

## Major Highlights of National Report No. 3-2 of the Final Results

The National Economic Census 2018 (the NEC2018) was conducted with the reference date set on 14 April 2018. The NEC2018 covered all of fixed and movable establishments in the whole territory of Nepal. With regard to National Reports of the NEC2018, firstly National Report No. 1 series (1-1, 1-2, and 1-3) contains information on establishments and persons engaged by industry, by size of persons engaged, and by province and district. Secondly, National Report No. 2 series (2-1, 2-2, and 2-3) contains information on sales, expenses, and profit and loss by industry, by size of persons engaged, and by province and district. Thirdly, National Report No. 3 series (3-1, 3-2, and 3-3) contains information on salaries and wages by industry, by size of persons engaged, and by province and district. Herein, National Report No. 3-2 by size of persons engaged, that is, the eighth release is outlined as follows:

### **1. Total number of entities<sup>1</sup> with paid employees is 219,303 in Nepal.**

There were 219,303 entities with paid employees in Nepal as of 14 April 2018 as the final results of the NEC2018. The number of paid employees was 1,709,101. (Refer to Table 1-2 and 1-3.)

With regard to the definition of terms and the coverage of NEC2018, refer to “Outline, Concepts and Definitions of NEC2018” in this report.

### **2. For annual salaries and wages<sup>2</sup>, entities with 100 to 499 persons engaged was largest in Nepal in 2017/18<sup>3</sup>.**

Looking at the annual salaries and wages by size of persons engaged, entities with 100 to 499 persons engaged was the largest group with Rs. 95 billions accounting for 22.6%. Subsequently, 20 to 49 persons engaged 62 billions (14.7%); 10 to 19 persons engaged 48 billions (11.4%); 500 to 999 persons engaged 43 billions (10.2%); and so on.

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<sup>1</sup> *An entity manages its accounting record which includes an account book, an income statement, etc. An entity consists of a single-unit establishment or a head office only. It means branches are excluded.*

<sup>2</sup> *The concept of the annual salaries and wages is close to that of Compensation of Employees (COE) in national accounts.*

<sup>3</sup> *Herein, the year 2017/18 in the western calendar means the year 2074 in Nepal calendar.*

On the other hand, one person engaged was the smallest group with Rs. 3.0 billions accounting for 0.7%. Subsequently, nine persons engaged 6.6 billions (1.6%); eight persons engaged 7.6 billions (1.8%); and so on. (Refer to Table 1-1.)

Secondly, looking at the annual salaries and wages per entity by size of persons engaged, 1,000 persons engaged and over was the largest group with Rs. 584 millions per entity. Subsequently, 500 to 999 persons engaged 344 millions; 100 to 499 persons engaged 66 millions; and so on. The more paid employees the entity, the more salaries and wages it pays.

On the other hand, one person engaged was the smallest group with Rs. 169 thousands per entity. Subsequently, two persons engaged 286 thousands; three persons engaged 431 thousands; and so on. The fewer paid employees the entity, the less salaries and wages it has. (Refer to Table 1-2.)

Thirdly, looking at the annual salaries and wages per paid employee by size of persons engaged, 500 to 999 persons engaged was the largest group with Rs. 520 thousands per persons engaged. Subsequently, 100 to 499 persons engaged 348 thousands; 50 to 99 persons engaged 309 thousands; and so on. On the other hand, nine persons engaged was the smallest group with Rs. 165 thousands per persons engaged. Subsequently, seven persons engaged 168 thousands; one person engaged 169 thousands; and so on. (Refer to Table 1-3.)

### **3. For annual salaries and wages ratio to sales<sup>4</sup>, entities with 1,000 persons engaged and over was largest.**

Looking at the annual salaries and wages ratio to sales by size of persons engaged, entities with 1,000 persons engaged and over was the largest group with 28.7%. However, this is probably because there are only 63 entities with 1,000 persons engaged and over. Subsequently, one person engaged 23.1%; two persons engaged 21.2%; and so on.

On the other hand, 500 to 999 persons engaged was the smallest group with 13.1%. Subsequently, 50-99 persons engaged 14.4%; 100 to 499 14.9%; and so on. (Refer to Table 1-1.)

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<sup>4</sup> *Annual salaries and wages ratio to sales = annual salaries and wages / annual sales \* 100*

**4. For annual salaries and wages by female managers, entities with 100 to 499 persons engaged was largest.**

Looking at the annual salaries and wages under female managers by size of persons engaged, entities with 100 to 499 persons engaged was the largest group with Rs. 6.5 billions accounting for 18.3%. Subsequently, 20 to 49 persons engaged 4.5 billions (12.6%); 10 to 19 persons engaged 3.6 billions (10.0%); and so on.

On the other hand, nine persons engaged was the smallest group with Rs. 648 millions accounting for 1.8%. Subsequently, one person engaged 671 millions (1.9%); eight persons engaged 820 millions (2.3%), and so on. (Refer to Table 5-1.)

**5. For annual salaries and wages by scale, large-scale entities with 100 persons engaged and over accounted for more than 40%.**

Looking at the annual salaries and wages by scale, large-scale entities with 100 persons engaged and over was the largest with Rs. 175 billions accounting for 41.6%. Subsequently, small-scale entities with 10 to 49 persons engaged Rs. 110 billions (26.1%); micro-scale entities with 1 to 9 persons engaged Rs. 97 billions (22.9%); and medium-scale entities with 50 to 99 persons engaged Rs. 40 billions (9.4%). (Refer to Table 1-1.)

**6. For annual salaries and wages per paid employee by scale, large-scale entities with 100 persons engaged and over was largest.**

Looking at the annual salaries and wages per paid employee by scale, large-scale entities with 100 persons engaged and over was the largest with Rs. 320 thousands. Subsequently, medium-scale entities with 50 to 99 persons engaged Rs. 309 thousands; small-scale entities with 10 to 49 persons engaged Rs. 202 thousands; and micro-scale entities with 1 to 9 persons engaged Rs. 197 thousands. The more paid employees the entity, the more salaries and wages per paid employee it pays. (Refer to Table 1-3.)

*Note: In Major Highlights, some proportions are calculated from respective reference table.*

