



OECD SHORT-TERM ECONOMIC STATISTICS WORKING PARTY  
(STESWP)

*Administrative Data Framework.*

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## Executive Summary

1. This paper presents the final stages of work of the Task force on administrative data. If the Task force proposals outlined are endorsed by STESWP at the June 2007 meeting the Task force will be disbanded.
2. The recommendations of the Task force are embodied in an administrative data homepage which consists of two administrative data web-based frameworks, both of which are based on the underlying administrative data papers received to date. The main elements of each framework are:
  - a Framework of administrative data papers by broad category. Each broad category is then broken down into those papers relevant to short-term economic statistics and those that cover the subject more generally; and
  - an interactive web-based Framework of administrative data papers focusing on new users of this data. This Framework is structured to allow national statistical offices (NSOs) who are new to taking advantage of administrative data in the compilation of official statistics a walk through of the types of steps that will need to be undertaken to incorporate administrative data into their compilation process(es).
3. Future work for the OECD Administrative Data Web-based Framework will entail the promotion of the Framework via the 'Statistics Portal' on the OECD website and through direct contact with both OECD Member country NSO's, the large non-member economies NSO's (Brazil, China, India, the Russian Federation, and South Africa), and other NSO's with whom the OECD has regular contact with e.g. Chile, Indonesia, Slovenia.
4. Finally, this paper seeks written feedback comment / feedback and endorsement from STESWP delegates on the final development version of the Administrative Data Web-based Framework. The specific issues on which written feedback is sought are outlined below in para. 26.

## A. Introduction

5. The STESWP 2006 meeting report and outline of future work<sup>1</sup> stated the following:

"In terms of future work, the Task force will:

- incorporate into the Framework comments provided by STESWP delegates both in writing prior to the June meeting and those provided at the June meeting. Countries will again be invited to provide additional relevant papers. In addition, the Task force will develop strategies for the promotion of the Framework;
  - develop a supplement to the Framework on issues specific to the use of administrative data for short-term indicators. This could be either web-based or in the form of a paper document. National delegates are again invited to suggest additional issues that should be incorporated."
6. The Task force on administrative data was established out of the 2004 STESEG meeting. During 2004-2005 a strategy for Task force activities was finalised, various papers received from Task force members, and an updated set of strategies discussed at the 2005 STESEG meeting. The *Short-Term Economic*

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<sup>1</sup> Located at: <http://www.oecd.org/dataoecd/59/43/38387277.pdf>

*Statistics (STES) Taskforce on Administrative Data: a Framework of Papers*, went live on the OECD website<sup>2</sup> on 24 March 2006. At that time the Framework contained 71 relevant administrative data papers from a range of NSOs and international organisations (out of a total of 80 received). The papers had been sorted into the seven broad categories primarily outlining the main uses of administrative data<sup>3</sup>. Each category was then split into two groups indicating the papers' relevance to short-term economic statistics (STES), or not.

7. While the web-based Framework is live it has not as yet been actively promoted or linked to any other OECD web pages.

## B. Current Framework

8. The main addition to the Framework presented at the 2006 STESWP meeting and in line with the comments received both before, during and after that meeting, and in agreement with the outcomes of a Task force meeting held at the margins of the 2006 STESWP is the addition of the navigation page for new users of administrative data.

9. As previously stated and discussed during the STESWP 2006 meeting, there has been much written and discussed internationally in the past in the field of administrative data, including at least two 'Handbooks' on specific subjects that use or rely on administrative data. As such, the current Framework attempts to pull together relevant material from these previous publications and help direct users to the relevant sections and parts of the publication. In particular, a number of the current papers outline national statistical office (NSO) experience and experiences when moving for the first time or to using more administrative data in the compilation of official statistics.

10. The Framework has a main table that provides links to all the papers in the Framework:

Broad administrative data categories: documentation on the use of administrative data in compiling and disseminating official statistics
1. <a href="#">Direct use of administrative data in registers</a>
2. <a href="#">Sampling frame/non-response control/imputation/non-response structure</a>
3. <a href="#">Data or partial data substitution</a>
4. <a href="#">Data matching</a>
5. <a href="#">Quality, timeliness and coverage</a>
6. <a href="#">Quality control of administrative data</a>
7. <a href="#">Handbooks or general papers</a>

11. This original Framework has a brief description for each category, the link then takes the user to a list of the relevant papers split into Short-Term Economic Statistics (STES) relevant or not STES relevant.

12. An outcome from the Task force meeting held during the 2006 STESWP meeting was to provide users with access to the *OECD Short-term Economic Statistics Timeliness Framework* and, in particular, areas of the Timeliness Framework that relate directly to the topic of administrative data. In return the STES

<sup>2</sup> Located at: <http://www.oecd.org/std/research/administrativedata>

<sup>3</sup> The seven categories comprise: direct use of administrative data in registers; sampling frame / non-response control / imputation / non-response structure; data or partial data substitution; data matching; quality, timeliness and coverage; quality control of administrative data; handbooks or general papers.

Timeliness Framework will provide a link to Administrative Data homepage. The links to the Timeliness Framework will appear in two places in the Administrative Data site linking to specific areas that are relevant to both frameworks. Box 1 provides a general view of the relevant Timeliness Framework points to administrative data along with a link.

Box 1

**Timeliness:**

The 'Administrative Data: a Framework of Papers' can be viewed in conjunction with the OECD's 'Short-Term Economic Statistics (STES) Timeliness Framework'. The Timeliness Framework includes a number of administrative data papers which can be found under the following headings:

1. Frame selection and administrative data use
  - 1.1 Direct Use of Administrative Data for Short-Term Statistics
  - 1.2 Maintaining Survey Frames from Administrative Data Sources

The Timeliness Framework can be accessed via the link:

[www.oecd.org/std/research/timeliness](http://www.oecd.org/std/research/timeliness)

13. The second tenet of the Framework is designed to provide NSOs who are new to the field of administrative data with some specific papers and references which could help them begin the process of introducing administrative data into their compilation process. The tables are interactive in giving the user a direct link to the paper while providing them with a note of the more relevant parts of the paper.

14. This help tries to again to be more focused on short-term economic statistics, but it should be noted that in most cases, NSO's new to administrative data will normally start by using administrative data in business registers or more structural (annual) statistics. In most cases an NSO has to normally first become confident with using administrative data generally before they are willing to move towards using administrative data in the compilation of short-term economic statistics. However, the new interactive table should be able to provide NSOs with a starting point for the introduction of administrative data.

## **C. Interactive Framework for New Users of Administrative Data**

15. As stated previously there was a general feeling at the 2006 STESWP meeting that the Framework while not offering a handbook should at least offer NSOs looking to using administrative data an interactive resource. With the number and quality of the papers provided, including the more general papers, it was felt that these could be used to steer the NSO through some general themes that any NSO should consider when deciding to use administrative data.

16. The interactive Framework for NSOs looking to use administrative data has five sections:

- Legal Framework – [Legal Basis, Data Protection, Confidentiality, Public Approval];
- Cooperation with Administrative Data Authorities;
- Administrative data: Why Use / How to Use / Uses;
- Issues to Consider when using Administrative Data;
- Administrative Data: Compilation Methods.

17. Each section has a brief description outlining what is covered and points that should be noted. This is followed by a table that provides links directly to the relevant papers and includes a pointer to the sections / chapters / pages that then relate directly to the topic listed. The new interactive Framework as it appears in the administrative data webpage is as follows.

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## **1. LEGAL FRAMEWORK – [LEGAL BASIS, DATA PROTECTION, CONFIDENTIALITY, PUBLIC APPROVAL]**

‘Legislation provides a key foundation for the use of administrative data sources for statistical purposes.’<sup>4</sup>

18. For an NSO to successfully use administrative data in the compilation of official statistics there needs to be a firm legal basis. The correct legislation must not only provide the NSO with the right to acquire the administrative data but must also ensure that the NSO provides the normal data safeguards, i.e. data protection, confidentiality, and data access. This second point is vital in gaining and maintaining the public approval not only of the NSO’s ability to properly manage the administrative data but also for the public to have confidence in the disseminated official statistics.

Information on ‘Legal Framework’ topics can be found in the following documents:

<b>Document</b>	<b>Relevant Sections</b>
<a href="#">Use of registers and administrative data sources for statistical purposes; Best practices of Statistics Finland</a> Statistics Finland (2004)	Chapter 1.1, 1.2 Chapter 8
<a href="#">Use of administrative sources for business statistics purposes; Handbook of good practice</a> Eurostat	Part I – The Legal Framework
<a href="#">Issues in the use of administrative records for statistical purposes</a> Statistics Canada (1987)	Section 6.1 Section 7

## **2. COOPERATION WITH ADMINISTRATIVE DATA AUTHORITIES**

‘A variety of measures or mechanisms, some bilateral involving the statistical agency and a specific administrative department, others of a broad government-wide nature, can assist the statistical agency in access and influencing administrative systems.’<sup>5</sup>

19. In most cases the flow of administrative data is only ever one way, from the administrative department to the NSO, and this can lead to a need for the NSO to work closely with the administrative department to affect any desired change in the administrative data supplied. In some cases the NSO could feel that a minor change in the administrative data collection, e.g. better quality control, use of a standard classification, addition of an extra question; could vastly improve the usefulness of the data but direct feedback isn’t possible due to legal constraints. Good cooperation with the administrative data authorities is therefore essential.

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<sup>4</sup> Use of registers and administrative data sources for statistical purposes; Best practices of Statistics Finland Statistics Finland (2004).

<sup>5</sup> Issues in the use of administrative records for statistical purposes. Statistics Canada (1987)

Information on ‘Cooperation with Administrative Data Authorities’ can be found in the following documents:

<b>Document</b>	<b>Relevant Sections</b>
<a href="#">Use of registers and administrative data sources for statistical purposes; Best practices of Statistics Finland</a> Statistics Finland (2004)	Chapter 5
<a href="#">Issues in the use of administrative records for statistical purposes</a> Statistics Canada (1987)	Section 6.2, 6.3

### 3. ADMINISTRATIVE DATA: WHY USE / HOW TO USE / USES

‘The main advantage of administrative sources over survey data is usually cost.’<sup>6</sup>

20. The question of why NSOs should use administrative data, how to use this data and the actual uses of compiling official statistics with administrative data normally come down to three points: cost, coverage, and reduced reporting burden. Recently the issue of quality has arisen as a further advantage of administrative data, particularly in the field of income statistics. Policy makers are becoming more concerned with income distribution across the general public rather than the level of income (e.g. per capita GDP). Reliable income statistics are key for this type of policy and administrative data could provide a quality source of data. Administrative data can be seen as a by-product of an administrative agency, and as such there may be a lack of understanding as to the uses of this data to the NSO. In nearly all cases the way administrative data can be used by the NSO is closely dependent on the quality of the administrative data, but understanding the possible uses of administrative data is vital.

Information on ‘Administrative Data Uses’ can be found in the following documents:

<b>Document</b>	<b>Relevant Sections</b>
<a href="#">Use of registers and administrative data sources for statistical purposes; Best practices of Statistics Finland</a> Statistics Finland (2004)	Chapter 4
<a href="#">Issues in the use of administrative records for statistical purposes</a> Statistics Canada (1987)	Section 3
<a href="#">Use of administrative sources for business statistics purposes; Handbook of good practice</a> Eurostat	Adding value with administrative and statistical sources
<a href="#">Business register recommendations manual Chapter 20: The use of administrative sources</a> Eurostat (2002)	Chapter 20B, 20C
<a href="#">We must use administrative data for official statistics – but how should we use them?</a> ILO (1995)	Section 3

<sup>6</sup> Business register recommendations manual Chapter 20: The use of administrative sources. Eurostat (2002)

#### 4. ISSUES TO CONSIDER WHEN USING ADMINISTRATIVE DATA

‘Although there are many good reasons for using administrative sources, there are also a number of common problems.’<sup>7</sup>

21. Generally there are three core issues associated with a NSO using administrative data in the compilation process: quality, timeliness, and coverage. The NSO must be aware of these issues and weaknesses in the administrative data and ways in which to lessen their impact on the final product. The underlying problem arises from the fact that the data are primarily recorded as a step in the administrative process and not as the input to a statistical system.

Information on ‘Issues with Administrative Data’ can be found in the following documents:

<b>Document</b>	<b>Relevant Sections</b>
<a href="#">Use of registers and administrative data sources for statistical purposes; Best practices of Statistics Finland</a> Statistics Finland (2004)	Chapter 6.2, 6.3
<a href="#">Issues in the use of administrative records for statistical purposes</a> Statistics Canada (1987)	Table 1
<a href="#">Business register recommendations manual Chapter 20: The use of administrative sources</a> Eurostat (2002)	Chapter 20D, 20E
<a href="#">We must use administrative data for official statistics – but how should we use them?</a> ILO (1995)	Section 2
<a href="#">Compilation and presentation of labour statistics based on administrative records</a> ILO (1997)	Pages 3-7

#### 5. ADMINISTRATIVE DATA: COMPILATION METHODS

‘One of the main challenges now facing not only official statisticians but also the statistical community at large, is precisely to find the methodological tools and to develop the models necessary to identify and overcome the inherent and procedural flaws of administrative registrations, ...’<sup>8</sup>

22. Incorporating administrative data into the NSO compilation process can be seen as different from normal survey compilation methods and the NSO needs to understand some of the procedures that are going to be required. A list of these procedures might cover: implementing unified identification systems; data matching, both between NSO survey data and administrative data and different administrative datasets; sampling; computerisation; classification; estimation; imputation. While in a number of cases in the following papers there are overall general procedures the NSOs undertook when using administrative data in the compilation phase, mostly each administrative dataset presented specific challenges that required the NSO to find unique solutions. As such, the papers should be seen as case studies rather than ‘how to’ manuals when it comes to a NSO using a new administrative data source.

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<sup>7</sup> Business register recommendations manual Chapter 20: The use of administrative sources. Eurostat (2002)

<sup>8</sup> We must use administrative data for official statistics – but how should we use them? ILO (1995)

General Information on ‘Administrative Data: Compilation’ can be found in the following documents:

<b>Document</b>	<b>Relevant Sections</b>
<a href="#">Use of registers and administrative data sources for statistical purposes; Best practices of Statistics Finland</a> Statistics Finland (2004)	Chapter 6.1
<a href="#">Business register recommendations manual Chapter 20: The use of administrative sources</a> Eurostat (2002)	Chapter 20F
<a href="#">We must use administrative data for official statistics – but how should we use them?</a> ILO (1995)	Section 3
<a href="#">Compilation and presentation of labour statistics based on administrative records</a> ILO (1997)	Pages 4-12

General Case Studies on ‘Administrative Data: Compilation’ can be found in the following documents:

<b>Document</b>
<a href="#">Changes to the quarterly wholesale trade survey</a> Statistics New Zealand (2002)
<a href="#">Country-stratified European sample for retail trade index, Finland</a> Statistics Finland (2004)
<a href="#">Turnover in other services, Final technical implementation report</a> Statistics Sweden (2005)
<a href="#">Impact of the use of administrative data and new surveys on short-term business statistics in the services sectors in Germany</a> Federal Statistical Office of Germany
<a href="#">Turnover in other services: final report</a> Statistics Austria

## D. Promotion

23. The OECD Administrative Data Web-based Framework will be promoted via the ‘Statistics Portal’ on the OECD website. The Statistics Portal is one of the most visited pages on the OECD website and in conjunction with the team that maintains this webpage a promotion strategy will be designed and implemented. The administrative data webpage will also be web-search optimised via meta-tags and key words. Another method for promoting the Framework will be through direct contact with NSOs. In particular, NSOs that are new to field of administrative data or are yet to start using this form of data will be targeted.

24. Direct contact with NSOs who are not OECD Members or regular observers will also be undertaken, where possible. However, it should be noted that in most cases a low resource base, as is the case for a number of non-member NSO’s, has already forced most NSOs to fully utilise the administrative data available to them as there is no other option to obtaining this source data. For example, both China and India make extensive use of administrative data in the compilation of their official statistics, and in fact for China there is already a strong push from the government for the Chinese National Bureau of Statistics to use more administrative data.

## **E. Feedback Required from STESWP and Future Work**

25. The administrative data Task force has implemented the changes required by the 2006 STESWP meeting and the final task to consider is the finalisation of the webpage and the promotion of the site.

26. Written feedback is now required from delegates to the 2007 STESWP meeting on the three following issues:

- (i) A final endorsement of the OECD Administrative Data Web-based Framework as presented above, in particular, with regards to the layout, content and the general feeling of the Framework.
- (ii) Endorsement of the new framework for new users of administrative data, and the structure of this new framework. Delegates are also encouraged to suggest a working name for the homepage.
- (iii) Agreement on the proposed promotion methods outlined above and suggestions of any other means by which the Framework could be promoted. Such activities will commence in September 2007.