Czech Republic

Sources:
Atkinson and Micklewright 1992, CSE5 and CSI5 from the Statistical Annex
Cornia 1994, Table 9
Vecernik 1995, Table 1 p.25
Smeeding and Gottschalk 1995, Table 1 and 3 (based on LIS-data)
Rutkowski, 1996, Table 4 p. 27 and the country tables in the Annex
Milanovic 1998, Country tables in the Appendices 2 and 4
Transmonee 2004
Luxembourg Income Study (for more information about the surveys, please have a look at http://www.lisproject.org/techdoc/cz/czindex.htm)

The documentation relies heavily on Atkinson and Micklewright (1992)

Surveys:
Czechoslovak Microcensus 1959 (income 1958), 1989 (income 1988)
Since 1970, 2% (100 000) of all households were sampled. The survey took place in March of each year and collected information about income in the previous calendar year. Random sampling on a territorial basis was used with a two-stage self-weighted selection process designed to ensure each permanently occupied dwelling had an equal selection probability. The Microcensus results refer to "common budget" households, defined as a set of persons in the same dwelling who share the main household expenditures. Information was collected through personal interview based on short and simple questionnaires; details on income not provided at this time could be posted to the statistical office following interview and proxy responses were permitted for other household members. Starting from the second Microcensus in 1958, all information on earnings from employment was collected from employers, members of responding households being asked to supply the name and address of each employer in the previous calendar year. No information on earnings was requested from the respondents themselves. If an employer failed to give the requested data, earnings were imputed (only about 0.1% of cases). All information on social security benefits paid by employers were collected in the same manner, and from 1965 information on pensions was taken from the relevant post-offices making the payments. The total response rates ranges from 95 to 99%. In the event of non-response, some substitution was occasionally carried out despite instructions to the contrary.

The income concept was annual net household income from different sources (requested separately for each household member). Specifically excluded were income from bank account interest, travel allowances for business trips, and income from abroad in the form of remittances. Remuneration for work in agricultural cooperatives was included. Each member was asked to report all other forms of cash income distinguishing "organized" states sources from other sources. Other income could include tips, gratuities and any other form of legal or illegal income. Information was sought on the amounts of each household's agricultural production consumed within the household and on other income in kind such as good received free of charge or at a discount; the former was valued at

average official retail prices for the year in question. The estimated cash value of all such income in kind was NOT included in the definition of income which refers to monetary income (the tabulations show the average value of income in kind in each band of money income).

Atkinson and Micklewright (1992) had to interpolate in order to arrive at values for the median incomes, Gini coefficients and deciles. To do this the authors used the program INEQ written by F.A. Cowell.

Census of Employers 1987, 1989, 1991, 1992, 1993

Used by both Atkinson and Micklewright (1992) and Rutkowski (1996). Rutkowski (1996) reports the coverage for 1987, 1991, 1992 and 1993 to be employed in firms with more than 25 employees whereas Atkinson and Micklewright (1992) report the following coverage in 1989: Periodic enquiries on the distribution on gross earnings were carried out through a 100 percent census of enterprises in the state sector and the non-agricultural co-operative sector. Enterprises were obliged to provide information. Excluded from the census were members of the armed forces, employees of the Communist Party and affiliated activities (probably about 0.3% of the employed workforce in 1989), those working in the private sector (another 0.3%), and those working in agricultural co-operatives (about 10%). Also part-time employees and employees not working a full month (joined or left the enterprise) were excluded.

The income concept was gross earnings for the month in question and was defined to include overtime, allowances for being away from family and for unhealthy working conditions. No account was taken for annual bonuses.

Atkinson and Micklewright (1992) had to interpolate in order to arrive at values for the median incomes and Gini coefficients. To do this the authors used the program INEQ written by F.A. Cowell. To Rutkowski (1996), 15 earnings ranges were available in 1993. The method of estimation is not described.

SOCO survey, 1988 (income year)

Used by Vecernik (1995). The SOCO Survey was conducted in 1995 on about 1000 households of five countries. The survey was a part of the project “Social Cost of Economic Transformation in Central Europe”, launched by The Institute for Human Studies, Vienna. Gross earnings were reported as the income concept used.

Survey on Economic Expectations and Attitude, 1993

Used by Milanovic (1998). Documentation is scarce. Incomes are monthly net incomes and the estimations are based on grouped data.

Data from Transmonee

Earnings: The following comment was provided: In 1989 the estimates are based on the distribution of tax payers; in 1991-1995 on the distribution of units by average wages and salaries and since 1996, on the structure of the Earnings Survey. The coverage varies over

the years. All economic units were included in 1989 (less armed forces). Since 1990, all units in the non-business sphere (less armed forces) were included. From the business sphere the following coverage is reported: 1990-91 with 100+ employees; in 1992-94 with 25+ employees; in 1995-96 with 100+ employees in industry, trade, hotels and restaurants and with 25+ employees for the rest activities; in 1997 with 20+ employees; financial intermediation irrespective to the number of employees. It is not clear what the implications in practice are in terms of percentage coverage of the population. According to Atkinson & Micklewright (1992), only the state sector is covered in 1989.

Income: Property incomes seem to be poorly covered in the income concept but otherwise the detail seems to be good. The treatment of in kind incomes is unclear.