

The Statistics Newsletter

for the extended OECD Statistical Network

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Main Conclusions from the 2005 Meeting of the OECD Committee on Statistics

By Enrico Giovannini, Chief Statistician, OECD

The Committee on Statistics held its annual meeting in Geneva, at the headquarters of the Economic Commission for Europe of the United Nations, on 15-16 June 2005. Several strategic and technical issues were discussed.

In discussing the future strategy for OECD statistics the Committee identified the following core functions for the future work of the Committee itself: the bridge function between the EU and non-EU members of OECD; quality improvement of the statistical output of OECD; pro-active interaction with other policy committees of OECD and Directorates on new statistical work; advice on other cross-cutting statistical issues facing the OECD; oversee the Programme of Work and Budget of the Statistics Directorate. Some delegates also placed more emphasis on receiving information from the Secretariat on the new directions in which policy makers within the OECD may be heading, and focussing on the comparative advantage within the OECD through the good link that exists between statistics and sectoral policy areas. The Committee also expressed its clear satisfaction with the achievements obtained by the Statistics Strategy carried out over the last four years.

Commenting on the paper prepared by the Secretariat about the future direction of the OECD statistical work, Committee members provided several comments. They will be incorporated in a revised version of the paper, which will be submitted again to the Committee for a final approval via written procedure.

The Secretariat presented the future work that could be carried out following the success of the first OECD World Forum on Key Indicators. The project is not intended to develop any comprehensive set of international indicators or reports, but only to assist countries in the development their own initiatives and facilitate the sharing and learning from other countries' experiences. It should be based on the following pillars:

- monitoring of research and implementation of key indicators;
- research work on how to build indicators on emerging areas;
- research work to develop innovative approaches to make statistical information accessible and usable to the public at large;
- knowledge sharing on practices promoting evidence-based decision making processes.

At the same time, the Secretariat should derive lessons on how to improve its statistical outputs, to further develop sets of indicators to support OECD analytical and policy activities, and to make OECD statistics more accessible and usable to the public. This work will be resourced through voluntary

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OECD Statistics Working Papers

See page 8 for titles of the latest papers on topics of interest or visit:

<http://www.oecd.org/std/workingpapers> to see the full catalogue.

contributions. The Committee noted the content of the project and one delegation expressed its interest in hosting the second World Forum in 2007.

The Committee discussed a paper prepared by the Secretariat on three main measurement issues related to productivity: productivity in non-market sector, in the business sector and labour productivity comparisons. The Committee acknowledged that the OECD is very well placed to assess and improve international comparability of productivity statistics. Regarding the non-market sector, the Committee supported the proposal to organize during 2006 a seminar on the measurement of output of education and health. Depending on the success of this seminar, the Secretariat should follow-up with the drafting of an international manual giving recommendations based on best practices.

The Committee also recommended that the Secretariat should look into the international comparability of labour input in the national accounts. In this context the Committee also acknowledged the importance of current work by the Paris Group in revising the current international guidelines on hours worked. The Secretariat needs to coordinate more effectively with the KLEMS project financed by the European Commission. Finally, the Secretariat should propose a model publication of complementary measures to GDP per capita, such as GNI and NDP, in order to educate users on the relevance of each measure. The Committee endorsed the proposal to organize a workshop in 2006 on the measurement of depreciation.

The Committee discussed the document prepared by the Secretariat on methodological, statistical and analytical work done by the OECD on the principal micro-drivers of economic growth and productivity in a context of

rapid globalisation, structural change and growing importance of intellectual assets for value creation. The presentation concluded by linking the need to grasp upcoming policy challenges for the OECD Member countries to the consequences for methodological and statistical work and then highlighting the complementarities between the OECD and the National Statistical Offices (NSOs).

In discussion, countries expressed interest and strong support for this work. Close links between policy analysts and statisticians in the fast-evolving domain of knowledge economy would be increasingly important if further burdens on respondents to data requests are to be minimised. A great deal of potential remained in the exploitation of existing data. A number of countries commented on the issue of microdata, for example longitudinal firm level databases. With these databases being compiled at national level, in the context of accelerating globalisation, it was important for the OECD to play a coordinating role, for example by working on innovative ways to exploit and link existing data sets. The OECD should seriously consider organising a conference to discuss best practices and recent developments in this area, with the objective of clarifying the links between policy issues and statistical requirements, and of adding needed impetus at national level.

The Secretariat described the strategy of the OECD for using the standards (now also recognised as an ISO technical specification) developed by the Standards for Data and Metadata Exchange (SDMX), an initiative in streamlining statistical data collection and dissemination. The full adoption of SDMX standards (see www.sdmx.org) can imply, in the longer term, a fundamental change in the way international statistics are processed, but already limited steps

can now be taken, and are being made.

The Committee fully supported the development of the SDMX standards for data sharing and exchange and the specifications for web services. It also supported the use of these standards in data and metadata exchange with the OECD and other international organisations, recognising that this would result in more efficient procedures, easing the reporting burden. Delegations appreciated the step-wise approach applied in the present cooperation projects between OECD and some member countries, as it was not very resource demanding; also the fact that some countries would be able to move to using SDMX in the data collections without making it necessary for everyone else to move.

The documents on quality reviews and data collections were welcomed by the Committee. They were regarded as important instruments for the Committee in its efforts to enhance the quality and usefulness of OECD statistics. In particular, the quality reviews are seen as a very fruitful exercise, and the Committee wished to be able to follow also the steps taken after a quality review to address identified issues. Concrete proposals were also discussed to further improve the reviews, such as the involvement of small groups of experts from countries in reviews).

The data collection report, which now covers all data collected by the Statistics Directorate, should be extended gradually to cover data collections from across all directorates. The overview table, which shows the development since last year as well severe problems that remain, was much appreciated. Member countries wished to have their experts at home study the problems and report back to the OECD.

First update of OECD Short-Term Economic Statistics Timeliness Framework
By Richard McKenzie, OECD

In recent years there has been a lot of pressure on national statistics organisations (NSOs) to better serve their users by improving the timeliness of release for their short-term economic indicators. In response to this demand, NSOs have focused on improving the efficiency and methodology of their statistical production processes. So this begs the question: where would one look to find comprehensive documentation on good practices used by NSOs to improve the timeliness of their short-term economic statistics? The answer is the *STES Timeliness Framework*, for which a newly revised version is now available on the OECD website at www.oecd.org/std/research/timeline ss.

The Short-Term Economic Statistics (*STES*) *Timeliness Framework* is a structured collection of documentation on a range of *good practices* currently used by NSOs for improving timeliness, reducing costs or improving accuracy in the production of *STES*, for those indicators produced from business surveys and/or administrative records of businesses. It was created by a taskforce of the OECD Short-Term Economic Statistics Expert Group (STESEG), as a tool to assist NSOs in improving the timeliness of the short-term economic statistics they produce. The framework was first launched in September 2004 and has recently been updated with new documentation reflecting developments in this field over the past year.

Two approaches, undertaken at annual frequency, are used to collect documentation for inclusion in the *STES Timeliness Framework*. The first consists of a literature search of statistical journals,

international conferences and workshop proceedings which have covered issues relating to short-term economic statistics. The second involves a formal request to the STESEG representative of each OECD country to identify and provide relevant existing documentation from within their organisation. This documentation is then assessed by the task force to determine if it is suitable for inclusion in the framework. The

key criterion for including a document in the *STES Timeliness Framework* is that it must describe a method for achieving / improving timeliness or reducing costs with proven success.

Usage Statistics for the *STES Timeliness Framework*

Since its official launch in September 2004, the *STES Timeliness Framework* has proved

***STES Timeliness Framework* Main Reference Table**

| Broad statistical process | Links to documentation on proven operational methods to improve timeliness or reduce costs for short-term economic statistics |
|---|---|
| 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 |
| 2 Questionnaire design | 2.1 Flexible Questionnaire and Form Design |
| | 2.2 Minimising Data Items Collected |
| 3 Sample design and selection | 3.1 Efficient Sample Designs |
| | 3.2 Sample Designs for Sub Samples |
| | 3.3 Effective Business Selection Methods |
| 4 Reference period & due dates | 4.1 Choice of Reference Periods |
| | 4.2 Due Date for Businesses Providing Data |
| 5 Data collection and validation (editing) | 5.1 Efficient Data Collection Methods Using Technology |
| | 5.2 Follow Up of Non Respondents |
| | 5.3 Automated Data Validation (Editing) Methods |
| | 5.4 Selective (or Significance) Editing |
| | 5.5 Effectively Combining Technology and Staff Resources |
| | 5.6 Relationships with Respondents |
| 6 Estimation | 6.1 Data Imputation Methods |
| | 6.2 Preliminary Estimates from Sub Samples |
| | 6.3 Estimation Based on Lower Response Rates |
| | 6.4 Preliminary Estimates Based on Statistical Models |
| 7 Evaluation & dissemination | 7.1 Assessment of User Requirements |
| | 7.2 Analysis of Revisions |
| | 7.3 Quality Assessment of Timeliness Improvements |
| | 7.4 Use of Benchmarking Techniques |
| | 7.5 Efficient Dissemination Processes |
| 8 Overview | 8.1 Papers Covering Several Methods to Improve Timeliness |
| | 8.2 All Papers Sorted by Country |

to be very popular as measured by the OECD web trend statistics. Not only was access to the framework high in the launch month of September 2004 which recorded 862 visits, but it has continued to be one of the most popular OECD statistics web pages with the framework's home page averaging over 330 visits per month. In addition several people and institutions, particularly those from non OECD countries, have 'registered' as users of the framework and thus receive a personal email notifying them when updates are made.

This popularity no doubt reflects the user friendly interface and extensive range of information included in the *STES Timeliness Framework*, which covers both methodological and operational good practices for improving timeliness or reducing costs of production. Both summary and detailed documentation on methods are accessed through the main reference table shown on the following page. The current documentation referenced within the framework comes from 22 different countries & international organisations, thus its diversity ensures its usefulness to all countries' NSOs that operate under a variety of different circumstances.

September 2005 Update

27 documents across 16 of the 26 categories (see column 2 of the table on page 3 for a list of the framework's categories) were added to the *STES Timeliness Framework* as part of the September 2005 update. In addition, 4 papers were removed as part of the process to ensure all information included in the framework continues to be relevant. This process of annual updating ensures the framework is kept up to date with documentation which describes contemporary good practices and ensures it will continue to be a useful ongoing resource for NSOs. In addition NSOs are invited to submit papers at any time for assessment for inclusion within the framework,

which also provides a good opportunity to gain wider recognition for their work.

Guidelines for the submission of documentation to be assessed for inclusion in the *STES Timeliness Framework* are available on the OECD website at: http://www.oecd.org/document/42/0,2340,en_2649_34257_33630506_1_1_1,00.html. A more detailed version of the guidelines is also available at <http://www.oecd.org/dataoecd/13/6/33630498.pdf>. For more information on the *STES Timeliness Framework*, please contact Richard McKenzie at richard.mckenzie@oecd.org, or visit the framework home page at www.oecd.org/std/research/timeline.

Management in Government: Comparative Country Data

By Nick Manning and Jana Malinska, OECD

As part of its work programme for 2005-2006, the Public Governance Committee of the OECD has mandated the Public Governance and Territorial Development Directorate (GOV-OECD) to assess the feasibility of developing comparable data and indicators of good government and efficient public services.

Government: An Under-Measured "Sector"

Most OECD countries have been engaged in reforming their public services and government for at least two decades, driven by the combined pressures of budgetary constraints and increasing expectations from the public. Many of the reform concerns have been focused on improving the operational efficiency of public sector service provision. However, there are few terms and definitions that are applied consistently, undermining the quality of

international public management discussions.

In consequence, public management reforms are particularly hard to evaluate, and discussion of other countries' reforms are often not fully supported by an empirical understanding of the changes made. Practitioners do not have at their disposal internationally comparable data that might allow them to assess the significance of reforms. Benchmarking of developments, in order to track progress, is difficult.

Stimulate Demand for and Supply of Robust Data

The "Management in Government: Comparative Country Data" Project aims at improved collation and strengthened analysis of existing data. The purpose of the project is to provide a thorough review of currently available data, which would stimulate demand for more comprehensive data and encourage actors inside and outside of the OECD to gather better data.

Proposed Approach

Currently, the approach under consideration is to identify and collate comparable data on dimensions of government at minimum cost. The proposal is based on collation from existing sources and not the collection of new data.

The current feasibility phase of the project is identifying and reviewing the major sources of cross-country data concerned with inputs or processes in government (central/federal government, and state governments – not local governments) at the whole of government level, in key sectors (education, health care, law and order and public administration) and in some central agencies.

The quality, specificity and policy relevance of available data is being assessed against the criteria provided by the Quality Framework for OECD Statistical Activities.

Based on the quality assessment, key gaps in data availability will be identified.

Findings from the feasibility phase of the Project will inform the OECD Public Governance Committee which will meet at Ministerial Level in November 2005. The subsequent phases of the project will analyze the key gaps in existing data at the whole of government level, and will examine distinctive arrangements in key sectors and central agencies in more detail.

Added Value for OECD Member countries

The Project will ultimately provide access to data for OECD Member countries, which would allow:

- Empirically grounded assessment of national reforms and of reforms introduced in other countries;
- More robust measurement of the changes introduced;
- Assessment of the internal consistency of public management reforms;
- Wider strengthening of public management discussions.

Proposed Project Milestones

- November 2005: Feasibility Report to the Public Governance Ministerial Conference;
- December 2006: Initial report on key government processes and outputs;
- December 2008: Extended report on key government processes/outputs and key sectors and specific agencies.

Collaboration

The project is being developed with the cooperation of many OECD divisions and directorates. The success of the project will require close collaboration with many experts outside of the OECD including National Statistical Offices. We are grateful for all relevant information and support.

Please, do not hesitate to contact the following people for more details:

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Entrepreneurship Indicators Development at the OECD

By Tim Davis, OECD

The Statistics Directorate of the OECD has recently launched a Project to develop key, internationally-comparable indicators on entrepreneurship.

For many years, economists have identified “entrepreneurs” as important contributors to employment and innovation. Nevertheless, while it is generally accepted that entrepreneurship is “good”, the links between entrepreneurship and various facets of economic growth are less well understood. In recent years, the interest of both developed and developing countries in how government policies and other national “business environment” factors influence the rates and types of entrepreneurship development has increased considerably. But few, if any, countries possess all the data needed to assess the level and type of entrepreneurship, to determine the factors that contribute to entrepreneurial activity of various types, to measure the impact or outcomes of entrepreneurship, and to evaluate entrepreneurship policies.

A number of recent developments have conspired to give important impetus to the work on the development of new entrepreneurship statistics. An OECD Ministerial Meeting in 2004 called for development of more robust statistics on SMEs and entrepreneurship. Also, a number of key OECD countries, led by Denmark, have formed a small

Consortium that is working with several Secretariats to accelerate development of comparable entrepreneurship indicators. Finally, the Kauffman Foundation of the United States, which has long supported practical research aimed at facilitating successful entrepreneurship, has provided resources to support the initiation of the Project. The Statistics Directorate has responded with two initiatives that reflect the heightened priority of this work.

First, within the Structural Business Statistics programme, the OECD has considerably extended work on SME data availability, comparability, related concepts and definitions. It has also recently initiated a study to investigate how conceptual differences in start-up rates across OECD countries impact on comparability, which is part of a work package that will potentially lead to an OECD database of business demography statistics. This work will be further elaborated in future articles.

Second, the OECD has established a new Entrepreneurship Indicators Project that is exploring options to define and measure entrepreneurship, the factors that influence entrepreneurship and the impacts of entrepreneurship. This work is proceeding on a number of fronts, including: the identification of policy priorities and related data needs; the review and assessment of existing statistical information; development of common concepts and definitions; and, the scoping of future entrepreneurship data collection activities through exploration of possible models for collection of basic measures of entrepreneurship and related entrepreneurship indicators.

Developing New Entrepreneurship Indicators: Current Initiatives

Since a proper understanding of data needs is fundamental to the development of a valuable, relevant statistical programme, considerable effort is being focussed on

identification of policy issues and priorities. The Statistics Directorate is working closely with policy analysts at the OECD and in member countries to determine how their policy interests, relating to entrepreneurship, translate into data requirements.

OECD countries have numerous policy preoccupations relating to entrepreneurship. Among these, two are perhaps predominant and most consistent across countries, namely, employment and growth. New enterprises contribute significantly to employment and numerous studies have linked entrepreneurship and economic growth. Policy makers may seek to maximise entrepreneurship, or at least maximise the kind of entrepreneurship that contributes to employment and growth. But what are the variables that one requires in order to understand how entrepreneurship relates to employment and/or growth? Is it sufficient to measure total levels of "entrepreneurship", or are there different types of entrepreneurship that have differing impacts? Are the measures needed to help formulate policy the same ones required to monitor and evaluate policy impacts? Finally, policies designed to favour entrepreneurship may conflict with other government initiatives so it is important to measure various outcomes of entrepreneurship activities, not just the targeted outcome. Current debates over the impact of labour laws on entrepreneurship as well as on other social and economic goals underscore the importance of broad measures of entrepreneurship outcomes.

The Entrepreneurship Indicator Project is seeking the input of policy analysts from member countries and other international bodies, to ensure that a proper understanding of issues and data needs underlies this development work.

Another important step in the development of internationally-

comparable indicators on entrepreneurship is to establish a basic conceptual framework, and common definitions, as is also underway in OECDs SBS work on SMEs. The term "entrepreneurship" itself is effectively defined in many different ways. Some studies equate the term with a new business. In other cases, all self-employment is loosely termed "entrepreneurship". On the other hand, some favour a narrower approach, arguing that only the subset of new businesses that grow, innovate and contribute to increasing productivity, comprise the entrepreneurial sector of policy interest. The Project is consulting numerous entrepreneurship experts as well as the relevant Working Parties, Committees and Directorates of the OECD, in the development of concepts and definitions to underpin the data development work.

Ultimately, the first phase of this Entrepreneurship Indicators Project will focus on the development of a Scoping or Strategy Report to be presented to OECD country representatives and other stakeholders in the spring of 2006. The Project is intended to enhance and extend entrepreneurship data,

OECD Statistics Brief: The Comparability of International Migration Statistics - Problems and Prospects

The 9th issue of the OECD Statistics Brief was recently released on the topic of Migration Statistics, which has become increasingly important over the past 20 years spurred by such events as the fall of the Iron Curtain and globalisation of the labour market. The article looks at key issues affecting migration statistics in the last 20 years, and work which is being done in the international arena to improve the comparability of migration statistics across countries. The article is available at <http://www.oecd.org/dataoecd/4/41/35082073.pdf>

not duplicate or replace data that already meets users' needs and quality standards. Nevertheless, in order to further the understanding of entrepreneurship, particularly in an international context, new data collection activities will be explored, as appropriate.

While comparable data on the level of entrepreneurship is of interest, so too is information on the factors that may influence the success of newly created firms, such as the personal characteristics of the founder; access to financing; the impact of technology and various indicators that help to depict the overall entrepreneurship environment in a country. In this regard, the appropriateness of both household and business surveys as possible vehicles to furnish required data will be considered.

Workshop: Understanding Entrepreneurship -- Issues and Numbers

Of all the current activities, one of the most important is the convening of a Workshop on entrepreneurship policy issues and data needs, to be held in Paris 26-27 October 2005. This Workshop will convene experts in the field of entrepreneurship and statistics to discuss policy priorities and associated data requirements in order to inform the work of the Entrepreneurship Indicators Project. The Workshop is organised jointly with the International Consortium for Dynamic Entrepreneurship Benchmarking, a group of seven OECD countries that are assisting in the development of entrepreneurship indicators. The Workshop precedes the 3-4 November 2005 SBSNet Expert Meeting in which structural business and SME data requirements, concepts and definitions will be discussed.

A Network of Partners and Participants

While many OECD countries have expressed interest in

entrepreneurship data through a variety of forums, the development and implementation of an international indicators programme will require strong commitment and support from a network comprising both data users and NSOs in both OECD and non-member countries. Furthermore, the development of the network is essential so that stakeholders can participate in shaping the direction of this work from the outset. The Entrepreneurship Indicators Project is seeking input to and support for the ongoing development of this work. In particular, views on entrepreneurship policy priorities and related data gaps or needs are sought, preferably before October 1, 2005. Please direct any queries or comments regarding this initiative to: entrepreneurship.indicators@oecd.org

Target Series for Monthly Real indicators

By Jérôme Brézillon, OECD

The OECD monthly Main Economic Indicators publication covers a wide range of 'Real Indicators' which are essentially quantitative short-term economic indicators of supply and demand principally within the market sector of the economy. In publishing these indicators, the OECD aims to present statistics within economic domains and sectors which ensure adequate representation of developments within countries, and maximise the comparability of statistics across countries. This is targeted at providing users with the tools for analysis of the economic situation both within each country and across countries' economies.

The OECD has defined a set of 'target series' for the Real Indicators part of the Main Economic Indicators (MEI) database. These are shown in Table 1 below, and are classified within the concept of the industrial cycle of production. The concept of

target series is very useful because it provides a focus for areas the OECD would like to publish statistics for and to support discussions with member countries on priority areas for developing their statistical systems. To facilitate this process, the current list of target series for all short-term economic statistics will be a topic for discussion amongst OECD Member countries and other participating international organisations at the June 2006 OECD Short-Term Economic Statistics Expert Group (STESEG) meeting. STESEG is the OECD's principle body for the development of statistical standards and identification of best practices in the field of short-term economic statistics.

Review of MEI Real Indicators

The Real Indicators part of the MEI database has recently undergone a substantial review of its data and metadata collection processes and data presentation strategy. The database hierarchy is now structured by type of indicator at the first level, classified under the six top categories which represent the industrial cycle of production: Orders; Worked started; Work in progress; Production; Stocks; and Sales. At the second level, the hierarchy is based on industrial

classification. The coverage of indicators and their further details are contained in the third and fourth levels of the hierarchy.

The new structure of Real Indicators in the MEI database has removed previous ambiguities that existed, and facilitates the provision of improved methodological information (metadata) for describing the statistics available, their methodology of compilation and principle uses for economic analysis. The establishment of the target series list which fits within this structure forms the basis for expanding data collection across the 30 OECD Member countries, Euro area and major 6 non-member economies (China, Brazil, South Africa, Russian Federation, India and Indonesia) that the database covers.

The historical focus for Real Indicators in the MEI database has been for statistics on Production in the industrial sector. Consequently, indicators such as Production in total industry and Production of total manufacturing have representation across all OECD countries, and production of a variety of specific commodities and goods is also well represented. Coverage across countries is also considerable for other key short-term economic indicators such as

Table 1: The main target series for monthly Real indicators

| Orders | Production |
|--|--|
| Orders for total manufactured goods (volume) | Production of crude petroleum |
| New orders for dwellings | Production in total manufacturing |
| Permits issued for dwellings | Production of total manufactured investment goods |
| Work started | Production of total manufactured intermediate goods |
| Work started for total construction | Production of total manufactured intermediated goods |
| Work started for Dwellings | Production of total manufactured consumer goods |
| Work in progress | Production of total energy |
| Work in progress for total manufactured goods (volume) | Production of total industry |
| Work in progress for construction of dwellings | Production of total construction |
| Stocks | Production of crude steel |
| Stocks of total manufactured goods (volume) | Production in total services sectors |
| | Sales |
| | Sales of total manufactures goods (volume) |
| | Total Retail trade (volume) |
| | Passenger car registrations |

Retail trade, Passenger car registrations and Permits issued for the construction of dwellings. For other categories, OECD envisages the expansion of the range of indicators available. For example, coverage across countries will be improved for manufacturing indicators for Orders, Work in progress, Stocks and Sales. Another important element for improving analysis of the short-term macroeconomic situation is the availability of data for emerging sectors. In particular, the OECD aims to publish more data for the production of services, covering divisions G to P of the ISIC industrial classification.

The major factor preventing the OECD from publishing a wider range of short-term economic indicators for services is the non-availability of comparable key indicators for this sector in many Member countries. To help overcome this, the OECD has been promoting discussion on this issue with Member countries and the six non-member economies through the OECD Short-Term Economic Statistics Expert Group. For example, STESEG is currently developing a manual on methodology and best practices for compiling an Index of Services Production.

Future Developments in Data and Metadata Dissemination

The provision of quality methodological information, together with disseminated data is a key goal of the OECD and was a major focus in the recent review of Real Indicators within the MEI database. Within this framework, the OECD has recently developed a new system for organising and presenting metadata known as MetaStore. User friendly outputs from the MetaStore system will soon be made available for the dissemination of all metadata associated with the MEI database, which will represent a significant improvement in OECD service to external users. In addition, it is

envisaged that the range of data from the MEI publication that is provided free on the OECD website will be expanded, with complete time series being made available to supplement the PDF tables currently provided.

To learn more about the OECD Main Economic Indicators program, including access to free statistics and methodological information, please see www.oecd.org/std/mei. More information on the development of Real indicators subjects can be obtained by contacting eun-pyo.hong@oecd.org

The Mexican Monthly Services Survey *By INEGI*

Mexico's economy has been transformed in the last years passing the manufacturing industry to second place as the services sector is now the most important in terms of participation in the total of the economy. The share of the services sector in the period 1980 – 2002 was about 45% of gross domestic

product (GDP) and more than 60% if the commerce sector is included. This high participation in the economy implies that the measurement of service activities should be more precise. Because of this, in 1993, the National Institute of Statistics, Geography and Informatics (INEGI) commenced the Monthly Services Survey (MSS) in order to measure this important sector.

This article describes this project as implemented by INEGI outlining its evolution, the coverage of activities of services, the collected variables and aspects related to sample design. Finally a summary of the experience is given.

Preceding

The MSS initiated in 1 August 1993 with a quarterly frequency and a statistical design referring to the Economic Census of 1989. Later the frequency was monthly and its main objective was to know the monthly behaviour of services rendered activities by the national private sector. In the past years it has improved its reporting formats, processes and methodologies.

Evolution and Statistical Design

Monthly statistics for the services sector as a whole, at the beginning of the nineties was limited to activity indicators for the commerce sector. Statistics on the remaining services activities were only produced at 5 year intervals through economic censuses.

The increasing share of the services sector in the economy made it necessary to create instruments in order to measure accurately the growing dynamism that has been present in service activities over the last decade. For that reason, the INEGI implemented in 1993 the MSS to quantify the development of this sector, and more recently the project was redesigned and its sample was updated from the Economic Census of 2004.

Latest Statistics Working Papers Available On Line

[OECD Statistics Working Paper 2005/4 - ICT and Economic Growth: A Quantification of Productivity Growth in Spain 1985-2002](#)
17-Aug-2005

[OECD Statistics Working Paper 2005/3 - Handbook on Constructing Composite Indicators: Methodology and User Guide](#)
12-Aug-2005

[OECD Statistics Working Paper 2005/2 - The Statistical Measurement of Services: Recent Achievements and Remaining Challenges](#)
04-Aug-2005

[OECD Statistics Working Paper 2005/1 - OECD-China Governance Project: The Institutional Arrangements for the Production of Statistics](#)
19-Jan-2005

The Economic Censuses of 2004 were used as the frame for the MSS, with a sample of 8450 establishments distributed in 57 industry groups' activities accordingly to the North American Industry Classification System 2002 (NAICS) plus 11 industry groups for 52 sectors. Finance and Insurance activities are collected by administrative records.

Since the beginning of 2005, the MSS collects information about employees worked hours and compensation of employee's expenses and revenues. Additionally, it collects quarterly data on volume and value of services offered by the economic units

Structure of the MSS

The objective of the MSS is to generate statistical information in a timely and permanent way about the services activities rendered by the private sector at national detail which allows an analysis of the monthly tendency of the services sector.

The MSS has two statistical units: the enterprise and the establishment. The enterprise is comprised of one or more establishments, where an establishment is the smaller business unit where transactions take place and payroll and employment records are kept, in accordance with NAICS terms. The concept of enterprise is used for transport and communication services.

The establishment is defined as the economic unit that in a single location with a combination of resources and activities is managed by one owner in carrying out one kind of business, accordingly with NAICS definitions. The establishment is the unit of observation used for the rest of services activities.

Industry Coverage

The MSS was targeted to give economic information on 68 NAICS based activities with the following 8 sectors: tourism related services; rental and warehousing services; freight transportation and courier services; professional services, educational services, health care services; telecommunications services; and financial services.

The MSS uses the NAICS 2002 as a classification frame and has begun collecting information at the 4-digit NAICS level from the beginning of 2005

Thematic Coverage

The MSS collects information of the following variables at monthly frequency:

Employment: Paid personnel; non paid personnel (owners, family and other non paid workers); supplied personnel by other firm; independent personnel;

Effective work time: Worked days; hours worked for each personnel category;

Compensation of personnel: Total of compensations (Wages and salaries, social contributions and other compensations related with the work realized);

Expenses: Operating expenses (materials, goods and services consumption); cost of the supplied and independent personnel; non operating expenses;

Revenues: Operating revenues (for services rendered and goods sold); non operating revenues;

Measurement of the service (quarterly): Volume of the services; value of the services.

Sample design

The INEGI used the directory of the Economic Censuses 2004 as a survey universe for the selection of the sample. The sample has a deterministic design for 53 industry groups covering 82% of total revenues, and for four industry

groups it has a probabilistic design. The current size of the sample is about 8 450 economic units.

Issues for Future Work

Indicators of the services sector present great difficulty and complexity in comparison to the manufacturing sector. In particular the measurement of the volume of services is very complicated by their intangible nature and this is an area where more work is required to improve measurement.

The adoption of the NAICS will allow a greater degree of specialization and activities coverage, but this implicates a greater complexity in the treatment of the information. The experience of the MSS has demonstrated that services present an irregular trend in time and because of this, INEGI is now working on making specialized surveys focused on the most dynamic activities, such as hotels, restaurants, telecommunications, information technologies, e-commerce, etc...

Usefulness of the Monthly Services Survey

The obtained results should be of appreciated usefulness among users, such as:

- For the private sector as an input for market and financial feasibility studies;
- For the public sector in the design and assessment of economic policy and about the orientation of public resources and design of social attention programs;
- For INEGI to be used in National Accounting calculations as well as in the assessment of the Economic Censuses;
- For foreign consultants and international bureau organizations, in the orientation of capital flows and programs of multilateral support.

NEWS IN BRIEF

Finalisation of New OECD manuals and Frameworks for Short-Term Economic Statistics

National delegates at this year's meeting of the OECD Short-term Economic Statistics Expert Group (STESEG) held in Paris on 27-28 June strongly supported the finalisation of work undertaken over the last twelve months, and the addition of new elements into the STESEG work programme for next year. More specifically:

- preparation of a final draft of the *Index of Services Production Manual* for comment by STESEG at its June 2006 plenary meeting. The *Manual* will outline both concepts and practical information on the compilation of an index of services production;
- continuation of work of the task force on administrative data leading to the creation of a web-based "publication" on methods to expand the use of administrative data for short-term economic statistics for comment by STESEG in June 2006. The focus of this work is the identification of specific statistical processes that could be used to transform administrative data to overcome problems of timeliness and other quality concerns, and hence expand the use of such data;
- creation of a web-based revisions analytical data base for key short-term economic statistics for consideration by STESEG next year. GDP and possibly industrial production (depending on resource availability) will be the indicators initially included in the database;
- publication of the *Data and Metadata Reporting and Presentation Handbook* in the second half of 2005 in both hardcopy and internet versions. The *Handbook* contains recommendations for the presentation of different forms and types of statistics, and guidelines for the reporting of data revisions, series breaks, metadata, etc, as well as good practice for citation;
- on-going care and maintenance of the *STES Timeliness Framework* created in 2004 (see www.oecd.org/std/research/timeliness);

A number of other possible areas for future STESEG work are also currently under consideration. These include methodologies currently used by national agencies to link different historical versions of their short-term economic statistics, particularly when they are rebased/reweighted, and a review of recent techniques in seasonal adjustment.

The agenda for the STESEG meeting, background information, meeting papers, draft manuals, and meeting report, etc, are available on the meeting website at <http://www.oecd.org/std/steseg2005>. For

further information, contact Denis Ward denis.ward@oecd.org.

International Conference on Sustainable Development

The Norwegian Ministry of Finance organised, in cooperation with the OECD, an international conference on sustainable development in Oslo 20 and 21 June (see:

http://odin.dep.no/fin/norsk/tema/norsk_ekonomi/21/konferanser/006071-230170/dok-bn.html). There were two main topics: measurement and indicators of sustainable development and policies to enhance sustainable development.

Three papers on measurement and indicators were presented by representatives of the OECD and Statistics Norway and discussed the first day. H.F. Johnson (Norwegian Minister of International Development), R. Manning (DAC Chair) and G. Olsen (State Secretary of the Norwegian Ministry of Finance) presented papers on sustainable development policies on the second day, followed by presentations of policies in Canada, the UK and the Nordic Strategy.

There was broad agreement that sustainable development is a fundamental, long term issue, and that economic, social and environmental developments will depend on the resource base widely defined, i.e. real, financial, human, natural and environmental capital. At last two OECD countries, Canada and Norway, have explicitly used the overall resource base, with national wealth as a point of departure, as a framework to construct indicators for national sustainable development policies. Other countries have used different approaches, and there was agreement that there is a need for a more coherent international framework for measuring sustainable development in OECD countries, based on sound economic and statistical principles.

In order to carry forward the international agenda on the measurement of policies to enhance sustainable development, both the development of common frameworks and the construction of indicators and their link to policies, the Conference recommend that this theme is discussed at the Annual Meeting of Sustainable Development Experts (AMSDE) at the OECD in October 2005. This discussion could be based on the papers presented to the Oslo Conference or summaries thereof. The AMSDE could then decide on how to proceed with measuring sustainable development in the OECD context, and in co-operation with other bodies such as the United Nations and the European Commission. A follow up Conference in 2006 should also be organised.

Finally, in addition to national indicators for measuring progress towards sustainable development in OECD

countries, the Conference expressed a clear need for a set of global indicators for sustainable development where poverty and the global environmental commons would be key elements.

RECENT PUBLICATIONS

All OECD publications can be ordered on line at:
<http://www.oecdbookshop.org>

▲ Education at a Glance: OECD Indicators – 2005 Edition

The 2005 edition of *Education at a Glance: OECD Indicators* enables countries to see themselves in the light of other countries' performance. It provides a rich, comparable and up-to-date array of indicators on the performance of education systems. In doing so, it represents the consensus of professional thinking on how to measure the current state of education internationally.

The indicators look at who participates in education, what is spent on it and how education systems operate, and at the results achieved. The latter includes indicators on a wide range of outcomes ranging from comparisons of student performance in key subject areas to the impact of education on earnings and adults' chances of employment.

New material in this edition includes:

- Selected Results of the 2003 survey of OECD's Programme for International Student Assessment (PISA),
- Data on the distribution of earnings for individuals with different educational levels as well as first evidence of non-economic outcomes of education,
- Comparisons of the participation of labour force members in continuing education and training,
- An analysis of student learning time out of school,
- A comparison between the performance of public and private schools, and
- Data on the policies and practices secondary school systems employ to differentiate among students and the impact of these on outcomes.

▲ OECD Communications Outlook 2005 Information and Communications Technologies

The *OECD Communications Outlook* provides an extensive range of indicators for different types of communications networks and compares performance indicators such as revenue, investment, employment and prices for service throughout the OECD area. These indicators are essential for industry and for regulators who use benchmarking to evaluate policy performance.

This book is based on data from the *OECD Telecommunications Database 2005*, which provides time series of telecommunications and economic indicators such as network dimension, revenues, investment and employment for OECD countries from 1980 to 2003. Readers of the *OECD Communications Outlook 2005* e-book will find a URL that provides online access to the *OECD Telecommunications Database 2005*. Graphics and tables in all editions include StatLinks, URLs linking to spreadsheets containing the underlying data.

▲ Insurance Statistics Yearbook 1994-2003 – 2005 Edition

This annual publication provides major official insurance statistics for all OECD countries. Data for Singapore, which has an observer status to the OECD Insurance and Private Pensions Committee, are included in the online and CD-ROM editions of this publication. The reader will find information on the diverse activities of this industry and on international insurance market trends. The data, which are standardised as far as possible, are broken down under numerous sub-headings, and a series of indicators makes the characteristics of the national markets more readily comprehensible. This publication is an essential tool for civil servants, businessmen and academics working in the insurance field.

The database is available on CD-ROM and on line at www.SourceOECD.org.

▲ World Energy Statistics: Energy Statistics of Non-OECD Countries: Volume 2005 Issue 3

This CD-ROM contains data on energy supply and consumption for over 100 Non-OECD countries and 11 regions. Data are provided in original units for the different types of coal, oil, gas, renewables and waste, as well as for electricity and heat. In general, the data are available for 1971 to 2003 and can be found on-line at www.SourceOECD.org

Welcome the first issue of the United Nations Energy Statistics Newsletter!

The aim of the newsletter is to update you on activities and developments of the United Nations Energy Statistics Section. The newsletter will cover recent workshops, publications, technical cooperation activities, as well as short reviews on topical issues. Furthermore, the Market Brief will give you an overview and brief insight of trends of specific markets. You can register as a subscriber and submit any comments or suggestions to energy_stat@un.org and see the first issue at:

http://unstats.un.org/unsd/energy/ENewsletter/UNSD_Energy_news.htm

Forthcoming OECD Statistics Meetings

N.B. Unless otherwise indicated attendance at OECD meetings and Working Parties is by invitation only

| 2005 | |
|-----------------------|---|
| 10-14 October | Working Party on National Accounts & Working Party on Financial Statistics, <i>Statistics Directorate (STD)</i> , Paris |
| 10-14 October | Human Resources Management Working Party and Expert Group on Indicators, <i>Public Governance and Territorial Development GOV</i> |
| 26-27 October | Entrepreneurship Indicators Workshop, <i>Statistics Directorate (STD)</i> , Paris |
| 3-4 November | Structural Business Statistics, <i>Statistics Directorate (STD)</i> , Paris |
| 17-18 November | Expert Meeting on Health Care Quality Indicators, <i>Directorate for Employment, Labour and Social Affairs (ELS)</i> |
| 17-18 November | Working Party on Statistics, <i>Directorate for Science, Industry and Technology (DSTI)</i> , Paris |
| 29 November | 11 th session of the Working Party on Territorial Indicators, <i>Public Governance and Territorial Development (GOV)</i> |

Other Statistics Meetings

| 2005 | |
|-----------------|---|
| November | Inter-Secretariat Working Group on Energy Statistics, Paris, France |

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