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***CHRISTMAS BONUS AND OTHER
YEARLY ALLOWANCES IN THE
WAGEINDICATOR-DATABASE***

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CHRISTMAS BONUS STILL POPULAR

Christmas bonuses or some equivalent form of annual premiums are the most fashionable form of bonuses in northwestern Europe, with the notable exception of the UK. This results from an analysis of the WageIndicator data for five European countries based on 176.178 questionnaires, completed from 2006 till the summer of 2008. In sum over 84 percent of workers got some kind of yearly allowance. Over 16 percent of the employees report that they did not get any form of yearly allowance, i.e. not even a holiday bonus, again particularly in the UK where only one in four got a holiday bonus.

Table 1: Share of Workers in the five European Countries and yearly allowances

- in percent of all employees -

	Belgium	Finland	Germany	Netherlands	UK
Yearly allowances	96,0	91,8	81,1	89,1	59,9
Christmas bonus (or other end of year bonuses)	87,7	- -	63,5	37,6	18,2
Holiday allowance	90,1	86,3	56,1	84,0	23,0
Profit share	7,2	7,3	15,3	12,3	10,7
Other annual bonus	9,8	13,7	16,8	6,5	16,3
Christmas + Profit Share	6,6	0,5	9,8	5,0	1,5
Christmas + Profit Share	8,6	0,6	7,1	2,9	1,7
Christmas + Profit Share + other allowances	1,4	0,1	1,1	0,8	0,4
No yearly allowances	4,0	8,2	18,9	10,9	40,1

Source: Wage Indicator: 2006-2008, employees only. (- - : not available)

The database in this report covers 176.178 observations from five selected countries between 2006 and first half of 2008. The unit of analysis are employees who participated in the national web surveys.

The analysis of wageindicator database shows that the practice of yearly allowances varies from country to country. With 96 % of annual allowances Belgium holds the first place, followed by Finland and the Netherlands. In the UK only round 60% of the employees get some kind of yearly allowances. Furthermore, the coverage level of holiday allowances is in the UK far below the international average. Profit sharing and combinations with other allowances are not common in the countries compared.

Table 2: Share of allowances paid to employees in selected industries and services

	Belgium		Finland		Germany		Netherlands		UK	
	N =	in %	N =	in %	N =	in %	N =	in %	N =	in %
Manufacturing	3.835	97,2	4.240	93,6	18.853	86,1	11.164	90,1	2.834	67,3
Construction	1.109	94,7	793	90,4	4.475	74,9	3.792	81,6	1.342	64,3
Wholesale and retail trade; repair of motor vehicles	1.970	95,7	1.495	91,1	6.788	80,8	6.659	85,8	2.213	66,6
Hotels and restaurants	296	93,9	423	91,5	1.450	61,0	2.016	78,5	858	58,5
Transport, storage and communication	1.165	96,8	1.143	91,8	3.284	80,0	4.923	87,8	1.290	64,0
Financial	987	96,6	626	95,2	3.365	90,3	3.285	92,6	1.489	78,4
Real estate, renting and business intermediation activities	2.867	95,5	3.421	91,6	9.026	73,3	11.114	90,4	3.878	64,9
Public administration and defence; compulsory social security	1.021	97,5	1.623	90,4	3.014	90,7	4.414	92,7	754	35,5
Education	556	93,9	966	89,4	1.750	76,9	2.017	92,9	947	24,8
Health and social work	1.806	95,1	2.619	93,1	5.483	77,7	5.753	90,3	1.449	40,2
other commercial services	707	94,5	996	88,0	1.416	75,9	1.993	86,5	914	55,5
Total	16.319	96,0	18.345	91,9	58.904	80,9	57.130	88,8	17.968	60,4

Source: Wage Indicator: 2006-2008, employees only.

The analysis of the data in the selected industries and services demonstrates that traditional industries have a relatively high level of allowance payments. Services such as hotels and restaurants, education, health and social work however have allowance rates below the country average. This holds true especially for the UK and Germany.

The **WageIndicator** is an international, continuous web-based project. A national WageIndicator website has content about wages, working conditions, labor standards or other work-related topics. It has a crowd-pulling Salary Check providing free information on occupation-specific wages, controlled for individual factors. In all countries, an apparent need for wage information can be seen. After having explored the pages with wage information, web-visitors are encouraged to complete the continuous, international comparable questionnaire on work and wages with a prize incentive. WageIndicator has websites in 35 countries. For more information, see *www.wageindicator.org*.

The web-survey data is quarterly released. In the four quarters of 2007, in total almost 160,000 persons completed the survey. Over 200.000 completed surveys are expected by the end of 2008. The data are derived from a volunteer survey, and therefore not representative for the labour force in a country, though the higher Internet access rates, the more likely the Internet population reflects the national population. In the web-survey, wages are asked similarly across countries. Data is cleaned for extreme and odd values.
