**Coherence with Structural Business Statistics (SBS)**

Differences between LCS and SBS related to variable D11 - wages and salaries, i.e. gross earnings can be explained by differences in methodology, i.e. scope of the survey and type of statistical unit.

**Coverage, method and sources for data collection**

* LCS is a random sample survey covering all business entities (enterprises and entrepreneurs) with 10 or more employees.
* SBS research includes a non-financial business economy.

Sources of data for structural business statistics are:

* + SBS-01 statistical survey for large and medium-sized enterprises (with 50 or more persons employed), as well as for businesses with fewer than 50 employees who according to the financial report for the previous year are large or medium;
  + administrative data sources (account data) for other business entities defined by the coverage of the units;

Entrepreneurs are not covered.

**Statistical units**

* **LCS.** The reporting unit is a business entity, while the L-KAU appears as an observation unit. The reporting unit provided data for the business entity as a whole, i.e. collectively for all organizational units (local units). Data processing provided data for the following territorial levels: Srbija – sever and Srbija – jug, as well as for CA (2010) divisions.
* **SBS.** The enterprise is the primary statistical unit.

**Table.** Average annual wage and salaries (LCS) and average annual gross earnings (SBS) per employee, 2016

|  |  |  |  |
| --- | --- | --- | --- |
|  | Wages and salaries  (D11/A1)  LCS,  in thous. RSD | Gross earnings SBS, in thous.RSD | Difference LCS/SBS  in % |
|  |  |  |  |
| **TOTAL\*** | 853 | 864 | -1.3 |
| **TOTAL - excluding section Аgriculture, forestry and fishing** | 855 | - | - |
| Agriculture, forestry and fishing | 756 | - | - |
| Mining and quarrying | 1331 | 1178 | 13.0 |
| Manufacturing | 739 | 790 | -6.4 |
| Electricity, gas, steam and air conditioning supply | 1314 | 1506 | -12.8 |
| Water supply, sewerage. waste management and remediation activities | 785 | 750 | 4.6 |
| Construction | 746 | 849 | -12.1 |
| Wholesale and retail trade and repair of motor vehicles and motorcycles | 744 | 733 | 1.5 |
| Transportation and storage | 798 | 928 | -14.0 |
| Accommodation and food service activities | 568 | 525 | 8.2 |
| Information and communication | 1369 | 1489 | -8.1 |
| Financial and insurance activities | 1462 | - | - |
| Real estate activities | 748 | 863 | -13.3 |
| Professional. scientific and technical activities | 1401 | 1106 | 26.7 |
| Administrative and support service activities | 714 | 631 | 13.2 |
| Public administration and defence; compulsory social security | 1017 | - | - |
| Education | 710 | - | - |
| Human health and social work activities | 789 | - | - |
| Arts. entertainment and recreation | 683 | - | - |
| Other service activities | 763 | - | - |

Total = LCS: section of activity A-S; SBS: sections of activity B-N, without sector K

The difference that occurs at the level of average annual cost of wages and salaries (D11) from LCS and gross earnings from SBS was expected given that the observation unit is different. While in the first case (LCS) costs and employees are distributed according to the activities of a local units, in the second case (SBS) they are recorded as part of the enterprise predominant activity. In some sections of activity, the inclusion or non-inclusion of entrepreneurs and enterprises with fewer than 10 employees can additionally influence the creation of differences.