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The International Comparison Program 2004: A Unique Undertaking

By Edie Purdie, ICP Global Office

The OECD and Eurostat have long conducted successful price collection surveys of a common basket of goods and services across their member countries and, as a result, produce high quality purchasing power parity data (PPPs). These data are used to convert estimates of Gross Domestic Product (GDP) to a single currency. In this way the inconsistencies inherent in exchange rate conversions are avoided.

In the developing world, reliable PPP data are increasingly viewed as fundamental to the measurement of poverty incidence and the monitoring of growth. Indeed the first of the Millennium Development Goals uses purchasing power parities to establish the proportion of people who live on less than US$1 a day. Similarly, the accelerating globalization of world economies and financial markets has increased the call for country comparisons which are free of the distortions introduced by exchange rates.

The International Comparison Program (ICP) coordinates the data collection and calculation of PPPs in non-OECD and non-EU countries. Its results are combined with OECD and Eurostat data to provide a comprehensive set of global statistics that inform a huge range of users about the relative wealth of countries and the well-being of their citizens.

The ICP began with ten countries over thirty years ago and encompassed over a hundred in the last round carried out in 1996. However, as many readers will know, the quality of the data from developing countries has, to date, been poor, rendering wide analysis and application of the results difficult. A review commissioned by the UNSC in 1998 pointed the finger at a lack of funds and resources, little coherent communication between the various participants, data requirements that did not take into account national and regional circumstances and no solid coordination of the exercise nor rigorous documentation.

An ICP Global Office has been created and charged with rectifying these problems and ensuring the next round of the program, referenced to 2004, produces good quality PPP data for all participating countries, which together with OECD and EU countries totals 160. The long-term sustainability of the program is also paramount and that is why the ICP is closely tied in with statistical capacity building efforts in developing countries and the aims of the PARIS21 forum.

Organization

The Global Office, led by Fred Vogel, is located within the World Bank but reports to an Executive Board, chaired by Dennis Trewin of the ABS, with a membership drawn from national, regional and international agencies including the OECD. The Board steers the Global Office in its work and is ultimately responsible for the success of the ICP. It meets physically about twice a year.

Global staff works closely with coordinators in each of the regions to ensure all have input into each process and regional differences are accounted for, and that there is uniformity of activities and objectives worldwide. In the run-up to data collection

In this Issue

beginning in April 2004 the regional and global coordinators meet every two to three months to discuss issues and data specifications and are in daily email contact when back in their home bases. In turn, regional coordinators interact constantly with national coordinators, charged with carrying out the price collections in each country and providing national accounts data for PPP calculations. This coordination relies heavily on the input of OECD and Eurostat colleagues who have a wealth of knowledge and experience to offer the global program, as well as the input of their own data to the worldwide PPP database.

One crucial strand of expertise made available to the Global Office is the Technical Advisory Group (TAG). Chaired by Ed Dean, formerly of the US Bureau of Labor Statistics and with members drawn a range of agencies as well as academia, TAG acts to resolve technical issues comprising conceptual integrity and methodological adequacy. It advises on issues involving the standards, methods and procedures required by the program and, where appropriate, proposes research or analyses that it believes are necessary if the ICP is to continue evolving in the face of changing circumstances and providing better answers to its users' concerns.

An ICP Council, representing users of PPP data will be established in the coming months. It will be an information-sharing vehicle that will enable donors to monitor the spending of their donations and for them and others, such as academia, researchers and the media, to have insight into the running of the ICP and liaise with its practitioners.

Collecting the Best Data

One major improvement on previous rounds is the development of an international coding system which distinctly defines each of the products priced across the world, whether in Thailand, Uganda or Brazil for example. Through the intense collaboration of national, regional and global coordinators, lists of goods and services are being tailored to represent local markets whilst maintaining comparability with other countries and regions. In this way each region is afforded some flexibility in determining what is to be priced, while following the same procedures and coding structure as other regions. This process has unveiled many interesting insights into differences between countries, such as the hugely popular tailoring services for clothes in parts of Asia corresponding to the dominant "off-the-peg" method of clothes purchase in Europe, and the different cuts of the same meat bought in various parts of the world.

In order to successfully link purchasing power parity data across the different regions, an innovative comparison exercise will take place termed the "ring approach". Here a few countries from each region, including the OECD, will be asked to price a "ring list" of goods and services alongside their own regional list. By taking the averages of these data a robust global database of PPPs will be calculated.

Most countries, where statistical capacity allows, will be striving to collect national, annual prices. This is an improvement on data restricted to capital cities. Moreover, prices that represent the entire year are more consistent with data underlying GDP.

The task of reviewing price data will be simplified by the development of new software. Termed the "Tool Pack", it is based on many of the procedures followed by European and OECD countries. The software will also ease the preparation of PPPs and aggregates at the regional and global levels.

Enhancing Communications and Documentation

The ICP Handbook is undergoing a thorough rewrite to reflect the improved methodology being used for this round, to provide clear instructions on the various processes and to detail the background to PPPs and the ICP. It draws on much of the work led by Eurostat and OECD and will be accessible to both practitioners and the general public through a revamped ICP website. Coordinators will also have access to a web-based "Hotline" whereby queries that arise during the data collection, edit and analysis processes can be shared with others and resolved quickly, drawing on the expertise of the Global Office and others. In the interests of transparency, most documents relating to the ICP will be placed on the public website, such as proceedings of the Executive Board and the project timetable.

To ensure a common agreement between all coordinators of the process and standards to be followed, Memoranda of Understanding are being drafted. These cover items such as what data are to be submitted, how these are shared with others, and timetables to be met. Frequent meetings and training sessions also help to foster trust and common purpose amongst the whole ICP team.

Funding

This complex and uniquely huge operation relies on the donations of international and regional organizations and bi-lateral donors. While the initial trust funds set up cover the preparatory work and some data collection, more resources are sought to ensure the best quality data and analyses are used and available through some of the activities described above. Also, the long-term sustainability of the program, with its goal to establish global PPPs as a robust source of economic and poverty monitoring data, will be in jeopardy unless more funds are made available soon. A drive is underway to recruit further donations.

The Global Office, and its colleagues in the regions and countries, are anticipating a busy, but exciting, three years ahead.

More information can be gleaned from the website at http://www.world-bank.org/data/icp/ or by emailing icp@worldbank.org.

Enterprise e-commerce; Measurement and Impact

By Tony Clayton, UK Office for National Statistics

Policymakers' interest in ICT has moved beyond quantifying the sector's direct contribution in the economy, to understanding its effects for users. ONS' work, part of an OECD programme using firm level survey data, shows firm behaviour associated with e-commerce, productivity gains and changes in the way markets work.

Measuring the Information Economy

The UK uses several surveys to guage the information economy, including:

- an annual enterprise e-commerce survey, on Information and Communication Technology (ICT), use of electronic transactions and e-business processes
- quarterly household surveys on internet access, use and e-expenditure
- a monthly survey of Internet Service Providers tracking growth in internet accounts
- surveys of investment at firm level, identifying ICT hardware and software.

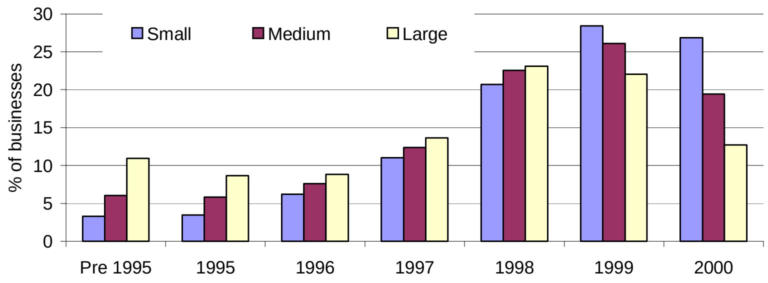
Surveys of enterprise e-commerce and internet use, now in their third year, use methodology originated by OECD and developed by Eurostat to assess the value of e-commerce. This article focuses on use of firm level data from surveys to examine effects of ICT adoption, firm behaviour associated with technology, and impact on market dynamics.

Technology adoption

ONS' first ICT survey, for 2000, examined technology adoption. It showed 40% of large UK firms already invested in network technologies by 1997 with a further 23% investing in 1998. The adoption peak for small enterprises followed in 1999/2000.

'Network technologies' include the internet, older closed technologies such as electronic data interchange (EDI), and intranets within firms. UK surveys show that while internet connection is the most common standalone application of computer networks, it is often used alongside EDI or intranet, particularly in medium and larger firms.

Figure 1: Year of adoption of network technologies by size band.
Source: e-Commerce Survey 2000



The internet has not replaced closed networks for electronic interactions, but has broadened options for firms with EDI and created opportunities for those not in closed networks.

Closed trading networks still account for much electronic buying and selling. Across large firms, internet sales are around 10% of total e-sales, with EDI and other systems accounting for the majority. In small firms (under 50 employees), EDI and internet sales are comparable in value.

Change and consolidation characterises enterprise e-commerce. In the 2000 'dot.com bubble', a majority of firms reporting e-commerce sales said it accounted for under 1% of turnover. By 2001 the pattern had changed. Many marginal e-sellers increased their stakes in e-markets, or left them.

Overall growth in e-commerce hides considerable churn. Of firms surveyed in both years, and which did not sell through e-networks in 2000, 30% started e-selling by 2001. Of firms which sold electronically in 2000, half had increased their proportion of e-sales a year later, but almost 40% either stopped or scaled down e-selling. The pattern continues through 2002.

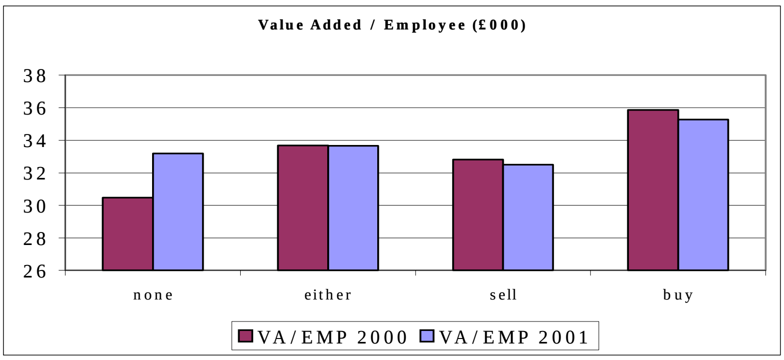
Productivity and ICT

The best known studies of economic effects of ICT adoption are based on growth accounting studies, at country or sector level. More recent micro-level studies of relationships between ICT and firm performance have been launched in several countries; OECD's 2003 publication 'ICT and Economic Growth' brings many of them together.

UK productivity work has been based on the largest source of data on firm level ICT use. This is provided by questions in the UK structural business survey, the Annual Business Inquiry (ABI), asking firms whether they use electronic networks to place or receive orders for goods and services. This covers internet transactions or closed networks – the OECD's 'broad definition' of e-commerce.

Responses to these questions are available for over 6000 manufacturing units in 2000 and 2001. For each unit we have employment and output data which permits productivity to be calculated. The data allows us to look at

Figure 2: Productivity in UK manufacturing firms.
Source: ABI 2000/2001



differential effects of electronic procurement and e-selling

Electronic procurement systems are claimed by firms to improve efficiency by cutting administration costs, speeding up purchasing processes, improving price transparency, and reducing search costs. Anecdotal evidence from providers of e-commerce systems, and cases from the EU e-business w@tch programme, suggest e-procurement should have a positive effect on value added productivity.

Results in Figure 2 support the industry evidence. Highest value added per employee – in both 2000 and 2001 – is in firms which use e-commerce for buying. Regression results on the data at firm level confirm this pattern, showing:

- efficiency effects associated with the use of computer networks for transactions;
- additional gains associate with e-procurement, of which some may be price effects.

Industry sources suggest that at least part of the gain from e-procurement by firms comes from better price transparency creating more efficient and competitive markets.

A concern raised by this evidence is that large firms may gain by using e-procurement at the expense of smaller ones. To test this, the data has been split between:

- units which are smaller than the median in their four digit sector, (measured by employment);
- units which are larger than or equal to the median.

Productivity effects associated with e-buying and e-selling are almost equally strong in large and small firms. Both large and small firms show significant gains associated with e-procurement.

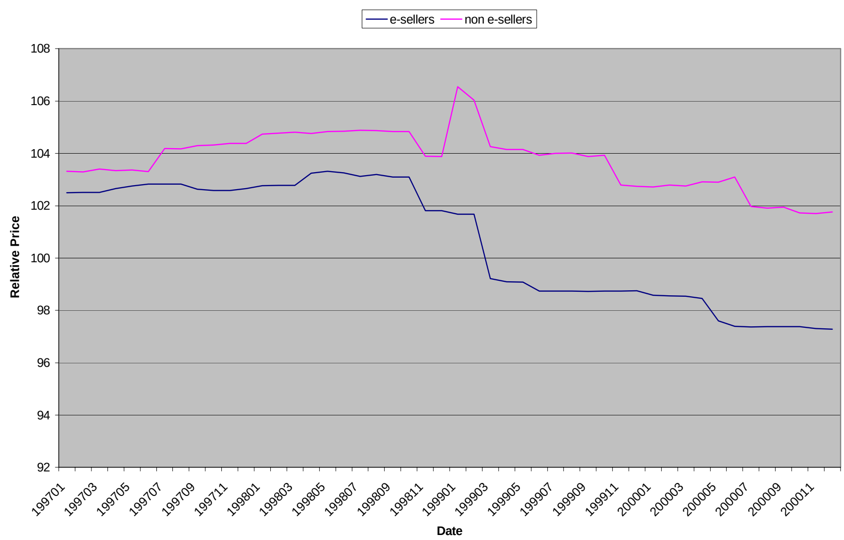
e-Commerce and prices

Theory on prices in digital markets is extensive, but empirical work to date has focused mainly on business to consumer (B2C) sales. We can develop evidence for price effects in business to business (B2B) markets by linking e-commerce data to firm level price quotes, used to derive the UK Producer Price Index (PPI). For this work we can:

- identify firms that sell electronically in the year 2000, and
- compare PPI price data for firms which do, and do not, e-sell in each industrial classification.

Results show a mixed pattern, reflecting the range of economic forces at work. An example of a sector where electronic transactions seem to have a restraining effect on prices is mechanical engineering (Figure 3) where the profile of price quotes for firms involved in e-markets fell between 1997 and 2000 by around 4% compared to firms which were not.

Figure 3: e-vs non e-Prices in General Mechanical Engineering
Source: unweighted PPI prices 1997-2000, SIC 2852



Overall, for 40 sectors analysed so far, those where e-selling is associated with lower (more competitive) pricing outnumber others where effects are different. Further work is underway to extend the analysis to other areas of the economy, and to seek explanations of different pricing behaviour.

External Debt Statistics: Guide for Compilers and Users

By Deborah Guz, OECD

International financial crises in the late 1990s underscored the importance of reliable and timely statistics on external debt as a critical element for the early detection of countries' external vulnerability. Against this background, improving the quality of key external debt data and promoting convergence of recording practices became of vital importance.

External Debt Statistics: Guide for Compilers and Users (the *Guide)* provides clear guidance on the concepts, definitions, and classifications of gross external debt of the public and private sectors; the sources and techniques for compiling these data, analytical use of these data and the work of international agencies in this field. The *Guide* was prepared by an Inter-Agency Task Force on Finance Statistics, chaired by the IMF, and involving representatives from the BIS, the Commonwealth Secretariat, the European Central Bank, Eurostat, the IMF, the OECD, the Paris Club Secretariat, UNCTAD, and the World Bank. The preparation of the *Guide* was based on the broad range of experience of these organizations, in close consultation with national compilers of external debt, balance of payments, and international investment position statistics.

The *Guide* updates the previous international guidance on external debt statistics, *External Debt: Definition, Statistical Coverage and Methodology,* which was published in 1988, to take account of developments in the 1990s which included new international statistical guidance for national accounts and balance of payments statistics; a substantial growth in private sector financial flows, especially to private sector debtors; and, associated with these, an increased use of instruments such as debt securities and financial derivatives to manage and redistribute risks. The *Guide* is intended to be a useful source of reference to both compilers and users of external debt data.

The core of the Guide's conceptual framework is the definition of gross external debt (and related terms) and an explanation of the accounting principles required for its measurement. The framework also provides a number of tables for the presentation of the external debt position. The key summary table gives a breakdown of institutional sector of the debtor, maturity and instrument, consistent with national accounts and balance of payments presentations. In addition, several other tables are provided to show important items which facilitate the analysis of the implications of the external debt position, for example, with regard to external vulnerability. These include public and publicly guaranteed external debt, external debt on remaining maturity and ultimate risk bases and foreign currency debt.

OECD has a long record of experience in the field of external debt, and its annual publication *External Debt Statistics* has existed since the early 1980s. The work has involved close collaboration with its partners, the BIS, IMF and World Bank, in the areas of data exchange and development of methodology and guidelines. OECD has co-authored with these same partners *External Debt: Definition, Statistical Coverage and Methodology*, 1988, *Debt Stocks, Debt Flows and the Balance of Payments*, 1994 and the quarterly internet publication, the *Joint BIS-IMF-OECD-World Bank statistics on external debt.*

Sales information, and a PDF version of the Guide may be found at: http://www.imf.org/external/pubs/ft/eds/Eng/Guide/index.htm.

For further information on external debt statistics please contact Deborah Guz: deborah.guz@oecd.org, Head of the external debt unit, National Accounts and Economic Statistics Division, OECD Statistics Directorate.

Agriculture and Biodiversity: Developing Indicators for Policy Analysis

Kevin Parris, OECD

What are the impacts on biodiversity of current farm policies and potential reduction of subsidies to agriculture? Are international interests in biodiversity and trade liberalization complementary or in conflict? The OECD is developing a set of agri-biodiversity indicators as a tool for policy makers and other stakeholders to help answer these questions. This project is part of a wider OECD activity to develop agri-environmental indicators.

Biodiversity is the term commonly used by scientists and policymakers to capture nature's richness and diversity, but also its biological interdependence. Farming develops crop species and livestock breeds, as the genetic raw material providing the basis for food production and agricultural raw materials, like cotton. Breeding commercial crop species with wild relatives has also played a vital role in combating pests and diseases. For example, a gene from an Ethiopian wild barley variety has provided protection for the farmed barley crop in North America.

But while farming depends on biodiversity, it is also considered a major contributor to its loss. The intensification of farm production across OECD countries has been associated with the decline in certain wild species, both fauna (e.g. the peregrine falcon in Europe) and wild flowers, such as orchids. In some regions the extensification of agriculture has led to the loss of valued wildlife habitats, such as mangrove swamps in the United States and tropical rainforests in Australia and Mexico. At the same time, farming can enrich society through maintaining and enhancing a variety of wild plant and animal species, and habitats, all of which have not just economic or scientific value, but also recreational, even aesthetic, too, such as alpine pastures and water meadows.

A major challenge in most countries is how to reconcile this trade-off between expanding agricultural production – especially given the projected need to increase global food production by over 20% by 2020 – while securing our planet's biodiversity.

Part of the task is to quantify the linkages between human activities and biodiversity. This is not an easy task. There are few OECD countries which have in place systematic monitoring systems that track trends in biodiversity. In addition, there are formidable scientific difficulties in linking changes in biodiversity associated with agriculture to specific policy measures, compared with the influence of other factors on biodiversity, such as natural predators and climate change, although much valuable evidence is being collected, in some cases at the farm or local level.

In response to overcoming some of these data and analytical deficiencies the OECD with its Member countries is developing a set of agri-biodiversity indicators that can help improve the understanding of changes in environmental conditions in agriculture and so contribute to better policies. The recent OECD work on agri-biodiversity indicators has been developed from an expert meeting held in Switzerland in November 2001 (see details of the related publication and website below).

One job has been to establish a common agri-biodiversity framework (see figure), that helps to simplify the complexity of agri-biodiversity linkages and identify suitable indicators to track agri-biodiversity trends. The framework depicts agriculture in terms of a hierarchical structure. The first and basic layer consists of farm land and its interaction with adjoining ecosystems, such as forests; crop and livestock production species; and production support species, such as earth worms.

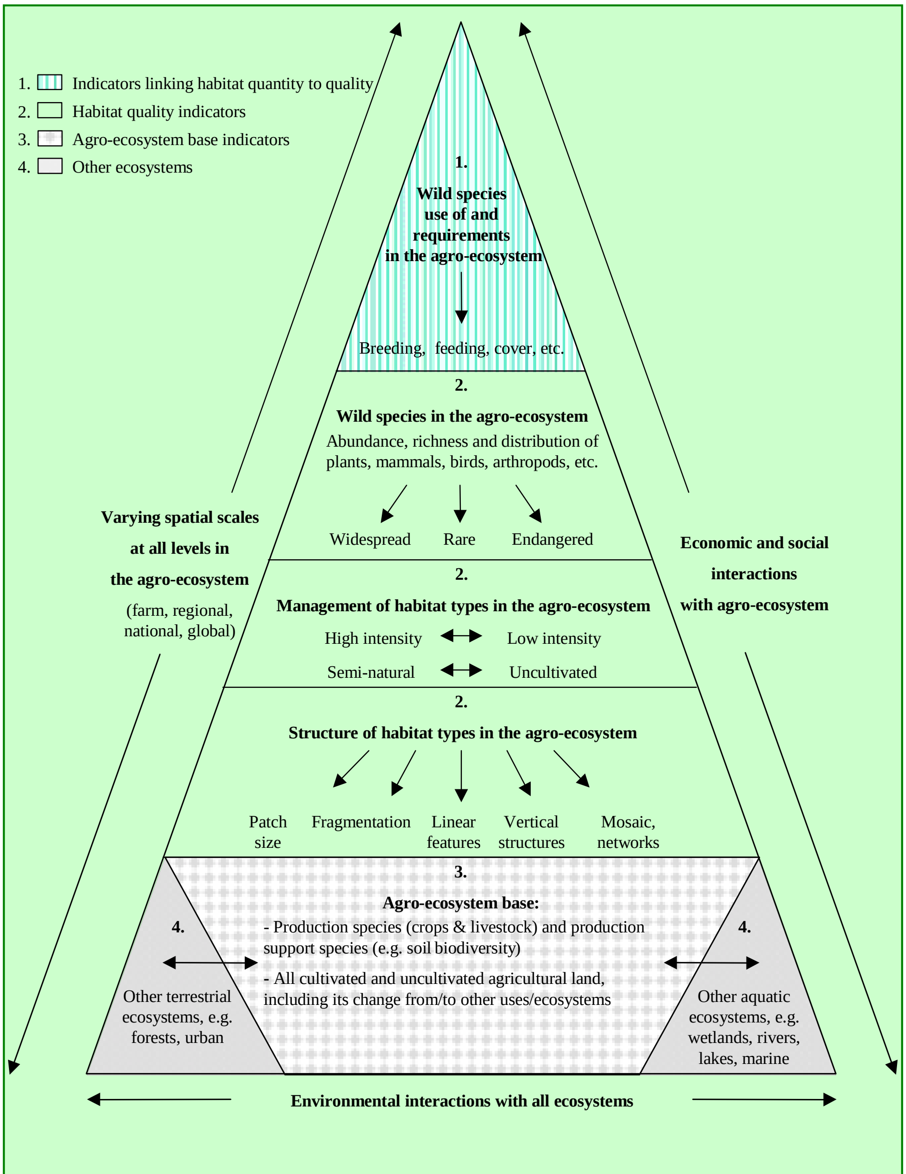
The second layer consists of identifying those elements which constitute the quality of the farming system which affects its ability to support a varied biodiversity through different habitat types (e.g. field crops, orchards, meadows); varying structures (e.g. hedges, small/large fields, trees); and farming practices (e.g. organic, extensive or high intensity farming).
The final layer in the framework relates the quality of the farming system to its use by wild species (*e.g.* breeding, feeding), implying that the higher the quality the greater the ability of farming to support a rich and varied biodiversity.

This framework helps us to structure our analysis of agri-biodiversity linkages and respond to a number of important questions that remain to be addressed. What are the impacts of alternative farming systems, such as organic farming, on biodiversity and on sustainable food production capacity? What are the impacts on biodiversity of maintaining current farm policies into the future, relative to those of reducing subsidies to farming? In what ways are international interests in biodiversity and trade liberalisation complementary, or in conflict?

Compiling data and developing relevant indicators to monitor agri-biodiversity trends are important steps towards answering these and other questions. Further effort will also be necessary to explain the complex, two-way and dynamic relationship between biodiversity and agriculture, and to identify alternative ways to achieve sometimes competing public objectives.

See the OECD report (2003) ***Agriculture and Biodiversity: Developing Indicators for Policy Analysis***. A summary of the report is also available in French, German and Spanish, see the related OECD website at: http://www.oecd.org/agr/env/indicators.htm and look under *OECD Expert Meeting on Agri-biodiversity Indicators.* For further information on this and related work on agri-environmental indicators please contact: Kevin.Parris@OECD.org

OECD Agri-Biodiversity Indicators Framework



Source: OECD Secretariat.

Co-operation and Communication Between Statistics Finland and the Business Sector – A key Factor for the Quality of Statistics

By Anita Heinonen and Kari Molnar, Statistics Finland

At the initiative of Statistics Finland, a Statistical Liaison Group was established between Statistics Finland and representatives of business associations in 1990. Initially, the task of the Group was to discuss the changes that were brought forth by European integration. Today, its important mission is to fulfil the consultation stipulation of the Statistics Act of Finland. The main areas of its work are assessment of the impact of EU legislation on business statistics and data collection, promotion and co-ordination of statistical co-operation, and use of statistics at organisations and enterprises. Special emphasis is put on rationalisation of data collections, reduction of response burden, data protection and utilisation of statistics.

The Liaison Group is appointed for three-year periods by the Director General of Statistics Finland and the current period runs from 2002 to 2004. The Group is chaired by the Director of the Business Trends unit of Statistics Finland, which in addition to the Chair presently also has three other members in the Group. From the business side, the Liaison Group is composed of representatives of the following organisations covering all sectors of business:

- Confederation of Finnish Industry and Employers – TT;
- Employers' Confederation of Service Industries in Finland – PT;
- Federation of Finnish Enterprises;
- Federation of Finnish Commerce & Trade;
- Confederation of Finnish Construction Industries - RT.

The Group meets about six times a year. In addition, the Group has arranged seminars for economists and statisticians at irregular intervals on some highly topical statistical issues.

The agendas of the Group's meetings are dominated by implementation plans of statistics involving new or changed data collections from enterprises. All mandatory surveys, as well as most of the voluntary ones are covered. Review of the situation of statistical legislation at the EU level is also a regular topic at the Group's meetings. The topics are usually presented by statistical experts.

Important new or revised business statistics are usually discussed by the Liaison Group several times before their implementation – at the defining, planning and pre-survey stage. This is not just a mechanism for getting feedback, it is also a part of the legal consultation obligation. In addition to the consultation procedure, Statistics Finland usually asks for written comments from the organisations concerned before the implementation of a data collection.

Prior Notifications and Feedback Statistics

The common practice in the data collection process is that a prior notification is sent to the respondents, giving information about the new inquiry or about changes to an existing one. When a new survey is concerned, the data collection forms and a description of the collection procedure are also sent. The preparation time needed by the respondents has to be taken into account in the timing of the notification. The notification may, for example, need to be given one year ahead. This concern items in an annual survey that require the respondents to record the data throughout the whole year. The respondents get information on the intended use of data, production methods, principles of data release and other matters affecting the data provision in connection with the actual data collection.

When the statistics have been compiled and published, some feedback statistics are sent to the respondents to thank them for their co-operation. The feedback data vary from general statistics, like pocket publications or tables to individual comparisons, like ratios or growth-rates of the responding company compared to other companies in the same branch. At all events, the feedback data should be beneficial or interesting to the respondents.

Is it Worthwhile?

Both the industrial organisations and Statistics Finland find the prevailing co-operation beneficial. Enterprises are not unnecessarily burdened when the companies' perspective is taken into account in the implementation of surveys and overlapping surveys between the organisations themselves and Statistics Finland are avoided. The organisations receive information about new statistics and forthcoming statistical legislation. The organisations promote the surveys among their member companies, which in turn encourages responding. The co-operation is an important factor behind the high response rates of the business surveys of Statistics Finland.

See our latest ***Statistics Brief*** *at the following URL:*

http://www.oecd.org/dataoecd/2/15/15918996.pdf

Statistics Brief is published by the Statistics Directorate

ACCESS ON LINE DEVELOPMENTS

Health Surveys in the European Union: A Comprehensive Inventory

By Jean Tafforeau, Claudine Vermeire, Brussels and; Arpo Aromaa, Päivikki Koponen, Helsinki

Health Interview (HIS) and Health Examination Surveys (HES) are central components of a comprehensive health monitoring system.

HIS deliver valuable information on health status, morbidity, functional limitations and use of health services of a given population. Interviews are also the only way to obtain data on perceived health, symptoms and health related behaviour. Clinical measurements in HES provide objective information on chronic conditions, functional limitations and on several health determinants.

Regular statistical sources and registers, e.g. hospital discharge registers, can provide an overview of morbidity and their data are valuable for the evaluation of health care services. However, such data is not sufficiently comprehensive for health monitoring purposes. Population surveys overcome much of the shortcomings in register-based information. However, this presupposes that participation is good in all population groups. Careful training and quality control throughout the survey process is also needed.

The "*Health Surveys in the EU: HIS and HIS/HES evaluations and models*" project has been launched within the framework of the European Community Health Monitoring Programme (1995-2002). It is aiming to produce a computerised overview of methods and contents of HIS, HES and other population surveys with a significant health component in the European Member States, EFTA/EEA countries as well as in Canada, Australia and USA.

Project Execution and Development of the HIS/HES Database

A Core Group was established with experts in the field of health survey from nine different European institutes. Collection of information about surveys was based on literature reviews, personal communications, systematic postal surveys covering all EU/EFTA Member States and questionnaires sent to contact persons.

Information has been entered into the health survey database. The inventory covers methodological description of the surveys, interview questions, both in the original language and in English, and HES examination protocols. Information about instruments and protocols recommended by experts and/or international organisations have also been included.

The users of the database can search for specific information via specific menus: on particular survey methodologies, on all the questions of a specific survey or on particular health topics covered in all or a limited number of surveys. Health survey questions and examination protocols are coded following a specific classification of health topics. This allows searching and selecting questions of interest within the database.

The aim of the HIS/HES database is to:

- Inform about the implementation and methods (e.g. sampling, non-response and data collection) used in health surveys
- Act as a reference centre on recommended questions and examination protocols for health surveys
- Allow searches on specific questions or examinations
- Enable comparisons of health surveys content and methods in different countries
- Identify institutions and contact persons at the national level responsible for each health survey.

To be entered into the database the health surveys must be based on nationally representative population samples, they must be repeated at more or less regular intervals and they must be comprehensive (not disease/topic specific or restricted to a narrow age group).

The current (July 2003) version of the database includes 92 HIS (with a total of 13972 questions) and 15 HES (with a total of 224 examination protocols) in EU/EFTA Member States, and in Australia, Canada and USA. Recommended instruments and protocols are also included.

The HIS/HES database was first developed in Microsoft Access®; a CD-Rom has been distributed to more than 150 institutions, national governmental services (statistical and health) and international organisations playing a key role in health monitoring in Europe (EC, WHO, OECD). Recently a new version compatible with Internet (the HIS/HES Website) has been made available; it is based on SQL Server® for the data management and Cold Fusion® for the web interface. It is directly accessible on the website of the Scientific Institute of Public Health at the following address: https://www.iph.fgov.be/hishes

Current National HIS and HES in Europe

The inventory of health surveys in Europe showed that in some countries health surveys are repeated regularly whereas in others one or two national HIS have been recorded. These surveys vary from "health modules" within living condition surveys to disability surveys, lifestyle surveys, surveys on use of health services or comprehensive general health surveys.

Topics on the health status of respondents, life style factors and the use of health and social services were most often included in the surveys. Differences in instruments used (and versions of these instruments), in the choice of wording of questions and in examination protocols reduce the comparability of a large number of health survey topics between countries. However, there is a recent evolution to better comparability and broadening of the number of health topics investigated in national and European health surveys.

National HES have been conducted in five countries (Finland, Germany, Ireland, the Netherlands and UK). The major reason given for not carrying out national HES until now was the high cost or difficulties to implement the examinations. However, HES are considered as necessary in most countries and most experts agree that a core module for HES in Europe should be developed.

There are important differences in survey methodology, e.g. concerning sampling procedures, age limits, inclusion of institutionalised persons and non-response.

Plans for the Future

More than 20 health interview surveys will be performed in Europe each year in the future (2004 and over). New HES are also planned in France, Italy and Portugal.

Since January 2003 the inventory of health surveys is being completed with information on health surveys from 16 European candidate countries to the EU. This work is supported financially by Eurostat.

Updating and further development of the database for European and other OECD countries will be a major challenge for the future. This will contribute to the establishment of a European Health Survey System in Europe.

The interactive HIS/HES database allows for a quick reference and comparison of methods and instruments used in national health surveys in Europe. It illustrates the great variety in instruments and the need for harmonisation.

Quality assurance procedures for good survey practices should be developed in the future. Specific efforts should be made to improve recruitment issues and reduce potential bias from non-participation.

NEWS IN BRIEF

OECD Health Data 2003

The second and final Internet update for OECD Health Data 2003 has been released on October 3, and includes key updates in the hypertext for Definitions, Sources and Methods, such as entirely revised health care system diagrams (available in English and French), a revised translation of the German version of the database (software and list of variables), as well as updated health expenditure data. The file can be downloaded for free under http://www.oecd.org/health/healthdata (click on "OECD Health Data 2003 – UPDATES"), for purchasers of the 2003 CD-ROM. Just follow the procedure to automatically update your database.

Latest available data show that OECD countries spent record amounts on health care in 2001 - an average 8.4% of their gross domestic product, up by three tenths of a percentage point from 2000. This is just some of the information available in **OECD Health Data 2003: a comparative analysis of 30 countries** - the most comprehensive source of comparable statistics on health and health systems across industrialised countries. Healthcare expenditure in OECD countries has grown more than one percent faster than their economies in the past decade, the OECD figures show.

More detailed information, a press release, selected tables, and order forms can be found under http://www.oecd.org/health/healthdata.
Contact point: health.contact@oecd.org

Sources and Methods of Short-Term Economic Statistics in China.

As part of its programme with China, the OECD just published a report on sources and methods of Chinese short-term statistics. The report covers the most widely-used statistics such as quarterly GDP, indices of production and business tendency surveys. Available as an OECD CCNM Working Paper on the Statistics homepage of the OECD (http://www.oecd.org)

RECENT PUBLICATIONS

❒ Insurance Statistics Yearbook 1994-2001 – 2003 Edition

The insurance industry is a key component of the economy by virtue of the amount of premiums it collects, the scale of its investment and, more fundamentally, the essential social and economic role it plays in covering personal and business risks.

This annual publication provides major official insurance statistics for all OECD countries as well as Singapore which has an observer status to the OECD Insurance Committee. 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.

❒ World Energy Statistics: Energy Statistics of Non-OECD Countries – Volume 2003 – Issue 3

The Energy Statistics of Non-OECD Countries CD-ROM contains data on energy supply and consumption for over 100 Non-OECD countries and 13 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 2001. Definitions of products and flows and explanatory notes on the individual country data have also been included in the file. Moreover, oil demand by product is given in tonnes and barrels per day.

❒ Student Engagement at School: A Sense of Belonging and Participation: Results from PISA 2000

How widespread is student disaffection with school in different education systems? What policies and practices are most effective in fostering students' sense of belonging and participation in school? These questions are of great concern to educators in many countries, not only because of the interrelationship between student engagement at school and learning outcomes, but also because student engagement represents a valued outcome in itself.

The OECD Programme for International Student Assessment (PISA) offers an opportunity to study student engagement within an internationally comparative framework as students approach the end of compulsory schooling. PISA provides not only information on students' literacy skills, but also on their attitudes and values, their social backgrounds, and on important features of the schools they attend.

This report examines several aspects of student engagement at school. The results indicate that the prevalence of disaffected students varies considerably both within and among schools in most countries, and that this variation is not attributable solely to students' family backgrounds. The analyses also identify some of the school factors related to student engagement and provide evidence that achieving strong student engagement at school does not have to be at the expense of academic performance.

❒ Revenue Statistics: Special features: Tax reliefs and the interpretation of tax-to-GDP ratios; The introduction of accrual accounting – 1965-2002 – 2003 Edition (also available on CD rom and on line)

Data on government sector receipts, and on taxes in particular, are basic inputs to most structural economic descriptions and economic analyses and are increasingly used in international comparisons. This annual publication gives a conceptual framework to define which government receipts should be regarded as taxes and to classify different types of taxes. It presents a unique set of detailed and internationally comparable tax data in a common format for all OECD countries from 1965 onwards.

This year's edition presents two special features. The first discusses the way in which tax reliefs affect reported tax-to-GDP ratios. The second explains why accrual accounting will be introduced in *Revenue Statistics* next year.

NEWS RELEASES

OECD Standardised Unemployment Rate falls to 7.1% in August 2003

The standardised unemployment rate for the OECD area[(1)] fell to 7.1% in August 2003, 0.1 percentage point lower than the previous month but 0.1 percentage point higher than a year earlier.

In the Euro area**,** the standardised unemployment rate remained at 8.8% in August 2003, 0.3 percentage point higher than a year earlier. For the United States**,** the standardised unemployment rate was 6.1% in August 2003, 0.1 percentage point lower than the previous month but 0.3 percentage point higher than a year earlier. For Japan, the standardised unemployment rate was 5.1% in August 2003, 0.2 percentage point lower than the previous month and 0.4 percentage point lower than a year earlier.

Over the twelve months to August 2003, the standardised unemployment rate rose in France from 8.9% to 9.4%, in Germany from 8.7% to 9.4% and in Canada from 7.5% to 8.0%. In July 2003, the standardised unemployment rate in Italy was 8.5%, 0.5 percentage point lower than a year earlier. In June 2003, the standardised unemployment rate in the United Kingdom was 5.0%, 0.1 percentage point lower than a year earlier.

The standardised unemployment rates for the other OECD countries are available at www.oecd.org/statistics/data (Frequently Asked Statistical Tables).

OECD Standardised Unemployment Rates - percentage of civilian labour force

	2002					2003							
	aug	sep	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug
OECD-Total	7.0	7.0	7.0	7.1	7.1	7.0	7.0	7.1	7.1	7.2	7.3	7.2	7.1
EU15	7.7	7.8	7.8	7.8	7.9	7.9	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Euro area	8.5	8.5	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.8	8.8	8.8	8.8
Major seven	6.5	6.5	6.6	6.6	6.6	6.6	6.6	6.6	6.7	6.8	6.8	6.7	6.7
Canada	7.5	7.7	7.6	7.5	7.5	7.4	7.4	7.3	7.5	7.8	7.7	7.8	8.0
Germany	8.7	8.7	8.8	8.9	8.9	9.1	9.2	9.3	9.4	9.4	9.4	9.4	9.4
France	8.9	8.9	9.0	9.0	9.1	9.1	9.2	9.2	9.3	9.3	9.3	9.4	9.4
Italy	9.0	8.9	8.9	8.9	9.0	9.0	8.9	8.8	8.7	8.6	8.6	8.5	
Japan	5.5	5.4	5.5	5.3	5.5	5.5	5.2	5.4	5.4	5.4	5.3	5.3	5.1
United Kingdom	5.2	5.2	5.1	5.1	4.9	5.0	5.1	5.0	5.0	4.9	5.0		
United States	5.8	5.7	5.8	5.9	6.0	5.7	5.8	5.8	6.0	6.1	6.4	6.2	6.1

The OECD Composite Leading Indicator continues its upward trend in August 2003

Moderate to strong recovery lies ahead in the OECD area according to the latest composite leading indicators (CLIs). August data signal continued accelerating performance in the United States and Japanese economies, whereas data for the Euro area signal moderately improved performance ahead with strong performance in Germany and weaker development in France.

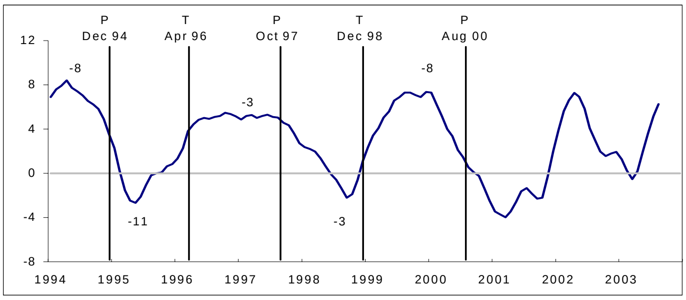
The CLI for the OECD area rose by 1.1 point in August 2003 to 124.1 from 123.0 in July. Its six-month rate of change has also risen significantly since April 2003, following a decline that began in July 2002.

The CLI for the United States increased by 1.1 point in August. Its six-month rate of change was also up substantially for the fifth consecutive month. The Euro area's CLI rose by 0.8 of a point in August and its six-month rate of change was up for the fourth consecutive month, following 11 straight months of declines. In August, the CLI for Japan was up by 1.2 point and its six-month rate of change was also up for the fourth consecutive month, after having shown a downward trend from July 2002.

The CLI for the United Kingdom rose by 0.5 of a point in August and its six-month rate of change improved for the fifth consecutive month after showing a strong downward trend since August 2002. The CLI for Canada increased by a strong 2.2 points in August. Its six-month rate of change was also up for the fifth consecutive month, following a downward trend registered since July 2002. The CLI for France increased slightly by 0.2 of a point in August and its six-month rate of change has improved moderately over the last five months after fourth consecutive months of declines. The CLI for Germany rose by a strong 1.3 point in August and its six-month rate of change increased for the fourth consecutive month after 11 consecutive months of declines. Finally, the CLI for Italy increased in August, as did its six-month rate of change.

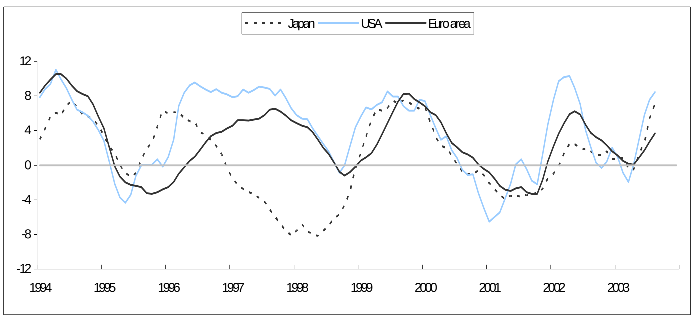
CLI data for all the countries and detailed information on the OECD methodology for CLIs can be found on the OECD website at http://www.oecd.org/std/cli

Trend restored CLI (annualised 6-month rate of change)
Percentage change: Total OECD



Early signals of the CLI for turning points (P: peak, T: trough) in the reference series, e.g. a peak for December 1994 was predicted by the CLI, 8 months in advance (i.e. -8).

Percentage change: Japan, USA and Euro area



Forthcoming OECD Statistics Meetings

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

October

20-24 Taxation of Electronic Commerce, seminar, *Directorate for Financial, Fiscal, And Enterprise Affairs* (DAFFE), Vienna, Austria.

23 OECD Breakfast Series: Comparing Labour Productivity Growth in OECD Countries, *Public Affairs and Communication Directorate* (PAC), Washington DC

27-28 Meeting of Experts in National Health Accounts, *Directorate for Employment, Labour and Social Affairs* (DELSA), OECD, Paris

November

3-4 Committee on Industry and Business Environment (CIBE), Session on Globalisation, *Directorate for Science, Technology and Industry* (STI), OECD Paris

5 Workshop on the Impact of Multinational Enterprises on productivity growth, *Directorate for Science, Technology and Industry* (STI), OECD Paris

5-7 Assessing and Improving Statistical Quality - OECD/IMF Workshop, *Statistics Directorate* (STD) OECD, Paris

6-7 Statistical Working Party of the Industry Committee (SWIC) Meeting, *Directorate for Science, Technology and Industry* (STI), OECD Paris

12 OECD Statisticians Meeting, *Statistics Directorate* (STD) OECD, Paris

25 Steering Group on Revenue Statistics, *Directorate for Financial, Fiscal, And Enterprise Affairs* (DAFFE), OECD, Paris

December

1-3 Workshop on Composite Leading Indicators, *Statistics Directorate* (STD) Santiago, Chile

15-16 OECD China Seminar on Environmental Indicators, *Environment Directorate* (ENV) OECD, Paris

18 Working Group on Environment Information and outlooks, *Environment Directorate* (ENV) OECD, Paris

OLISnet

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- Increasing the effectiveness of business communications and information exchange amongst national administrations, their Permanent Delegations, and the Secretariat; and
- Enhancing the productivity of OECD Committees and subsidiary bodies.

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OLISnet provides authorised officials with one-step access to documents, publications, statistical products, Committee Discussion Groups, other key information, and to public information on the OECD Web site. Officials can access information as and when they require, and delegates are better prepared for meetings and can contribute to the debate more effectively. Overall, there is better and more efficient circulation of OECD information in capitals.

If you have a Windows PC and can access the Internet from your desktop PC, access to OLISnet will be simple and easy, as shown by the increasing number of officials who connect directly from their Ministry network - more information on this fast and cost effective way of connecting to OLISnet can be obtained by contacting:

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