Commission Regulation (EC) No 1216/2003 of 7 July 2003 implementing Regulation (EC) No 450/2003 of the European Parliament and of the Council concerning the labour cost index (Text with EEA relevance)

COMMISSION REGULATION (EC) No 1216/2003

of 7 July 2003

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(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 450/2003 of the European Parliament and of the Council of 27 February 2003 concerning the labour cost index[(1)], and in particular Article 11 thereof,

Whereas:

(1) Seasonal and working-day adjustment of the labour cost index is an essential part of the compilation of the index. Adjusted series make it possible to compare results and to interpret the index in a comprehensible manner.

(2) Predetermined transmission formats minimise the problems arising from the data transmission and, together with standardised quality reports, improve the interpretation and fast usage of the labour cost index.

(3) The measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee.

(4) Pursuant to Article 9 of Regulation (EC) No 450/2003, certain derogations from Regulation (EC) No 450/2003 should be granted,

HAS ADOPTED THIS REGULATION:

Article 1

Transmission and adjustment procedures

1 The transmitted indices and metadata shall be sent in electronic form by the Member States to the Commission (Eurostat). Transmission shall conform to appropriate interchange standards approved by the Statistical Programme Committee. Eurostat shall make available detailed documentation in relation to approved standards and shall supply guidelines on how to implement these standards.

2 The transmitted indices and metadata shall be prepared in such a way as to allow a thorough interpretation of the results and the efficient application of the Commission's (Eurostat) seasonal adjustment procedures for the European aggregates.

Changes to legislation: *Commission Regulation (EC) No 1216/2003 is up to date with all changes known to be in force on or before 25 December 2020. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

The index series shall be delivered in the following forms:

a unadjusted;

b working-day adjusted;

c seasonally and working-day adjusted.

Article 2

Quality

1 The quality criteria referred to in Article 8(1) of Regulation (EC) No 450/2003 shall comprise the following:

a relevance;

b accuracy;

c timeliness and punctuality;

d accessibility and clarity;

e comparability;

f coherence;

g completeness.

The national authorities shall ensure that the results reflect the true situation regarding the economic activities with a sufficient degree of representativity.

2 The quality reports provided for by Article 8(2) of Regulation (EC) No 450/2003 shall be transmitted to the Commission by 31 August each year at the latest and shall relate to data ending in the fourth quarter of the previous calendar year. The first quality report shall be transmitted by 31 August 2004 at the latest.

3 The content of the annual quality reports for the labour cost index shall be as set out in Annex I to this Regulation.

Article 3

Transition periods

Details relating to the transition periods provided for in Article 9(1) of Regulation (EC) No 450/2003 are set out in Annex II to this Regulation.

[F1Article 4

Coverage of [F2NACE Rev. 2][F2sections O to S]

1 As regards Member States other than those referred to in paragraph 2, labour cost index data for **[**F2NACE Rev. 2**][**F2sections O to S**]** shall be produced and transmitted for the first quarter of 2007 and thereafter for each quarter.

2 As regards the following Member States, the data shall be produced and transmitted for the first quarter of 2009 and thereafter for each quarter: Belgium, Denmark, Greece, Spain, France, Ireland, Italy, Cyprus, Luxembourg, Malta, Austria, Poland and Sweden.

***Changes to legislation:** Commission Regulation (EC) No 1216/2003 is up to date with all changes known to be in force on or before 25 December 2020. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

3 By way of exception to paragraphs 1 and 2, seasonally and working-day adjusted series as referred to in Article 1(2)(c) shall be produced and transmitted as soon as series covering four years of data are available.**]**

Textual Amendments

F1 Substituted by Commission Regulation (EC) No 224/2007 of 1 March 2007 amending Regulation (EC) No 1216/2003 as regards the economic activities covered by the labour cost index (Text with EEA relevance).

F2 Substituted by Commission Regulation (EC) No 973/2007 of 20 August 2007 amending certain EC Regulations on specific statistical domains implementing the statistical classification of economic activities NACE Revision 2.

Article 5

Chaining of the index

The Laspeyres chain index formula to be used for calculating the labour cost index for combinations of **[**[F2]NACE Rev. 2**]** sections referred to in the Annex to Regulation (EC) No 450/2003 is set out in Annex IV to this Regulation.

Textual Amendments

F2 Substituted by Commission Regulation (EC) No 973/2007 of 20 August 2007 amending certain EC Regulations on specific statistical domains implementing the statistical classification of economic activities NACE Revision 2.

Article 6

Derogations

Derogations from the provisions of Article 1(2) accepted pursuant to Article 9(2) of Regulation (EC) No 450/2003 are set out in Annex V to this Regulation.

Article 7

Entry into force

This Regulation shall enter into force on the 20th day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Changes to legislation: *Commission Regulation (EC) No 1216/2003 is up to date with all changes known to be in force on or before 25 December 2020. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

ANNEX I

The annual reports on quality for the labour cost index include the following items:

(a) evidence of relevance to user needs:

— a summary including description of the users, origin and satisfaction of users' needs, and relevance of statistics for the users;

(b) evidence of accuracy (information broken down by **[**F2NACE Rev. 2**]** sections):

— revision history: a table showing the revisions in the published year-on-year growth rates for total labour costs using the unadjusted series, for the last 12 quarters; a summary of the reasons for the revisions,

— coverage: a table showing the percentage of the employees represented in the sample(s)/register(s) based on the number of employees according to ESA 95; if labour cost items are collected from different sources, a table broken down by labour cost items according to Article 4(2) of Regulation (EC) No 450/2003,

— frequency: a table showing the frequency of collecting/updating the different cost item information,

— estimation: a description of the methods used to estimate/model the missing information (missing groups of employees, enterprises, economic activities and cost items); an evaluation, as quantitative as possible, of the impact on the final figures of completely missing information (missing groups of employees, enterprises, economic activities and cost items),

— hours worked: a description of the methods for compiling the hours worked; or a description of the proxy measure of the hours worked and an evaluation, as quantitative as possible of the impact of the proxy measure on the final figures,

— administrative data: where administrative data are used, comments on the correspondence and differences between the administrative concepts and the theoretical statistical concepts;

(c) timeliness and punctuality:

— a table showing the delays in days in transmitting the data for the last 12 quarters covered by the report and the correspondence between planned and actual date of transmission;

(d) accessibility and clarity:

— a description of the publication media for the data and metadata in Member States;

(e) comparability:

— a description of any differences in concepts and methods in any pair of consecutive quarters from the first quarter of 1996 onwards. In addition, a description of the differences and an assessment, as quantitative as possible, of the effect of the change in the estimates. Any differences in comparability between the **[**F2NACE Rev. 2**]** sections should also be identified;

(f) coherence:

— a graph and a table showing annual unadjusted growth rates of the total labour cost index (**[**F2NACE Rev. 2**]** sections) and of the ESA 95 compensation of employees per hours worked (A6 breakdown) with explanations for the differences in the growth rates for the last 12 quarters;

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(g) completeness:

— a progress report of the implementation of Regulation (EC) No 450/2003 together with a detailed plan and timetable for completing the implementation; a summary of the remaining deviations from EU concepts.

The first quality report due by 31 August 2004 includes also the following items for the back data:

— a description of the sources used for the back data and the methodology employed,

— a description of the correspondence between the coverage (economic activities, employees, cost items) of the back data and that of the current data,

— a description of the comparability of the back data and the current data.

ANNEX II

THE TRANSITION PERIODS RELATING TO THE IMPLEMENTATION OF THE REGULATION

Member State	Provision concerns	Article	Transition period
Belgium	70 day transmission delay	6	2 years
	Labour costs per hour worked	2	2 years
Germany	NACE sections H, I and K	3	2 years
Greece	All provisions		2 years
Spain	70 day transmission delay	6	2 years
France	All provisions		2 years
Ireland	All provisions		2 years
Italy	Labour costs per hour worked	2	1 year
	Back data based on hours worked	2, 5	1 year
	70 day transmission delay	6	1 year
	Employers' social contributions plus taxes paid by the employer less subsidies received — without treatment of taxes and subsidies (D4 and D5)	4	2 years