

Variable Specifications for PACO Database

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1. List of variables

1.1. Income variables

_xx001	Total wages and salaries	
_xx002	Wages and Salaries	
_xx003	Salary from apprenticeship	
_xx004	Salary from working student	
_xx005	Second Salary	
_xx006	Employer Bonuses for employees	
_xx007	In kind Salary	
_xx008	Total self-employment income	
_xx009	Self-employment Income from enterprises	
_xx010	Income from independent professionals	
_xx011	Farm self-employment Income	
_xx012	Total earnings	
_xx013	Total property income	
_xx014	Income from interest and dividends	
_xx015	Income from rents	
_xx016	Income from owner occupied houses	
_xx017	Total factor income	
_xx018	Total employer pension	
_xx019	Private pensions (Occupational pensions)	
_xx020	Public Sector pensions	
_xx021	Total market income	
_xx022	Total old age pension	
_xx023	Old Age Pensions	
_xx024	Widow/Widower Pensions	
_xx025	Orphan pensions	
_xx026	Total Retirement income	
_xx027	Total social insurance income	
_xx028	Unemployment Benefits from Insurance	
_xx029	Sickness Cash Benefits	
_xx030	Employment Injuries/Occupational diseases benefits	
_xx031	Invalidity Benefits	
_xx032	War related benefits	
_xx033	Family Benefits	
_xx034	Maternity benefits	
_xx035	Government cash transfers for Education	
_xx036	Total means-tested incomes	
_xx037	Social Assistance	
_xx038	Additional Social Assistance	
_xx039	Unemployment assistance	
_xx040	Other Income Dependant Benefits	
_xx041	Total social security income	
_xx042	Total private income	
_xx043	Cash Alimony or Child Support	
_xx044	Received private Cash	Inter-household

Transfers

_xx045 **Total transfers (excl old age pensions)**
 _xx046 Transfers for Handicapped
 _xx047 Other Transfers
 _xx048 Annuities from insurance
 _xx049 Other Lump-sum Payments
 _xx050 Income from home consumption, or from farming
 and gardening
 _xx051 Other Incomes
 _xx052 **Total transfers**
 _xx053 **Total gross income**
 _xx054 **Total social security contributions**
 _xx055 Health Insurance
 _xx056 Old Age Insurance
 _xx057 Unemployment Insurance
 _xx058 Other Direct Taxes
 _xx059 Income tax
 _xx060 **Total net income**
 _xx061 **Total Contributed Private Cash Inter-household**
 Transfers
 _xx062 Contributed Transfers to Parents
 _xx063 Contributed Transfers to Children
 _xx064 Contributed Transfers to Spouses
 _xx065 Contributed Transfers to other Relatives
 _xx066 Contributed Transfers to others

1.2. Demographic variables

P201 Sex
 P203 Birth month
 Pxx204 Family Status
 Pxx205 Relationship to Reference Person in HH
 Pxx206 Foreign Nationals
 Pxx207 Degree of Handicap
 Pxx208 Visits to Doctor (excluding dentists)
 Pxx209 Subjective Health Status
 Pxx210 Cohabitor Status
 Hxx250 No. of Adults in HH
 Hxx251 No. of Children in HH
 Hxx252 Actual age of youngest co-resident child
 Hxx253 Actual age of oldest co-resident child
 Hxx254 No. of Adult Children in HH
 Hxx255 No. of Non-resident children
 Hxx256 Household Typology

1.3. Labour Force and Work history variables

Pxx301 Employment Status

Pxx302 Employment Type
 Pxx303 Prof.Stat.(long version)
 Pxx304 Prof. Stat.(short version)
 Pxx305 Normal Working Hours Weekly
 Pxx306 Total Working Hours
 Pxx307 Overtime Compensation
 Pxx308 Second Job
 Pxx309 Working Hours Second Job
 Pxx310 Employment Sector
 Pxx311 Type of Employer
 Pxx312 Firm Size
 Pxx313 Type of Current Occupation
 Pxx314 Contractual Situation
 Pxx315 Total month in employment in most recent job
 Pxx316 Employment status per year (retrospective)
 Pxx317 Labour Force Status
 Pxx318 Unemployment Status
 Pxx319 Immediate Intention for Work
 Pxx320 Future Intention for Work

1.4. Education and Family background variables

P401 Highest obtained School Education
 P402 Highest obtained 2nd Lev. 2nd Stage Education
 P403 Highest obtained Imputed Years of Education
 Pxx401 Current School Education
 Pxx402 Current 2.lev 2.stage Education
 Pxx403 Current years of education

1.5. Housing variables

Hxx601 House Ownership Status

1.6. Other variables

Hxx801 Territorial division
 Pxx810 Time spent on unpaid housekeeping work
 Pxx811 Time spent on unpaid child care
 Pxx812 Time spent on other unpaid care
 Hxx813 Child care external to household

1.7. Weighting variables

PxxWEIG Individual Weight
 PxxWEIX Individual Weight - special weight for Luxembourg
 to incl. the extension in 1991
 PxxWEIL Individual Longitudinal Weight
 HxxWEIG Household Weight
 PxxPROB Individual Retention Probability
 HxxPROB Household Retention Probability

1.8. Organizational (Link) variables

_L01	Country
_L02	Year
_xxL03	ID-Household
_xxL04	Pre-Year ID-HH
_xxL05	ID-Group
PL06	ID-Individual
_xxL07	ID-Reference Person
_xxL08	ID-Spouse of Reference Person
PxxL09	ID-Spouse
PL10	ID-Father
PL11	ID-Mother
_L12	Case ID
_L13	Random Group ID
_xxL14	Match Indicator

2. Convention of PACO Variable names

Year related variables: _xxttt
 Non-year related variables: _ttt

where _ depends on the level of information which is available

This might be:

P = Person
 G = Income Group (Lux and Lorraine)
 H = Household

where **xx** denotes the year

85 = 1985 86 = 1986 ... **xx** = 19**xx**

where **ttt** denotes a special variable domain:

001 to 199 Income variables
 201 to 299 Demographic variables
 301 to 399 Labour Force and Work history
 401 to 499 Education and Family background
 501 to 599 Marriage and Fertility
 601 to 699 Housing
 701 to 799 Summary of Calendar variables
 801 to 999 other variables
 L01 to L99 Organizational or Link Variables

other reserved first characters _

R = reference person ('head of household')
 S = partner of reference person ('spouse')
 C = partner ('Conjoint')
 F = father
 M = mother

3. PACO (User) Missing Codes

The missing codes for all variables with the exception of income variables are defined as following:

- 1 : Missing information
- 2 : Inapplicable
- 3 : Variable not available

3.1 Handling of Income variables with missing values

We assign zeros for each missing value for income variables. In addition to it we create one indicator variable with give us the information about the status of that variable:

Value of the indicator variable for one income variable:

- 0 variable is not available
 - variable is not available for all units
 - variable is not available for selected units (children)
- 1 O.K.
- 2 imputed values for missing values
- 3 missing
 - item non response
 - unit non response

1. Possibility: If we select all records with value (1) we get all units with reported income.

2. Possibility: If we select all records with values (1) and (2) we get all units with reported income and also units which have imputed values.

3. Possibility: If we select all records with values (3) we get all units with missing values where the missing value was replaced by zero values.

Variables with value (0) cannot be analyzed.

All combinations (0-3) are possible. Following rules are introduced to handle this problem:

It makes only sense to do summation over variables with values (1),(2),(3). For such units the following summation rule for indicator variables is used.

Summation Rules:

1. Rule: If at least one of the summation variables contains an imputed value (2) then the summation variable contains also imputed values.

2. Rule: If at least one of the summation variables contains a missing value (3) then the summation variable contains also missing values.

3. Rule: If the summation variables contain reported values (0), imputed values (2) and missing values (3) then the summation variable contains also missing values.

For aggregation it makes sense to aggregate individual incomes as above if the indicator variable contains values (1),(2) and (3). Units with value (0) which result from children records can also be aggregated, but aggregations of variables with value (0) which result from other cases are not allowed.

Aggregation Rules:

1. Rule: If at least one of the individuals in a household has a income with a imputed value (2) for one specific income variable then the aggregated variable contains also imputed values.

2. Rule: If at least one of the individuals in a household has a missing value (3) for one specific income variable then the aggregated variable contains also missing values.

3. Rule: If at least one of the individuals in the household has an income with imputed values (2) and another person in the household has a missing value (3) for one specific income variable then the aggregated variable also contains missing values.

4. Rule: Only variables with value (0) for children records may also be aggregated.

4. Definition of PACO Variables

4.1. Income Variables

4.1.1. Notes concerning Income variables

The following PACO Income list explains how country-specific income elements were assigned to comparable internationally consistent income categories.

As to increase comparability, the PACO Income list is widely consistent with the list of the income variables of the Luxembourg Income Study (LIS).

For those who are familiar with the LIS data the following hints might be useful.

The LIS income components list has been used as a basic model. For various reasons some modifications from the LIS list were necessary:

- some important income sources are much more detailed in PACO than in LIS
- LIS Government Non cash Transfers have been dropped
- LIS Variables with Employer Contributions for Social Security have been dropped
- some variables are slightly differently defined in PACO and LIS

Despite theses differences, The PACO income totals especially (for definition of totals see Part C, totals are marked in Italics) are identical with the LIS total variables.

Notes:

1) We have stored information both on the **household** and on the **individual** level. Where possible and feasible income variables were also created for the **group** level. First the information has been generated on the lowest level, e.g. the person-level if possible. In a second step the income of the person-level has been aggregated to the household level.

2) The income sources are in almost all cases **Gross incomes**.

3) We have supplied **cash income components**. The only exception are in kind salaries.

4) The income sources for transfers include only **positive**

cash

transfers and exclude tax allowances and in kind transfers.

5) The income variables are exclusively **continuous variables**

and income amounts; negative values are allowed.

'Income

brackets' have been converted into amounts.

6) The amounts are **monthly incomes**.

a) If the original amount is a yearly value, the amount has been divided by 12.

b) If the number of months and the monthly amounts are known, the following formula has been used, to create monthly values:

PACO monthly amount = (no. of months x monthly amount)/12.

c) If only the last monthly amount is known or the reference period is unclear, we assume that it is the right monthly value.

7) Some original variables may be not detailed enough to be assigned to PACO income elements. Whenever, if possible, **imputation rules** have been **developped** for creating PACO variables. Example: If only 'Total Self-Employment Income' is known but information about professional status (Entrepreneur, Liberal professions, Farmer) is available, it is possible to split 'Total Self-employment Income' into the components 'Self-employment Income from enterprises', 'Income from independent professionals' and 'Farm self-employment Income').

8) How to proceed with income variables which cannot be assigned correctly ?

a) First we have tried to allocate a specific variable to a variable which is most similar to the PACO variable.

b) Secondly, if this was not possible - because the specific

variable is not detailed enough - we have assigned the original variable to a 'total' variable, which is most similar to the original variable.

c) Only if both mentioned procedures were not feasible, we used the variables 'Other transfers' and 'other incomes'.

9) Difference between Private Pensions/Public Sector Pensions/Old Age Pensions:

a) Private Pensions are paid by the **employer** (or via his insurance) only as a supplement to the Old Age Pensions of the State system. Private pensions are based on voluntary agreements between employer and employees and are not state regulated.

In some countries some employees of the state (not civil servants) receive additional Occupational Pensions as a supplement to the Old Age Pension system. These pensions were be counted as private pensions.

Public Sector Pensions are paid by the **state** for **its employees** (civil servants). Civil servants receive only Public Sector pensions and no further Old Age Pensions. The regulations about Public Sector Pensions are not based on voluntary agreements between the state and individual employees.

Old Age Pensions are paid from the **regular state pension system** to all employees (and former self-employed), who have paid contributions to the pension system. The membership in the state pension system is mostly compulsory and the amount of contribution is determined by social legislation.

b) Invalidity benefits are state benefits for disability of former employees which have paid contributions to the old age pension system. Individuals receiving disability need necessarily not be handicapped.

Transfers for handicapped (e.g. the blind) are to be paid to all individuals.

10) Difference between Wages and Salaries and Transfers

Benefits (for sickness, maternity, pre-retirement, etc.) which are paid directly by the employer are counted as Wages and Salaries and have not been allocated to the different social security benefit categories.

11) Difference between means-tested and not means-tested benefits

All benefits which are not means-tested have been allocated to the different appropriate social security categories.

12) Differences between _xx030 (Employment Injuries/Occupational diseases benefits), _xx031 (Invalidity Benefits) and _xx046 (Transfers for Handicapped):

a) _xx030:

The benefits from insurance for Employment Injuries/Occupational diseases are paid to compensate for health problems which are related to injuries which had happened at work and also for occupational diseases which are related to the working situation. Therefore only employed employees (in some countries also employers) can receive this benefit. In most countries the premium for this insurance is exclusively paid by the employer.

b) _xx031:

Invalidity benefits are paid for employees who - as a result of sickness or infirmity - have lost the working capacity to a certain degree. Therefore invalidity benefits are typically paid for those cases where the sickness or infirmity is not related to employment injuries or occupational diseases. Invalid individuals receive a pension from the state old age pension insurance.

Under certain conditions employees with a benefit from employment injury may receive in addition to it invalidity benefits also.

c) _xx046:

The transfers for handicapped include all benefits for seriously handicapped persons which are not listed under _xx030 and _xx031. The most relevant difference to _xx030 and _xx031 can be seen in the fact that also individuals without any labour market activities (e.g. housewives with handicaps and parents for their handicapped child) could receive this type of benefit.

Transfers for handicapped are typically state transfers and are not insurance based.

13) Appendix B contains some additional remarks concerning creating income variables

4.1.2. Income variables definitions

_xx001 TOTAL WAGES AND SALARIES

= _xx002 Wages and Salaries
 plus _xx003 Salary from apprenticeship
 plus _xx004 Salary from working student
 plus _xx005 Second Salary
 plus _xx006 Employer Bonuses for employees

_xx002 Wages and Salaries

only income from non self-employment

includes:

- normal wages and salaries
- premium for piece-work, incentive pay
- commissions
- overtime payment
- premium for night and weekend work
- family and child allowances paid by employer
- sick pay from employer (statutory sick pay)
- statutory maternity pay from employer
- pre-retirement income from employer
- allowances for partial unemployment paid by

employer

- indemnity from employer for discharge of staff (redundancy pay)
- employee contributions for social security

excludes:

- employer's contributions for payroll (social insurance) taxes
- second salary

_xx003 Salary from apprenticeship

includes also on-the-job training

_xx004 Salary from working student

_xx005 Second Salary

income from secondary non-self-employment activity

_xx006 Employer Bonuses for employees

13 th and 14 th salary, one off bonus (e.g. at the

end of the year), holiday bonus ("Urlaubsgeld"), other
bonuses not paid monthly

_xx007 In kind Salary

fringe benefits (product sharing, remuneration in
kind)

_xx008 TOTAL SELF-EMPLOYMENT INCOME

= _xx009 Self-employment Income from enterprises
plus _xx010 Income from independent professionals
plus _xx011 Farm self-employment Income

_xx009 Self-Employment Income from enterprises

includes:

- distributed profits
- undistributed profits
- income from free-lancers
- social insurance contributions

excludes:

- profits from shares
- income of farmers
- capital gains
- income from independent professionals

_xx010 Income from independent professionals

Income from independent professions (as such
physician, lawyer, tax-expert, engineer,
architects etc.) includes social insurance
contributions

Individuals receiving this income source must have
a university degree or higher, must be self-employed
and executing a job listed above.

_xx011 Farm Self-employment Income

includes:

- money income from farming
- income in kind (money equivalent)
- social insurance contributions

excludes: income from farming and gardening of individuals with main occupations other than farmer. Their incomes are counted under _xx050.

_xx012 TOTAL EARNINGS

= _xx001 Total wages and salaries
plus _xx008 Total self-employment income

_xx013 TOTAL PROPERTY INCOME

= _xx014 Income from interest and dividends
plus _xx015 Income from rents
plus _xx016 Income from owner occupied houses

_xx014 Income from interest and dividends

includes:

- interest from savings
- interest from building and loan association
- interest from life insurance
- interest from shares and loans
- income from trust funds
- income from royalties

_xx015 Income from rents

- Income from renting out houses and estates
- Income from lodgers and boarders

_xx016 Income from owner occupied houses

Following formula could be used to calculate income from owner occupied houses:

estimated rental value of house
minus interests for mortgages
minus costs for utilities
minus costs for heating
minus maintenance costs
= income from owner occupied houses

include also value of free housing for those who
neither own or rent

_xx017 TOTAL FACTOR INCOME

= _xx012 Total earnings
plus _xx013 Total property income

_xx018 TOTAL EMPLOYER PENSION

= _xx019 Private pensions (Occupational pensions)
plus _xx020 Public Sector pensions

_xx019 Private pensions (Occupational pensions)

includes all supplementary pension schemes from
(private)employers. The pension may also be paid
via
private insurance if the employer has paid the
premium. Includes also benefits for survivors from
occupational pensions.

include also supplementary old age pensions for
workers and employees (not civil servants) in
public service

excludes pensions from private insurance if the
employee has exclusively paid the premium

_xx020 Public Sector pensions

includes all old age pensions which are paid
directly from a state employer to its civil
servants:

Includes:

- old age pensions for civil servants
- Includes also benefits for survivors.

_xx021 TOTAL MARKET INCOME

= _xx017 Total factor income
plus _xx018 Total employer pension

_xx022 TOTAL OLD AGE PENSION

= _xx023 Old Age Pensions
 plus _xx024 Widow/Widower Pensions
 plus _xx025 Orphan pensions

_xx023 Old Age Pensions

include

- only pension from the state pension system for individuals with own entitlement
- pre-retirement pensions from the state

exclude: Public Sector pensions
 Private Pensions
 Widow/Widower pensions
 Orphan pensions

_xx024 Widow/Widower Pensions

include here only pensions from the old age pension system

_xx025 Orphan pensions

include here only pensions from the old age pension system

_xx026 TOTAL RETIREMENT INCOME

= _xx018 Total employer pension
 plus _xx022 Total old age pension

_xx027 TOTAL SOCIAL INSURANCE INCOME

= _xx022 Total old age pension
 plus _xx028 Unemployment Benefits from Insurance
 plus _xx029 Sickness Cash benefits

plus _xx030 Employment Injuries/Occupational
diseases benefits
plus _xx031 Invalidity benefits
plus _xx032 War related benefits
plus _xx033 Family Benefits
plus _xx034 Maternity benefits
plus _xx035 Government cash transfers for Education

_xx028 Unemployment Benefits from Insurance

include:

- total unemployment
- partial unemployment
- strike benefits

excludes means-tested unemployment benefits

_xx029 Sickness Cash Benefits

includes only sick pay from state insurance
excludes sick pay from employer

_xx030 Employment Injuries/Occupational diseases benefits

Benefits for injured workers
also benefits for surviving spouses and orphans

_xx031 Invalidity Benefits

Benefits from state insurance for former employed
individuals with occupational or general invalidity
to work

note: in some countries the disability pay is
replaced by old age pensions for individuals older than 65

_xx032 War related benefits

Include also benefits for survivors

_xx033 Family Benefits

include:

- child allowances
- benefits for motherless and fatherless child
- education allowances

_xx034 Maternity benefits

include

- prenatal, child birth and post-natal allowances
- benefits for assistance: (baby sitters etc)

_xx035 Government cash transfers for Education

include:

- allocation at reopening of the school year
- scholarships
- state grants for higher education
- retraining grants from labour office

_xx036 TOTAL MEANS-TESTED INCOMES

= _xx037 Social Assistance
 plus _xx038 Additional Social Assistance
 plus _xx039 Unemployment assistance
 plus _xx040 Other Income Dependant Benefits

_xx037 Social Assistance

fixed monthly payments to guarantee
 sufficient income sources; all payments must be
 means- tested

include also:

- special Assistance for one parent families, if
 means- tested
- Assistance to cover individual needs in difficult
 situations through grant of allowances (e.g.
 illness, care or particular social difficulties)

_xx038 Additional Social Assistance

- means-tested benefits but aperiodic and single
 payments for heating, clothes, household and
 urgent

needs
 e.g. foodstamps, heating allowances
 e.g. single grants from welfare associations

_xx039 Unemployment assistance

includes only means-tested unemployment benefits

_xx040 Other Income Dependant Benefits

benefits paid to (low income) households, e.g.
 housing benefits

_xx041 TOTAL SOCIAL SECURITY INCOME

= _xx027 Total social insurance income
 plus _xx036 Total means-tested incomes

_xx042 TOTAL PRIVATE INCOME

= _xx043 Cash Alimony or Child Support
 plus _xx044 Received private Cash Inter-household
 Transfers

_xx043 Cash Alimony or Child Support

- support from a divorced partner who has to pay
 for his former spouse and his children
 - support from father for illegitimate children
 - support from state system for those awaiting
 alimony or child support from spouses

_xx044 Received private Cash Inter-household Transfers

- from parents in law and children
 - one time support from divorced spouses
 - from friends and neighbours
 - other individuals

_xx045 TOTAL TRANSFERS (EXCL OLD AGE PENSIONS)

= _xx052 TOTAL TRANSFERS
 minus _xx022 TOTAL OLD AGE PENSION

_xx046 Transfers for Handicapped

include supplementary allowance for handicapped children and adults (transfers for persons receiving care or care-givers), also benefits for blind civilians

_xx047 Other Transfers

include here transfers which are unqualified or cannot be allocated to previous listed transfer income sources, e.g.

- benefits for parents when they stay at home because
 - of ill children
- marriage grants
- death grants

_xx048 Annuities from insurance

include

- life-annuity from private persons
- regular payments from private insurance

_xx049 Other Lump-sum Payments

report here one time payments such as

- lottery winnings
- inheritances
- big settlement from insurance company

_xx050 Income from home consumption, or from farming and gardening

Note: the income of farmers is reported under
_xx011

_xx051 Other Incomes

include here incomes, which are unqualified or cannot be allocated to previous listed income sources

_xx052 TOTAL TRANSFERS

= _xx018 Total employer pension
 plus _xx027 Total social security income
 plus _xx036 Total means-tested incomes
 plus _xx042 Total private income
 plus _xx046 Transfers for Handicapped
 plus _xx047 Other Transfers

_xx053 TOTAL GROSS INCOME

= _xx017 Total factor income
 plus _xx048 Annuities from insurance
 plus _xx052 Total transfers

_xx054 TOTAL Social security contributions

= _xx055 Health Insurance
 plus _xx056 Old Age Insurance
 plus _xx057 Unemployment Insurance

_xx055 Health Insurance

includes:

- mandatory employee contribution or
 mandatory contribution for self-employed for:
 state insurance/private insurance

_xx056 Old Age Insurance

includes:

- mandatory employee contribution or
 mandatory contribution for self-employed for:
 state insurance

_xx057 Unemployment Insurance

mandatory employee contribution

_xx058 Other Direct Taxes

include:

- property and wealth tax
- Church taxes

_xx059 Income tax

personal income tax liabilities

_xx060 TOTAL NET INCOME:

= _xx053 Total gross income
 minus _xx054 Total social security contributions
 minus _xx059 Income tax

_xx061 Total Contributed Private Cash Inter-household Transfers

= _xx062 Contributed Transfers to Parents
 plus _xx063 Contributed Transfers to Children
 plus _xx064 Contributed Transfers to Spouses
 plus _xx065 Contributed Transfers to other
 Relatives
 plus _xx066 Contributed Transfers to others

_xx062 Contributed Transfers to Parents

Transfers to parents and parents-in-law who do not live in the household

_xx063 Contributed Transfers to Children

Transfers to children and stepson/stepchild who do not live in the household

_xx064 Contributed Transfers to Spouses

Transfers to current (separated) spouse who does not live in the household

_xx065 Contributed Transfers to other Relatives

Transfers to other relatives who do not live
in the household

_xx066 Contributed Transfers to others

Transfers to other non-relatives who do not live in the
household

4.2. Demographic variables definitions

4.2.1 Demographic variables definitions on individual level

P201 Sex

Labels

1 male

2 female

P202 Birth year

four digits (e.g. 1940)

P203 Birth month

two digits (e.g. 01 for January)

available up to now only in USA and Luxembourg

Pxx204 Family Status

The category married should contain **only those legally married**. Variable Pxx210 (Cohabitor Status) allows us to differentiate between legally married and cohabiting.

Labels

1 married

2 separated

3 single

4 divorced

5 widowed

Pxx205 Relationship to Reference Person in HH

In most cases the reference person (also called "head of household") will be the husband, but since this is not always the case a more general term was chosen. Adoptive children are treated as legal children and are therefore assigned to category '4'.

note for analysis: also variables PxxL09 (ID-Spouse), PL10 (ID-Father) and PL11 (ID-Mother) can be used to determine in more detail the family relationship between individuals.

Labels

- 1 Reference Person (RP)
- 2 Spouse of RP
- 3 Cohabitor of RP
- 4 Son, daughter of RP or spouse or cohabitee
- 5 Foster child of RP or spouse or cohabitee
- 6 Son/daughter-in-law of RP or spouse or cohabitee
- 7 Father, mother of RP
- 8 Father, mother of spouse or cohabitee
- 9 Brother, sister of RP or spouse or cohabitee
- 10 Grandchild of RP or spouse or cohabitee
- 11 Other relatives of RP or spouse or cohabitee
- 12 Non-relatives of RP or spouse or cohabitee

Pxx206 Foreign Nationals

This variable indicates for every country whether the individual is national or foreign national.

Labels

- 1 national
- 2 foreign national

Pxx207 Degree of Handicap

two digits

- e.g 50 = 50 % handicapped
- 80 = 80 % handicapped

00 = no handicap

Pxx208 Visits to Doctor (excluding dentists)

This variable contains the number of visits to doctor by year (excluding visits to dentists).

Pxx209 Subjective Health Status

Following coding scheme has been used.

Labels

- 1 excellent
- 2 good

3 fair
 4 poor
 5 very poor

Pxx210 Cohabitor Status

This variable indicates if two adults living together without being married.

Labels
 1 legally married
 2 cohabiting
 3 other status

4.2.2 Demographic variables definitions on household level

Hxx250 No. of Adults in HH

Number of persons of 18 or more years.

Hxx251 No. of Children in HH

Number of persons of less than 18 years

Hxx252 Actual age of youngest co-resident child

children are all persons with age less 18

Hxx253 Actual age of oldest co-resident child

children are all persons with age less 18

Hxx254 No. of Adult Children in HH

Number of persons 18 years and less than 30 years
 who are children of the reference person or of the
 spouse

Hxx255 No. of Non-resident children

This are children of the reference persons or of
 the spouse which do not live in the household now.

Hxx256 Household Typology

- 1 = Single man (1 person household)
- 2 = Single woman (1 person household)
- 3 = couple (2 person household)
- 4 = couple with children
- 5 = one parent family
- 6 = three generation household
- 7 = other households

a) Category '3' and '4':

Couples are legally married couples and cohabitators.

b) Category '4' and '5':

less Children are defined here as all persons with age than 18 years and those persons older than 17 years and less than 30 years who are children of the reference person or of the spouse or the cohabitee (including adoptive children)

c) Category '4':

Couple with children contains only the couple and children and no other persons in the household than children.

d) Category '5':

One parent families are families where the head is living alone with children and where is no cohabitor or the parents of the head and no other persons in the household than children.

d) Category '6':

Three generation household comprises all households in which children, parents and grandparents live together without further persons not belonging to this scheme.

Here children are meant in a wider definition than described for category '4' and '5' above. Children are

here all individuals of any age where father/mother is living in the same household. Therefore adults with parents and grand-parents are also included here.

The generation, to which the reference person in the household belongs to, does not matter.

Three cases are possible:

with (1) Head/Spouse or Cohabitee is living together
Father/Mother of Head/Spouse or Cohabitee and with
Grandfather/Grandmother of Head/Spouse or
 Cohabitee.

with (2) Head/Spouse or Cohabitee is living together
Children of Head/Spouse or Cohabitee and with
Father/Mother of Head/Spouse or Cohabitee.

with (3) Head/Spouse or Cohabitee is living together
Children of Head/Spouse or Cohabitee and with
Grandchildren of Head/Spouse or Cohabitee.

As soon as another person (e.g. brother/sisters,
 uncle/aunts or non-relatives) not belonging to the
 straightforward definition of three generations:
 "children - parents - grandparents" lives in the
 household, category 7 (other households) has to be
 chosen.

or e) other households are those where non relatives
 do relatives to whom the previously defined categories
 not apply are living in the household.

4.3. Labour Force and Work history variables definitions

Pxx301 Employment Status

Labels
 1 under 16 years
 2 student
 3 working
 4 unemployed
 5 housewife
 6 retired
 7 other

Pxx302 Employment Type

- overtime excluded -

1 full time (30 hours or more)
 2 part time (20 - 29 hours)

3 some hours (less than 20 hours)

Labels

- 1 full time
- 2 part time
- 3 some hours

Pxx303 Prof.Stat.(long version)

This variable is currently available only for Germany and Luxembourg. For the short version (collapsed values) including the USA, see Pxx304.

Labels

- 11 farmers
- 12 self employed
- 13 contributing family workers
- 21 blue collar
- 22 white collar
- 23 apprentice
- 31 civil servants

Pxx304 Prof. Stat.(short version)

The data for Germany and Luxembourg are derived from Pxx303 by

COMPUTE Pxx304=TRUNC(Pxx303/10).

1 self employed

includes:

- self employed
- farmers
- contributing family workers

2 employees

includes:

- blue collar
- white collar
- apprentice

3 state sector

includes:

- state sector (USA)
- civil servant (Germany, Lux)

Labels
 1 self employed
 2 employee
 3 state sector

Pxx305 Normal Working Hours Weekly

Agreed upon amount of weekly working time (hours)

Pxx306 Total Working Hours

Actual time worked per week, including possible overtime(on average, hours per week)

Pxx307 Overtime Compensation

Compensation by payment or free time
 (not available in PSID)
 1 payment
 2 time off in lieu
 3 payment and time off in lieu
 4 no compensation
 5 no payment

Pxx308 Second Job

Whether person has second job or not

Labels
 1 yes
 2 no

Pxx309 Working Hours Second Job

Working hours per week on second job (on average)

Pxx310 Employment Sector

Use 1 digit ISIC coding scheme from year 1988.

1 = agriculture, hunting, forestry and fishing
 2 = mining and quarrying
 3 = manufacturing
 4 = electricity, gas and water
 5 = construction

- 6 = wholesale and retail trade and restaurants and hotels
- 7 = transport, storage and communication
- 8 = financing, insurance, real estate and business service
- 9 = community, social and personal services
- 0 = activities not adequately defined

Pxx311 Type of Employer

- 1 = public employer
- 2 = no public employer

Private employers are defined here as all those companies which have the primary target to make profits. Public employers are all those establishments which are run by the state and which have the primary target to produce services and do not make profits necessarily.

'Nationalized industries' or other companies which are controlled by the state are defined here as private employer. Private non-profit organizations has been counted as public employer.

Pxx312 Firm Size

convert brackets of classes of employees using midpoints into quantitative values

Pxx313 Type of Current Occupation

Use ISCO 2 digits coding scheme from year 1988.

Pxx314 Contractual Situation

- 1 = contract - Permanent
- 2 = contract - Fixed Term
- 3 = No contract

Pxx315 Total Month in Employment in Most Recent Job

Pxx316 Employment Status by Year (Retrospective)

- 1 = student
- 2 = full time working
- 3 = part time working
- 4 = unemployed
- 5 = housewife
- 6 = retired
- 7 = other

This variable will be created for Germany and UK by using biographical information collected with retrospective questions. For the other countries this variable will be created by using all available waves with data.

Pxx317 Labour Force Status"

- Labels
- 1 working now
 - 2 not working

This variable reflects the precisely defined labour force status at one specific reference date. The status "Working" comprises all individuals that are working at least one hour per week (apprentices included). The relevant working hours for this classification are the sum of working hours for first and second jobs. Individuals which classify themselves in variable Pxx301 as "Unemployed", "Retired", "Other" but have small, casual or second jobs, have been recoded into the category "Working" in Pxx317. An indication if somebody has a small job etc. might be also the existence of earnings at the reference date.

Individuals that have a job, but are temporarily away from their job because of maternity leave, holiday, sickness, training courses etc. are also classified here as working.

Pxx318 Unemployment Status

This variable gives information about the fact of being unemployed and registered at the labour office or not.

- Labels
- 1 registered
 - 2 not registered

This variable has only valid information for those individuals that have the status "unemployed" in variable Pxx301.

Pxx319 Immediate Intention for Work

Labels
 1 yes
 2 no

It is assumed that those individuals want to re-enter immediately the labour market that gave the answer " yes" to following questions:

e.g.: Have you looked for any kind of paid work in the last

week or in the last four weeks ?

e.g.: Have you been doing anything in the last four weeks to

find a job?

e.g.: Do you want to enter on work immediately ?

This variable has only been created for individuals with status "non working" in Pxx317 and which have the category "no" in variable Pxx320.

Pxx320 Future Intention for Work

Labels
 1 yes
 2 no

It is assumed that those individuals want to re-enter the labour market in future (not immediately) which gave the answer " yes" to following question:

e.g.: Are you thinking of getting a job in the future",
 under the condition that they have not been active
 in the last four weeks to find a job

e.g.: Do you want to enter on work not immediately, but later in the next years ?

This variable will be only created for individuals with status "non working" in Pxx317 and which have the category "no" in variable Pxx319.

4.4. Education and Family background variables definitions

The highest education level that a person ever obtained during the waves which are included in the PACO dataset is available in the Person Inventory files and in each yearly related individual file(P401,P402,P403). The current education level is included in the year-related files only (Pxx401, Pxx402, Pxx403).

P401 Highest obtained School Education

According to OECD-Classification

1 First level (primary):

For all countries 1st to 6th grade (Germany: to 4th grade)

2 Second level --- first stage

- corresponds in many countries to end of obligatory education
- in most cases general education, including in France, Greece, the Netherlands a so-called pre-vocational training, not really related to a specific occupation

3 Second level --- second stage

includes:

- general education preparation for university or other third level education not directly leading to a profession technical / occupational / vocational education leading to occupation or group of occupations apprenticeship

4 Third level (tertiary education)

includes:

- university
- technical college or institute

Labels

- 1 First level
- 2 Sec. lev., first stage
- 3 Sec. lev., sec. stage
- 4 Third level

P402 2nd Lev. 2nd Stage Education

second In addition to variable P401 the second level stage education is split in order to distinguish between academic and professional or technical education.

- 1 general education
preparation for university or other third level
education not directly leading to a profession
- 2 technical / professional education leading to
profession or group of professions
- 3 apprenticeship

Labels

- 1 high school
- 2 professional education
- 3 apprenticeship

P403 Imputed Years of Education

Number of years of education

- includes first to third level education (see
P401)

Technical remark:

In most cases the number of years is not available from the datasets but only the type of school degree. In these cases the minimum number of years necessary to achieve this degree is assumed, except for the

lowest level (no degree), where it is assumed that only one year was missing.

Pxx401 Current School Education

Pxx402 Current 2.lev 2.stage Education

Pxx403 Current years of education

see definitions of variables P401, P402, and P403 above

4.5. Housing variables definitions

Hxx601 House ownership Status

1 Owner

2 Tenant

3 Living Rent Free

4.6. Other variables definitions

4.6.1 Other variables definitions on household level

Hxx801 Territorial division

Use NUTS CODE of the EEC (Nomenclature of territorial units for statistics). Give information on lowest possible level.

Character variable with length 5

Hxx813 Child care external to household

time unit: hours per week

4.6.2 Other variables definitions on individual level

Pxx810 Time spent on unpaid housekeeping work

e.g. cooking and cleaning

time unit: hours per week

Pxx811 Time spent on unpaid child care

time unit: hours per week

Pxx812 Time spent on other unpaid care

including volunteer work

time unit: hours per week

4.7. Weighting variables definitions

PxxWEIG Individual Weight

cross-sectional weight
see chapter B.4.3

PxxWEIX Individual Weight

Cross-sectional weight for Luxembourg, to be used
when the extension of the sample, which was added in
1991 is analyzed.
see chapter B.4.3

PxxWEIL Individual Longitudianl Weight

longitudinal weight from wave 1 to wave t (year xx)
see chapter B.4.3

HxxWEIG Household Weight

cross-sectional weight
see chapter B.4.3

HxxWEIX Household Weight

Cross-sectional weight for Luxembourg, to be used
when the extension of the sample, which was added in
1991 is analyzed.
see chapter B.4.3

PxxPROB Individual Retention Probability

The retention probability is the conditional
probability of remaining in the panel after each
selection step, i.e.after each wave.
see chapter B.4.3

4.8. Organizational (Link) variables definitions

_L01 Country

Character variable with length 2, contains:

'GE'
'LU'
'UK'
'FR'
'US'

_L02 Year

four digits (e.g. 1985)

_xxL03 ID-Household

unique household identifier, should remain constant between years, if no split-off occurs.

If the original panel study does not use constant household identifiers new artificial household identifiers have been created. If splits occurs it must be defined which is the main household (keeping the old identifier) and which is the split off household (getting an new identifier). The household in which either the reference person(1.priority) or the spouse(2.priority) lives is to be defined as main household. If a couple divorces or separates, the household of the husband will be the main household and the household of the divorced wife will be the split off.

_xxL04 Pre-Year ID-HH

contains the household identifier of the previous year, in most cases _xxL04 = _xxL03. Only in the case of a split-off _xxL03 is different from _xxL04.

_xxL05/_L05 ID-Group

only Lorraine/Luxembourg: contains the identifier of the income groups. The identifier must be unique within one household.

identifier 1 = first income group
 2 = second income group
 3 = third income group

For other country datasets two artificial (income) groups can be build. The first group comprises the reference person and the spouse (cohabitant) of the reference person. The second group would contain the income of all other individuals in the household.

PL06 ID-Individual

unique individual identifier between all individuals, must remain constant between all years.

_xxL07 ID-Reference Person

This identifier is a pointer to the reference person in the household. In most cases this is a pointer to the head of the household. Because the reference person can change between waves, therefore PxxL07 may also change between years.

_xxL08 ID-Spouse of Reference Person

This identifier is a pointer to the spouse of the reference person. Spouses are defined here as **legal spouses and cohabitators**. PxxL08 may change between years.

PxxL09 ID-Spouse

This identifier is a pointer to the spouse. Spouses are defined here as **legal spouses and cohabitators**. PxxL09 may change between years.

PL10 ID-Father

This identifier is a pointer to the father who lives now or lived before (within panel years) also in the household. PL10 is **not** allowed to change between years.

PL11 ID-Mother

This identifier is a pointer to the mother who lives now or lived before (within panel years) also in the household. PL10 is **not** allowed to change between years.

_L12 Case ID

The case-ID is the household number of the first wave of a panel study. If split-offs appear, the original household and the split-off household still will have the same case-id, but the current household number _xxL03 will be different for original and split-off households.

_L13 Random Group ID

By the Random Group ID the whole sample is split into subgroups. The wave 1 household sample is split at random into groups of the same size. Split-off households and new panel members belong to the subgroup of the household they stem from. Thus each subgroup can be regarded as a subpanel.

The Random Group ID is useful for variance estimation and hence for the estimation of confidence intervals, where other methods for variance estimation are not easily available.

The random group ID can be used for the random groups method or for the jackknife technique.

Appendix A explains how this ID variable is created.

_xxL14 Match Indicator

0 incomplete information (unit nonresponse)
1 complete information

This variable is only necessary for the datasets for Germany and the US. For these datasets information from following waves (t+1), (t+2) must be matched with information from wave(t) in order to create the correct dataset for year (t). Variable _xxL14 will be set to '1' if we have information from all necessary waves (complete information). A value of '0' will be set if at least one information from a following wave is missing (unit response).

The availability of this match variable together with the information of missing values will allow us to differentiate between item non response and unit nonresponse.