



**STATISTICS DIRECTORATE**

**OECD Short-Term Economic Statistics Expert Group**

**STATISTICS FINLAND**

**BACKGROUND PAPER OF STATISTICS FINLAND FOR OECD SHORT-TERM ECONOMIC  
STATISTICS EXPERT GROUP**

**Paris, 26 - 27 June 2003**

*Prepared by Statistics Finland*

**JT00145815**

Document complet disponible sur OLIS dans son format d'origine  
Complete document available on OLIS in its original format



## **BACKGROUND PAPER OF STATISTICS FINLAND FOR OECD SHORT-TERM ECONOMIC STATISTICS EXPERT GROUP JUNE 2003**

### **1. Data Collection and Reporting Burden**

#### ***1.1 The Use of Administrative Registers***

The statistics act in Finland defines general guidelines for data collection. According to the statistics act the primary data source of statistics should be data collected in other context, for example by other governmental authorities. Identifying code for enterprises enables the use of different administrative registers. The statistics act obligates the Finnish central governmental authorities to provide collected data to Statistics Finland. It also obligates enterprises, local government authorities, persons performing public service duties and non-profit institutions to provide data directly to Statistics Finland when necessary. However, Statistics Finland needs to consult with data suppliers, when changes are made in data collection.

The use of administrative data is the basis of producing short-term indicators. About 94% of all data collected to Statistics Finland comes from administrative registers and the other 6% is collected directly from respondents. This includes paper forms, machine-readable data and interviews by CATI/CAPI systems.

The most important data sources for turnover as well as for wage and salaries indicators for industry, construction, trade and other services and for some volume indicators are the value added tax data (VAT) and the employer's payments return data. One of the advantages of administrative data is that it covers all the enterprises that are subject to value added taxation or that pay wages regularly (employ two or more regular employees or simultaneously at least six employees). The ability to use administrative data reduces the cost of data collection and reporting burden for data providers and also contributes to the quality of statistics.

The VAT data is available for Statistics Finland approximately 2 months after the end of the reference month and the employer's payments return data is available in one month after the end of reference month. The data is revised for a period of six months. The first data covers from about 70 per cent to 90 per cent of turnover and about 80 to 95 per cent of wages and salaries. With the use of these administrative registers Statistics Finland publishes turnover indicators within a lag of 75 days and wages and salaries indicators within a lag of 48 days.

#### ***1.2 Direct Data Collection from Largest Enterprises***

As the demand for faster short-term indicators increases, the administrative registers are not always timely enough for the fastest short-term economic indicators. In some statistics the data must be collected directly from observation units, because administrative registers do not cover all the areas of short-term statistics. For example production of industry is based on a sample of 1300 establishments and published monthly 30 days after the end of the reference month. Typically many price indicators, new orders and inventory statistics may require direct data collection.

Direct data collection mostly covers the largest enterprises of each activity or product class, which reduces the number of respondents needed. On the other hand directly collected data is often used in many different contexts to avoid overlapping data collection and to reduce reporting burden. Some direct data collection is used to complete administrative registers. For example in the case of turnover indicators the sample covers 25-100 per cent of turnover in each activity class. The direct data collection ensures the accumulation of the data of largest enterprises and also provides us with faster information of mergers. At the same time the advanced figures of trade are produced (with a lag of 48 days) using the same sample. The same data is also the basis of Finnish part of the European sample of trade.

These practices are meant to reduce reporting burden, but while they function well in the case of small and medium sized enterprises, the reporting burden for larger enterprises is inevitably heavier. By efficient use of collected data and by further co-operation between different statistics inside statistical agency and between governmental authorities, there are yet some further improvements to be done. Electronic data collection can also be seen as an important means of improving co-operation with respondents in the near future.

### ***1.3 Electronic Data Collection***

Development of electronic data collection (by an internet-based questionnaire) has already started to reduce the costs of data collection for both data providers and Statistics Finland. The objectives of electronic data collection are to simplify data collection process, reduce need for human resources in routine work, reduce data collection costs, improve the quality of collected data, reduce reporting burden, speed up data accumulation, decrease non-response, enable direct individual feedback to respondents, enable data browsing to respondents and remove overlapping data collection between different authorities.

Especially internet-based collection of data has proven its effectiveness even in its early stages. Development of internet-based collection of data has started from some monthly and quarterly inquiries (for example: building costs, turnover, volume of industrial output, inventory etc). This far the challenging objectives of electronic data collection have been met surprisingly well.

In monthly turnover inquiry (includes about 2000 enterprises) the amount of respondents using internet-based questionnaires grew very rapidly during the first months from implementation. Electronic data collection enables individual feedback to respondents, for example comparison of turnover growth in the enterprise and in its activity class. The e-mail reminder with a link to the questionnaire makes it easier for a respondent to fill the inquiry in time. Feedback from respondents has been very positive: they feel that response burden has reduced remarkably.

From the statistical agency's point of view electronic data collection has reduced manual data treatment and made the process of data collection more effective. Mass e-mailer is used to send reply requests, reminders and feedback to respondents, when earlier all communication was done by mail or by phone. Quality of data has improved through data validation, which means that additional information is asked automatically if data is not comparable. The data transfers directly to collection database and from there it is transferred to production database, whereas before the data was entered to the database manually. The accumulation of data has accelerated and therefore for example the amount of reminders sent has decreased distinctively. Internet-based data collection enables varying assignments to people that take part in data collection, when the amount of manual, routine work diminishes.

**Case example: Implementation of electronic data collection in monthly turnover inquiry.**

<b>Implementation</b>	<b>Users of electronic data supply system of all respondents</b>	<b>Approximate amount of reminders sent</b>
before electronic data collection		1 000
1. month from implementation	48 %	800
2. month from implementation	59 %	700
3. month from implementation	61 %	650
4. month from implementation	70 %	550

***2. Suggestions for Future Work in STESEG***

The future work in STESEG could be partially aimed to the development of new short-term indicators in service sectors. After the development of output service prices will be completed, new indicators are still needed to reflect the economy in service sectors. The new draft amendment to the STS Regulation (1165/98) does not significantly change the amount and coverage of services statistics. At the same time the importance of service sectors is increasing and the changes inside service activities become more complex.