

**DRAFT RESEARCH DESIGN -  
OCCUPATIONAL WAGE SURVEY FOR TRINIDAD AND  
TOBAGO**

# **Occupational Wage Survey for Trinidad and Tobago**

## **Survey Design**

### **General Objectives**

The general objectives of the Occupational Wage Survey are:

- (a) to obtain information on wage rates, earnings, hours worked, and employment;
- (b) to establish a wage (and real wage) index representing all industries, excluding agriculture, to be used as a macro-economic variable in economic planning and to be used in calculating national income measures;
- (c) to produce data which are to be used as inputs for the national accounting estimates of 'compensation of employees' and the calculation of productivity indicators;
- (d) to be used in wage and salary negotiations in both the private and public sectors;
- (e) to compare wages and earnings internationally; and
- (f) to provide information, which will be useful for determining the National Minimum Wage Rate, to be established as an Act of Parliament.

Main users of the Survey are expected to be:

- (a) private and public sector establishments;
- (b) government economic planners;
- (c) academics;
- (d) international organisations (ILO, IMF, UN etc.);
- (e) Unions and other collective bargaining agencies;
- (f) National Accounting Division of the Central Statistical Office; and
- (g) the general public.

## Definitions

### Reporting Unit and Unit of Observation

The approach to be taken uses the establishment as the *reporting unit* and the occupation as the *unit of observation*. A sample of business establishments is selected and information is collected on pre-selected occupations.

### Wage (and Salary) Rates

Wage rates are to be based on the resolution of the twelfth International Conference of Labour Statisticians (ICLS).

Wage (and salary) rates are to include the following.

- (i) Basic wages;
- (ii) Cost of living allowances.
- (iii) Other guaranteed allowances which are paid for the same time period as the basic wage and cost of living allowance.

Wage and (salary) rates are to exclude:

- (i) overtime payments;
- (ii) bonuses and gratuities;
- (iii) family allowances;
- (iv) social security payments made by employers; and
- (v) ex gratia payments in kind.

Wages and salaries actually paid are recorded for the last time period of payment in the reference period (quarter or semi-annual period). That is, for example, salaries for monthly paid workers are recorded for the last month of the quarter (if this is the reference period) and wages for daily rated workers are recorded for the last fortnight or week of the quarter.

### Earnings

Earnings are to be based on the concept of earnings adopted by the twelfth International Conference of Labour Statisticians (ICLS). However, earnings (measured gross and paid regularly) will exclude the following two components applicable to this concept of earnings.

- (i) Irregular bonuses such as year-end and other bonuses (including profit sharing bonuses) which accrue over a longer period than the reference period but which are paid during the reference period. The reason being that a quarterly or semi-annual survey of earnings is intended to measure shorter-term trends<sup>1</sup>.
- (ii) Payments in kind because of practical considerations.

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<sup>1</sup> ILO: An Integrated System of Wage Statistics-a manual on methods (Geneva 1979), Ch. 6, pp. 47

The components of earnings are listed as follows.

- (a) *Direct Wages and Salaries (in cash)*, whose components will comprise:
  - (i) pay for normal time work;
  - (ii) premium pay for overtime and holiday work;
  - (iii) premium pay for shift work, night work etc.;
  - (iv) incentive pay (production bonuses, etc.);
  - (v) other regularly paid bonuses;
  - (vi) family allowances paid directly by employer;
  - (vii) cost-of-living allowance;
  - (viii) house-rent allowance paid directly by employer.
  
- (b) *Remuneration for time not worked (in cash)*, whose components will comprise:
  - (i) annual vacation and other paid leave, including long-service leave;
  - (ii) public holidays and other recognized holidays; and
  - (iii) other time off granted with pay.

Earnings are recorded for the last time period of payment in the reference period.

### **Normal Hours of Work and Hours Actually Worked**

*Normal Hours of Work* is defined as per the resolution adopted by the tenth ICLS as: the hours of worked fixed by or in pursuance of laws or regulations, collective agreements or arbitral awards. Where not so fixed, “normal” hours of work should be taken as meaning the number of hours per day, or week, in excess of which any time worked is remunerated at overtime rates or forms an exception to the rules or customs of the establishment relating to the classes of workers concerned.

*Hours actually worked is defined as:* the total hours paid for (including time for which higher than normal rates were paid) but excluding hours paid for vacation, maternity leave, sick leave, and meal breaks. This definition, will in effect, differ from that recommended by the resolution adopted by the tenth ICLS in that it will exclude hours worked in excess of normal working periods for which no wage or salary payments were made. Previous surveys strongly suggest that obtaining hours worked in excess of normal periods of work, and which are not paid for, will be very difficult or impossible. Most, if not all, organizational records do not contain such information.

### **Occupational Employment**

An *employee* is defined in accordance with the resolution: International Classification of Status (ICSE) in Employment adopted by the fifteenth ICLS as a worker who holds an explicit (written or oral) or implicit employment contract that gives the worker a basic remuneration, which is not dependent upon the revenue of the reporting unit for which he or she works. Such a person typically works under direct supervision of, or according to the strict guidelines set by the owner(s) or persons in the owners’ employment. The worker may receive remuneration in wages and salaries, commissions, bonuses and payments in kind.

As further guidance the following are **included** under the definition of employee.

- (i) Probationary, contractual and seasonal workers (paid by and under the control of the establishment).
- (ii) Paid apprentices and trainees.
- (iii) Persons on paid vacation, sick, maternity and other leave.

- (iv) Persons working away from the establishment but paid by and under its control.
- (v) Workers on strike.

Working proprietors, unpaid family workers, and directors and managerial staff remunerated predominantly by a share of the profits are excluded from the definition of employee.

As further guidance, the following are **excluded** from the definition of employee.

- (i) Workers on indefinite leave (i.e., no longer on the payroll).
- (ii) Workers on long-term layoff (greater than six months)
- (iii) Consultants.
- (iv) Board members whose functions are primarily to attend board meetings and are paid solely by fees.
- (v) Workers hired by contractors but who are not on the payroll of the establishment.

The *number of employees* is equal to the total number of employees as defined above as at the last day of the reference period concerned.

Also in accordance with the ICSE are the following group definitions:

#### *Regular Employees*

Regular employees are those employees with *stable contracts* (a stable contract is a contract or 'succession of contracts' held with the same employer for *one year or more*) for whom the employing organization is responsible for payment of relevant taxes and social security contributions. Regular employees may have contracts of employment *without limits of time* (no particular date of termination is specified) or *fixed term* contracts of employment specifying a particular date of termination.

#### *Employees in Precarious Employment (Temporary Employees)*

Casual employees, employees in short-term employment and employees in seasonal employment constitute employees in precarious employment. These terms are defined below.

#### *Casual Employees*

Casual employees are workers, defined as employees, who have explicit or implicit contracts of employment of less than three months, or which are *not expected* to have a duration period of at least three months.

#### *Employees in Short-term employment*

Employees in short-term employment are workers, defined as employees, who have explicit or implicit contracts of employment, which are expected to have a duration period of at least three months but less than one year.

#### *Employees in Seasonal Employment*

Employees in seasonal employment are workers, defined as employees, who hold explicit or implicit contracts of employment where the timing and duration of the contract is significantly influenced by seasonal factors.

## Scope of the Survey

### Geographical

The survey is not restricted to specific regions of the country but will cover those areas in which the establishments selected for the survey will be located.

### Industrial

All industries with the exception of the agricultural industry are to be covered. The survey will be restricted to the formal sector (public/para-public and private sectors).

### Establishments

The *establishment* will be the reporting unit. Generally, establishments with an employment of 5 or more will be surveyed, the actual employment restriction, however, depending upon the industry covered.

### Employment

The main categories of workers to be covered are *wage earners* (employees paid weekly, fortnightly) and *salaried* workers (employees paid monthly), with the possible exception of salaried directors.

Classification groups to be covered are *regular* employees (fixed term contracts and contracts without limit of time); and employees in precarious employment: consisting of *casual workers*, *workers in short term employment* and *seasonal employment*.

### Occupational

The unit of observation is the occupation whereby a list of representative or key selected occupations (at the six digit level of DOTT 1992)<sup>2</sup> is prepared and data is obtained for these occupations.

### Level of Detail Required

The OWS should produce the following.

For each industry/Occupation, the number of employees; average normal hours/hours actually worked (as defined above); and average basic wages/salaries and earnings (as defined above) by:

- (i) sex;
- (ii) wage/salaried workers;
- (iii) type of contract; and
- (iv) level of skill: skilled, semi-skilled and unskilled employees.

<sup>2</sup> Dictionary of Occupations of Trinidad and Tobago (1992) which is modeled on ISCO 1988

**Tabulation Plan**

The following tables are desired outputs of the OWS.

**Table A**

ISIC Rev4 Codes	DOTT Codes		No. of Employees	Average no. of <b>normal</b> hours worked per week	Average no. of hours <b>actually</b> worked per week	Average Hourly(Weekly) <b>Basic Wages and Salaries</b>	Average Hourly (Weekly) <b>Earnings</b>
		<b>ALL INDUSTRIES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Male	x	x	x	x	x
		Female	x	x	x	x	x
		...					
<b>G 45</b>		<b>WHOLE SALE AND RETAIL TRADE AND REPAIR OF MOTOR VEHICLES AND MOTOR CYCLES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Male	x	x	x	x	x
		Female	x	x	x	x	x
<b>451</b>		<b>Sales of Motor Vehicles</b>	x	x	x	x	x
		Male	x	x	x	x	x
		Female	x	x	x	x	x
	<i>1223</i>	<i>Sales and Marketing Managers</i>	x	x	x	x	x
		Male	x	x	x	x	x
		Female	x	x	x	x	x
	<i>3415</i>	<i>Technical &amp; Commercial Sales Representatives</i>	x	x	x	x	x
		Male	x	x	x	x	x
		Female	x	x	x	x	x
		...					
<b>452</b>		<b>Maintenance and Repair of Motor Vehicles</b>	x	x	x	x	x
		Male	x	x	x	x	x
		Female	x	x	x	x	x
	<i>7231</i>	<i>Motor Vehicle Mechanics and Fitters</i>	x	x	x	x	x
		Male	x	x	x	x	x
		Female	x	x	x	x	x
		...					

Table B

ISIC Rev4 Codes	DOTT Codes		No. of Employees	Average no. of <b>normal</b> hours worked per week	Average no. of hours <b>actually</b> worked per week	Average Hourly(Weekly) <b>Basic Wages and Salaries</b>	Average Hourly (Weekly) <b>Earnings</b>
		<b>ALL INDUSTRIES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Regular Employees with contracts without limits of time (Permanent Employees?)	x	x	x	x	x
		Regular Employees with fixed term contract.	x	x	x	x	x
		Employees in Precarious Employment (Temporary Employees?)	x	x	x	x	x
		...					
<b>G 45</b>		<b>WHOLE SALE AND RETAIL TRADE AND REPAIR OF MOTOR VEHICLES AND MOTOR CYCLES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Regular Employees with contracts without limits of time (Permanent Employees?)	x	x	x	x	x
		Regular Employees with fixed term contract.	x	x	x	x	x
		Employees in Precarious Employment (Temporary Employees?)	x	x	x	x	x
		...					
<b>451</b>		<b>Sales of Motor Vehicles</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Regular Employees with contracts without limits of time (Permanent Employees?)	x	x	x	x	x
		Regular Employees with fixed term contract.	x	x	x	x	x
		...					

Table C

ISIC Rev4 Codes	DOTT Codes		No. of Employees	Average no. of <b>normal</b> hours worked per week	Average no. of hours <b>actually</b> worked per week	Average Hourly(Weekly) <b>Basic Wages and Salaries</b>	Average Hourly (Weekly) <b>Earnings</b>
		<b>ALL INDUSTRIES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Salaried Employees	x	x	x	x	x
		Wage Earners	x	x	x	x	x
		...					
<b>G 45</b>		<b>WHOLE SALE AND RETAIL TRADE AND REPAIR OF MOTOR VEHICLES AND MOTOR CYCLES</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>
		Salaried Employees	x	x	x	x	x
		Wage Earners	x	x	x	x	x
<b>451</b>		<b>Sales of Motor Vehicles</b>	x	x	x	x	x
		Salaried Employees	x	x	x	x	x
		Wage Earners	x	x	x	x	x
<b>452</b>		<b>Maintenance and Repair of Motor Vehicles</b>	x	x	x	x	x
		Salaried Employees	x	x	x	x	x
		Wage Earners	x	x	x	x	x
		...					



## **Classifications Required**

The classifications required for the output of the OWS are:

- (a) ISIC Rev 4 by Category, Division, group.
- (b) Occupational Classification (DOTT 1992 or ISCO 1988?) by major group, sub-group, minor group, unit group);
- (c) Skilled, semi-skilled and unskilled workers based on the occupational profile provided by DOTT 1992;

## **Periodicity of Survey**

The OWS is to be conducted quarterly/semi-annually.

## **Reference Period of the Survey**

*Numbers Employed:* As at the last day of the relevant reference period.

*Wages and Earnings and Hours of Work:* The last time period of payment in the relevant reference period.

## **Sample Design**

See document entitled: *Draft Sampling Design for the OWS Trinidad and Tobago*

## **Data Collection**

### **Method of Data Collection**

A combination of data collection methods will be used. Mailed questionnaires will be the primary method of data collection supplemented by telephone calls and personal visits where necessary. However, in the initial periods of the survey every effort will be made to have some form of personal contact with most of the establishments chosen for the survey.

A system of reminder letters will be implemented with telephone calls and personal visits being used to elicit a response from non-responding establishments; to extract or assist in the extraction of, the relevant data where necessary; and to satisfy any queries emanating either from the reporting unit or the Central Statistical Office.

### **Questionnaire**

The questionnaire will have attached to it a separate *sheet of instructions and definitions*. Each pre-selected occupation, for which data will be collected, will have a brief description of the occupation based on DOTT 1992 ? written on the questionnaire itself (See draft questionnaire).

Each questionnaire will have a *covering letter* stating the objectives, and uses of the survey and emphasizing the importance with which the Central Statistical Office regards the confidentiality of the data supplied in addition to the legal obligation placed upon the Central Statistical Office to maintain such confidentiality.

## **Staff Training**

*Training schedules and manuals to be prepared*

## **Data entry**

A full computerised data entry, processing and database system is to be used. The overall data entry and processing system is still to be determined but some broad approaches possible are:

- (i) Use of popular commercial packages such as SPSS, Microsoft Access and Excel
- (ii) Use of CSPro with a database system and a processing system for imputations etc.
- (iii) Use of a web based data entry system with a database and a processing system for imputations

## **Advertising/Promotion**

*Advertising/Promotion Plan to be determined*

## **Preparation of Budget**

*To be prepared on the finalization of sampling plan and selection of sample*

## **Pre-Survey**

A pre-survey will be carried out on the selected establishments (for the sample) to obtain a list of occupations and the numbers employed in addition to obtaining information about the periodicity of payment for each occupation and the numbers employed by status of employment for each occupation. The pre-survey questionnaire will be conducted by personal visits and each field officer will have a listing of likely occupations and their descriptions for the establishment selected.

## **Pilot Survey**

A pilot survey will be carried out on a purposive sample of the selected establishments at or about the same that the pre-survey is being conducted to evaluate the questionnaire and the respondents' problems.

## **Publication/Dissemination of Results**

Deadline for publication of the quarterly (semi-annual) OWS report will be the 1<sup>st</sup> day (or nearest date following if this date should fall on a weekend or public holiday) of the 3<sup>rd</sup> month following the reference period under review. Thus for the quarter ending December, the publication/release date should be the 1<sup>st</sup> March in the following year. A press release will be made at publication together with brief explanations. The quarterly report will also be disseminated via website.

The quarterly (semi-annual) report will at a minimum contain results (both at a summary and detailed level) as shown in the tabulation plan and would be accompanied with an analysis of major findings.