

SOCSTIL_KODE

Socioeconomic status

Period

From 1996 onwards

Break in series

Yes in 2002, 2004 and 2008

Register

Register-based labour force statistics (RAS)

Description

SOCSTIL_KODE provides a description of the Danish population's primary connection to the labour market at a given moment in time (at the end of November).

The variable is called ARBSTIL from 1980-1993, NYARB from 1994-1995 and SOCSTIL from 1996. The change of name into NYARB in 1994 is due to a more detailed sub-classification of people outside the labour force. In 1996 the variable changes name to SOCSTIL because the sub-classification of the employed persons changes.

The Danish population's primary connection to the labour market can be divided into 3 main groups which are:

- 1) Employed persons
- 2) Unemployed persons
- 3) Persons outside the labour force

Employed persons and unemployed persons constitute the labour force.

Employed persons are either

- 1) Employees
- 2) Self-employed
- 3) Assisting spouses

Persons outside the labour force can roughly be divided into 4 groups:

- 1) Persons temporarily outside the labour force
- 2) People who are retired from the labour force
- 3) Pensioners
- 4) Others outside the labour force.

Sub classifications of employees.

The sub-classifications of employees changes in 1996. Before 1996 the employees are classified according to their craft code in the groups: salaried employees, skilled and unskilled workers. From 1996 the employees are classified based on their work function (the variable DISCO) into following groups:

1. Top managers in enterprises, organizations and the public sector
2. Employees doing work that requires upper level skills
3. Employees doing work that requires medium level skills
4. Employees doing work that requires basic level skills
5. Other employees
6. Employees not specified

Special notes regarding socioeconomic status for employees

“Other employees” consists of people who are doing work that does not belong to one of the other groups e.g. cleaning, delivery services, security guard work, packing and transportation without the use of machinery.

“Employees not specified” consists of people who have a skill level that cannot be determined, due to missing information in the statistic registers. From 2008 the number of “employees not specified” becomes much lower. The reason is that from 2008 the reported data to the earnings statistics is used. Before 2008 only data in the final earnings register (where many reports have been excluded) were used.

About the level of skills

As a consequence of validating information about earnings, the number of reports from the private sector fluctuates across years. Therefore, information on socioeconomic status for employees should be used cautiously. The development of number of “employees” at a specific skill level should always be analyzed relative to the development of the number of “employees not specified” in a given year.

Sub-classifications of persons outside the labour force

Persons outside the labour force are classified into 4 groups:

- 1) Persons temporarily outside the labour force
- 2) People who retired from the labour force
- 3) Pensioners
- 4) Others outside the labour force

Break in series

In 2002 there is a break in series which means that the number of self-employed persons decrease by approximately 10.000 and the number of employed persons decrease by 7.500. The break in series was necessary because of changes in the labour market and because better and more reliable data sources had emerged.

In 2004 there is a minor break in series concerning the group of self-employed persons. The break doesn't affect the overall number of self-employed persons but it affects the allocation of self-employed persons into the four underlying groups:

- Employer
- VAT payer
- Covered by unemployment insurance (cease to exist from 2008)
- Other self-employed

The break in series is due to change of data source.

In 2008 there is a major break in series because of the change of data source for the e-income register. The e-income register is based on monthly information from employers. This implies that the information concerning the period of employment has a higher quality. It also implies that the level of employment is lower on account of the new data source.

In 2008 there is a change in the definition of an employee due to the better data sources. Previously only people with a total annual salary of 10.000 Dkr. or more are classified as employees. From 2008 a person is classified as an employee if he or she has a yearly income which corresponds to 4 hours of employment at a legal minimum wage. This change means that the employment participation rate of the very young people increases.

With the publication of RAS as of 1 January 2012, two changes have been made in the statistics. The changes implied that RAS for the period 1 January 2009 to 1 January 2011 were revised. The changes implied that:

1. a number of persons, who had been classified as temporarily absent from the labour force became part of the labour force.
2. gross unemployment is used instead of net unemployment. This means that the labour force now consists of employed persons and gross employed persons. Net unemployment consists of persons receiving unemployment benefits or social security who are in match category 1. Gross unemployment consists of net unemployment and activated recipients of unemployment benefits or social assistance in match category 1.

Taken together the two changes meant that the labour force was increased by roughly 50,000 persons as of 1 January 2010.

Classifications

The information on the primary connection to the labour market can be classified into four main categories (see below). However, it is also possible to classify into more detailed subgroups if there is a need of information on a more specific level.

1.	Employed persons
2.	Unemployed persons
3.	Persons outside the labour force (except for persons enrolled in education)
4.	Persons enrolled in education