

DRAFT RECOMMENDATIONS FOR STESEG ACTIVITY, JULY 2003 TO JUNE 2004

1. The second meeting of the OECD Short-term Economic Statistics Expert Group (STESEG) was held in Paris on 26-27 June 2003. The meeting was attended by delegates from 24 OECD Member countries and the Russian Federation, representatives from the European Central Bank, Eurostat, the IMF and staff from the OECD Secretariat. The agenda for the meeting, background papers and reports on the outcomes of task force activity are available on the meeting website at www.oecd.org/std/meeting-papers.

2. The extensive preliminary outputs of the three task forces created following the June 2002 STESEG were discussed at the June 2003 meeting. Delegates believed that this work continued to be of high national priority and strongly supported the finalisation of task force activities over the period July 2003 to June 2004. Discussions at the meeting gave further focus and direction to task force activities, and highlighted the essential need for more extensive input from national agencies across OECD Membership, both through active participation within task forces or the provision of appropriate input and comment at crucial periods over the coming 12 months.

3. For your consideration and comment, this brief report summarises STESEG task force work for the next 12 months. The current membership of the three STESEG task forces is provided in the attachment to this report. Membership is open to any other country wishing to be actively involved in task force work. At this stage it is envisaged that the next plenary meeting of STESEG will be held in Paris on 28-29 June 2004.

4. The process envisaged for STESEG and task force work over the next 12 months would be as follows:

- preliminary task force and OECD papers to be finalised by 30 April 2004 and sent to STESEG delegates;
- STESEG delegates to review task force recommendations and consult within their organisation to identify its “position” with regard to recommendations and their possible implementation;
- STESEG delegates to forward a brief written submission (five pages maximum) outlining their organisation’s views and comments on the task force recommendations, etc, to the OECD by 28 May 2004.
- discussion of recommendations at 2004 plenary STESEG meeting in June 2004;
- finalisation of task force recommendations using input from STESEG meeting discussion and written submissions;
- submission of recommendations to OECD High Level Group on Statistics (comprising heads of NSOs) for final endorsement.

A. SERVICES TASK FORCE

5. A comprehensive paper summarising work currently underway in the international arena on the development of short-term and other indicators for services presented for discussion by the Australian Bureau of Statistics (ABS) at the March 2003 UNSC meeting emphasised the high priority that national agencies and international organisations attach to the development of short-term and other indicators for services. Consistent with the discussions at the UNSC meeting and the key OECD role envisaged by the Commission in providing leadership and direction in the development of services statistics, both task force

members and the 2003 plenary STESEG meeting gave high priority to the development of infra-annual, particularly monthly, indices of service production (ISP) for use by cyclical analysts that would be akin to similar indices currently available for industry. The Short-term Indicators for Services Task Force (STISTF) will therefore continue work on three priority activities, namely:

- identification of common practices and future national plans/intentions for the implementation of monthly ISPs (activity to be led by OECD);
- recommend suitable variables to measure various short-term services activities (activity to be led by UK ONS);
- harmonise or standardise definitions or titles for key variables of short-term service production (activity to be led by Statistics Canada).

6. In 2004, the task force will launch work on demand indicators for services (to be led by Statistics Denmark in conjunction with their work in the context of Eurostat activity).

7. International ISP guidelines and recommendations will be developed with clear consideration of user needs such as business cycle analysis and the compilation of quarterly national accounts. For example, development of monthly ISPs would ideally have a close correlation with quarterly national accounts for the service sector to be a maximum use to users.

8. Although harmonization of national practices is a desired goal, differences in national priorities, resources and data availability will impose limitations on the extent to which this is possible. In particular, national classifications are difficult to harmonise in the short-term. Nevertheless, it would be an advantage if the title of national indicators clearly revealed the nature of the indices, in particular, ISP.

9. To further progress work on these topics the task force will meet for two days on 3-4 February 2004 in Paris or another venue to be determined at a later date.

10. By early August 2003, the OECD will prepare a detailed work programme covering the period 2003-2004 for consideration, first by members of the task force, and then by STESEG delegates. The programme will outline:

- critical dates;
- finalise allocation of responsibilities/tasks;
- identify timing of essential input/information to be provided by members of the task force and STESEG.

11. An essential part of the work programme will be initial specification of the final output of the task force which will be in the form of an evolving manual. The content of this will evolve as required input is received from task force members and national sources. Because of differences in national priorities, resources and data sources, recommendations in the document will be presented in the form of a small number of options, commencing with an ideal option.

12. The output of the taskforce will be presented for consideration by other forums, etc., such as the:

- OECD national accounts expert group;
- Joint OECD – Eurostat Task Force on PPIs for Services;
- Voorburg Group;
- Conference of European Statisticians;
- other appropriate Eurostat working parties, etc.

B. PRESENTATION AND SEASONAL ADJUSTMENT TASK FORCE

13. Differences in national data presentation practices continue to complicate comparisons of short-term economic indicators as exemplified in a recent OECD – Eurostat project to compare indicators currently included in the Main Economic Indicators (MEI) and NewCronos databases with a view to co-ordinated collection of data. Over the period until the end of autumn 2003, the task force will therefore finalise the papers presented at the 2003 STESEG meeting outlining recommendations on current practices in the following eight main areas:

- standard terminology;
- presentation of growth rates;
- presentation of revisions;
- presentation of sampling errors;
- presentation of filtered series;
- presentation of historical retrospective data;
- presentation of seasonally adjusted data;
- presentation of related but not identical data

If necessary, the task force will meet in autumn to progress work on these papers at a time and venue to be determined.

14. These papers will be presented in summary form to STESEG delegates for wider national comment and feedback before being loaded onto the OECD website as final recommendations. Draft documents will also be presented at other international forums such as the UN Co-ordinating Committee for Statistical Activities and the UNSC for comment and endorsement.

C. TIMELINESS AND BENCHMARKING

15. Developing new methods to improve the timeliness of short-term economic statistics, both methodological and operational, continues to be a high priority for national statistical agencies. Work done by the STESEG task force in 2003 has made a significant contribution to this objective. A proposal submitted by the task force to develop a framework of methods to assist countries in improving the timeliness of short-term economic statistics met with strong support, although STESEG recommended some refinements to the original proposal to minimise the resources required for its development. The task force will work to finalise the desired content of the framework, after which wider involvement from all members of STESEG will be required to identify material that should be referenced in the framework. A goal would be to present a first version at the 2004 STESEG meeting for evaluation, well in advance to enable detailed assessment and feedback by STESEG members.

16. The task force also intends to provide guidelines on the appropriate use of benchmarking techniques in short-term economic statistics for presentation at the 2004 meeting.

17. STESEG delegates also expressed interest in the development of guidelines for the presentation of data revisions focusing on the relationship between preliminary and final estimates. This issue will be pursued by the data presentation task force, taking into account comments made on presentations by the timeliness and benchmarking taskforce at the STESEG meeting.

D. REDUCTION OF COST AND BURDEN TO RESPONDENTS AND NATIONAL STATISTICAL ORGANISATIONS

18. The OECD Secretariat presented a paper summarising specific national practices and activity received from 16 countries to achieve reductions in cost and burden to respondents and NSOs¹. Such practices entailed:

- more efficient sample/survey design;
- greater use of administrative data;
- use of new data collection/data capture techniques;
- adoption of more efficient processing procedures;
- improved communication with respondents to gain their co-operation.

19. The issues covered in the paper and subsequent discussion at STESEG were of vital interest to national agencies, and delegates believed that the exercise of summarising existing national practices and making information about them available on the OECD website had been a worthwhile exercise. However, further work by the OECD Secretariat on this topic was of lower priority than the finalisation of the task force activities described above. Following the inclusion of any additional brief national summaries received just prior to the June STESEG meeting no further work on this topic will be undertaken by the OECD Secretariat. It was noted, however, that the country papers contained information on many new developments related to the concept of improving timeliness (e.g. more efficient and cost effective data collection methods). Relevant information provided will be followed up by the timeliness and benchmarking taskforce in their work to develop a framework of methods to improve the timeliness of STES as outlined in paragraph 15.

Short-term Economic Statistics Division
Statistics Directorate
OECD
Paris
8 July 2003

¹ This paper is available at

CURRENT MEMBERSHIP OF STESEG TASK FORCES

Country	Services	Presentation and Seasonal Adjustment	Timeliness and Benchmarking
Australia	Patricia Mahony (ABS)	Patricia Mahony (ABS)	
Austria			
Belgium	Marc Debusschere (Statistics Belgium)	Marc Debusschere (Statistics Belgium)	
Canada	Hans Messinger, Bernard Lefrancois (Statistics Canada)	Bernard Lefrancois, Catherine Mamay (Statistics Canada)	
Czech Republic	Maria Hormannova (CSO)		Maria Hormannova (CSO)
Denmark	Jens Thomasen (Statistics Denmark)		Bente Dyrberg (Statistics Denmark)
Finland			
France		Adrien Friez (INSEE)	
Germany	Brigitta Redling (FSO)	Robert Kirchner (Bundesbank), Sandra Jung (Bundesamt)	Kai Lorentz (FSO)
Greece			
Hungary	István Macsári (HCSO)		
Iceland	Vilhjálmur Bjarnason (National Economic Institute)		
Ireland			
Italy		Gian Paolo Oneto (TF leader), Pietro Gennari (ISTAT), Roberto Sabbatini (Bank of Italy)	Pietro Gennari (ISTAT)
Japan			
Korea		Baek-Geun Jeon (KNSO)	Bongho Choi (KNSO)
Luxembourg			
Mexico	Juan José Rios Franco (INEGI)	Blanca Sains (INEGI)	Abigail Duran (INEGI)
Netherlands			Symon Algera (Statistics Netherlands)
New Zealand	Nairn MacGibbon (Statistics NZ)		
Norway			
Poland			
Portugal			
Slovak Republic			
Spain			
Sweden			Anita Ullberg (Statistics Sweden)
Switzerland		Monique Graf (FSO)	
Turkey			
United Kingdom	Rob Pike (ONS)		
United States	Thomas Zabelsky (Bureau of Census)		Sharon Brown (BLS)
IMF	Segismundo Fassler	Segismundo Fassler	Segismundo Fassler
OECD	Eun-Pyo Hong (TF Leader)	Brian Finn	Richard McKenzie (TF Leader)