extrapolation by using a value index indicator, arising from
surveys, administrative records, and financial statements. It is the case with compensations prevailing in this industry, business services, or trade sectors.

ii) The second one uses a quantity index indicator (employment) and then it is inflactated by a compensation index. This case applies to agriculture, forestry, and engineering works, among others.

Data Reconciliation

Compensations are analyzed by economic industry, in terms of their temporal consistency by economic industry. And, finally, compensations are balanced within the supply-use table framework.

Data Access

Publication

The Compensations account is disseminated at an aggregate level in the Generation of Income Account, and disaggregated by economic industry in the Gross Domestic Product breakdown table at current prices.

Compensations

Period: 2003 through 2007, Base 2003
Link: [http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01e.htm](http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01e.htm)
Tables: 1.8 and 2.4

Link: [http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01b.htm](http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01b.htm)
Tables: 1.9

Period: 1986 through 1998, Base 1986
Tables: 1.57