

Workshop on the future challenges of services statistics

Luxembourg, 29-30 June 2004

Danish experiences in tackling the respondent burden

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Danish Experiences in Tackling the Respondent Burden

1. Introduction

The task of Statistics Denmark is to collect, process and publish statistical information on social and economic trends in Denmark. To be trustworthy, the statistics must be comprehensive and impartial, of high quality and produced by sound scientific methods.

To perform this task, information for compiling a majority of the business statistics has to be collected directly from the business enterprises, whereby a response burden is imposed on the business community. The response burden is a necessity of compiling statistics, but Statistics Denmark makes efforts to reduce, as far as possible, the response burden imposed on the business community, while at the same time we aim to maintain a high statistical quality, which is vital for the usefulness of the statistical data.

This paper focuses on our efforts to reduce the statistical response burden.

In March 2004, a report, which was entitled "Data reported to Statistics Denmark 2004" describing the work performed to simplify the process of reporting data by the business community, was published by Statistics Denmark for the first time. Reports are intended to be published annually. The present report forms the basis for the descriptions given in this paper. However, considerable abbreviations have been made, new paragraphs added and others omitted. At the same time, some items of information have been updated as very rapid trends are seen in this area.

2. National initiatives to relax the administrative burdens

Like other governments, the aim of the Danish government is to reduce the administrative burdens imposed on the business community. The present Danish government has set up a concrete goal of reducing the administrative burdens on the business enterprises, by up to 25 pct. before the end of 2010.

This objective should be viewed against the background that there have been no major changes in the time spent by the business enterprises on administrative tasks since 1999 when the first estimates were made, and until 2003. The level of time spent on administrative tasks in 2003 - and thereby the extent of the burden - has remained unchanged at the level of 1999.

In the action plan *A more business-oriented public sector* from October 2003, the government therefore presented a number of initiatives whose aim was to relax the administrative burdens. To ensure the progress of the work to be performed, the government also decided that the administrative burdens should be allocated to the ministries responsible. This implies that each ministry is now responsible for relaxing the burdens within their own field, by up to 25 pct.

Until 2010, the Danish government will publish annual goals of the extent to which each individual ministry with business-oriented legislation must reduce the administrative burdens within their own field. These goals, together with the annual reports on the extent to which the goals are realised, are presented in the annual statement on the business community and the adjustments made, which are submitted by the Ministry of Economic and Business Affairs to the Danish Parliament.

In 2002, total administrative burdens were estimated at DKK 29,000 million, which correspond to 2.5 pct. of the gross value added. The level of the burdens seems to be similar to that of countries with which we usually draw comparisons. Statistics Denmark is answerable to the Ministry of Economic and Business Affairs which accounts for about 38 pct. or DKK 11,000 million of the total burdens. Statistics Denmark's share of these burdens is estimated at about DKK 850 million or almost 3 pct. of total administrative burdens. There are wide margins of uncertainty in calculating the administrative burdens,

and work is therefore in progress to establish a better basis for assessing these burdens. In accordance with Statistics Denmark's assessment, the figure for Statistics Denmark is greatly overestimated.

Against this background, the efforts made by Statistics Denmark to reduce the response burden, which are discussed in detail in the following paragraphs, must be considered within the general framework laid down by the Danish government's strategy.

The following activity areas are singled out in the action plan *A more business-oriented public sector*:

Digital solutions must be used by more business enterprises

Simplification of rules in the most burdensome laws

New laws and rules must be less burdensome

Administrative competencies of business enterprises must be improved

Of the 4 above-mentioned activity areas, it is primarily the first area that aims at conducting a comprehensive digitalisation of the data reported to the public sector, including Statistics Denmark, which is of importance to the efforts made by Statistics Denmark to relax the response burden.

As far as Statistics Denmark is concerned, the two activity areas relating to simplification of rules in the most burdensome laws and relating to new laws and rules which must be less burdensome, unambiguously emphasize the statistical Regulations and Directives that have been adopted or will be adopted by the EU as 98.9 pct. of the response burden imposed on the Danish business enterprises by Statistics Denmark can be referred to legislative requirements of the EU. Measures to prevent administrative burdens in the new EU rules and simplification of existing rules were given high priority on the agenda of the Danish government during the Danish Presidency in 2002, and great attention is still focused on this by the Danish government. As it will appear from paragraph 6 describing the initiatives taken by Statistics Denmark in relation to EU legislation, Statistics Denmark is still making active efforts in this area.

3. The policy of Statistics Denmark to relax the burdens of the respondents

Data suppliers play an important part in the production of statistics, and Statistics Denmark has therefore always given high priority to work in good partnership with our data suppliers. The aim is to receive quick information of a quality that is as high as possible, while at the same time the costs of data suppliers (response burden) are reduced as widely as possible.

Consequently, in 1997 Statistics Denmark adopted a data supplier policy. This policy covers both the service available to data suppliers and initiatives to minimise their costs (the response burden).

The data supplier policy describes the following initiatives.

- Enterprises will be clearly informed of the reasons why the information is needed, to motivate them to provide it. Information sheets are therefore produced for all

surveys.

- Questionnaires are designed to be user friendly, with clear instructions and common format.
- All enquiries from enterprises will be handled quickly, comprehensively and in a friendly manner.
- In most cases, enterprises will receive a report on the results of the survey to which they have contributed
- Enterprises participating in compulsory surveys are treated equally by Statistics Denmark. Uniform reminder procedures as well as uniform procedures for cases referred to the police are applied

In order to lower the response burden Statistics Denmark:

- Carefully weighs up the need of the users for the statistics, against the response burden on the enterprise
- Endeavours to provide information from existing administrative registers rather than sending questionnaires to the enterprises
- Urges public authorities to coordinate the collection of information from enterprises – taking into account statistical needs
- Develops opportunities for enterprises to submit information electronically
- Ensures that the number in sample surveys is never greater than necessary, and that smaller enterprises are either omitted from these samples altogether, or are only represented to a minimum.

4. What efforts have been made by Statistics Denmark?

A number of initiatives have been taken by Statistics Denmark to reduce, as far as possible, the burden of the data suppliers.

4.1 General initiatives

Wherever possible, Statistics Denmark uses data collected for administrative purposes by other public authorities to form the basis for producing statistics. In this way, statistics are produced without having to impose a further response burden on the enterprises. The most important examples of general register-based statistics – i.e. statistics covering all main industry groups and based on information from administrative registers – are as follows:

- Monthly sales statistics based on information from the VAT register.
- Annual statistics on employment in businesses at the level of workplaces based on linkages of information from a number of administrative registers, primarily the register of earnings statistics and the register of income statistics, and information on workplaces extracted from the Central Business Register.
- Quarterly employment statistics based on information from the register of ATP statistics (Danish Labour Market Supplementary Pension Scheme).
- Annual accounts statistics partly based on detailed information from a small sample of enterprises and partly based on more summary accounts data collected by the Central Customs and Tax Administration from about 80,000 business enterprises.

In addition to the above, a wide range of sector-specific statistics is produced on the basis of primary data from administrative registers. Statistics are, especially, compiled within the fields of agriculture and environment, but also, e.g. within the fields of construction and transport.

Small enterprises are usually exempted from reporting data as only enterprises of a certain size (in terms of the number of employees) are obliged to report data. This applies to, e.g. statistics on manufacturers' sales, where enterprises employing under 10 persons are exempted from reporting data. Small enterprises are also exempted from the obligation to report data for the external trade statistics (Intrastat), as only enterprises with annual imports of at least DKK 1.5 mio. or exports of at least DKK 2.5 mio., are obliged to report data for these statistics.

Statistics Denmark usually collects information from a sample of enterprises and the results are then grossed up to achieve full coverage of the entire population. However, it is, at the same, ensured that reliable results are provided by the statistics. The selected share increases with the growing size of the enterprise. The accounts statistics are an example of this, where enterprises with less than 5 employees are not asked to report data. For enterprises employing between 5-49 persons, about 10 and 50 pct. are asked to report data, while enterprises with 50 employees or over must report data for the statistics.

4.2 A copy of the accounts instead of completing questionnaires

Statistics Denmark offers enterprises obliged to report data for the accounts statistics to submit a copy of their in-house accounts instead of completing a questionnaire. The relevant information is then derived from the accounts by Statistics Denmark. 50 pct. of all data suppliers made use of this possibility in 2003.

4.3 Digital data reports

It is in some statistical fields possible for the enterprises to report data digitally, and this possibility will be considerably extended during 2004, see paragraph 5 below. At present, a variety of possibilities have been opened up for reporting data to the external trade statistics, statistics on earnings, pig surveys and to statistics on transport of goods by lorry.

4.3.1 Intrastat

In 2003, it was made possible for respondents to use the programme IDEP for direct submission of data, in an encrypted form via e-mail to the Central Customs and Tax Administration. This implies that respondents no longer have to generate a file, which is first saved and subsequently submitted on a disc to the Central Customs and Tax Administration.

4.3.2 Statistics on earnings

The material used for reporting data for *the statistics on earnings* is developed in cooperation with the Danish Employers' Confederation and the Danish Employers' Association. These two employers' organisations collect information from their member enterprises, which is used for compiling own statistics on earnings, and the information collected is passed on to Statistics Denmark. Duplicate reporting of data is thus avoided.

To ease the response burden information is as widely as possible collected directly from the computerized pay transfer systems. In collaboration with the Danish Employers' Confederation, Statistics Denmark has developed a standard scheme for reporting data electronically to the statistics on earnings. This standard scheme is incorporated into all

computerized pay transfer systems and also in the systems operated by all agencies providing services with respect to pay transfers.

In cases where an enterprise does not make use of a computerized pay transfer system or the services of an agency, data can be reported either via an electronic questionnaire or via an Internet questionnaire. Since the survey year 2000, it has been possible to report data for the statistics on other labour costs via the Internet by means of an interactive Internet questionnaire. This possibility was used by about 40 pct. of the enterprises in the survey year 2002.

If the enterprise is registered with the joint electronic reporting system entitled "LetLøn" – either directly or via an agency providing services with respect to pay transfers, the data reported to Statistics Denmark is coordinated in a joint reporting of data to the reception centre. The employees report data and only make payments to "LetLøn", which subsequently pass on the information and payments to the respective recipients (the Central Customs and Tax Administration, the Holiday Accounts of the Labour Market Supplementary Pension Scheme, Statistics Denmark and the Danish Employers' Confederation). In addition to being a reporting system for data on earnings, a number of earnings-related services are linked to "LetLøn". "LetLøn" is administered by the "LetLøn Centre" at the Central Customs and Tax Administration. At the moment, only few enterprises make use of this possibility.

4.3.3 Pig surveys

In collaboration with the software firm AgroSoft, Statistics Denmark has developed the programme WinSvin for use in the *pig surveys* conducted by Statistics Denmark. This programme enables farmers to report data on pig stocks via an automatic extract from the farm's computerized system. The information can be submitted automatically via e-mail, but this type of reporting system is only used by few farms.

4.3.4 Transport of goods by lorry

An EDI standard has been developed by Statistics Denmark for the reporting of data on *transport of goods by lorry*, which can be used instead of completing the questionnaire forms that have been submitted. This system was developed by Statistics Denmark in collaboration with a number of interested parties.

The data reports can be submitted to Statistics Denmark via e-mail, but at the moment, no enterprises have made use of this type of data reporting.

4.4 Simplifications and linguistic improvements of the questionnaires and instructions

Questionnaires as well as the instructions attached to the questionnaires are continuously reviewed by Statistics Denmark to undertake simplifications and improvements. In 2003, about 50 pct. of the materials submitted to our data suppliers were linguistically reviewed. During 2004, other materials used by our data suppliers will be reviewed.

4.5 Advance notice

Since 2000, the enterprises selected to provide data for 5 or more statistics during the following year have been given an advance notice by Statistics Denmark. At the end of the year, the enterprises in question receive a letter describing the statistics for which they are expected to report data during the forthcoming year. In December 2003, Statistics Denmark mailed 3,094 advance notices to enterprises.

5. New initiatives in 2004 to relax the burden

5.1 Virk.dk

One of the most significant initiatives taken by the Danish government to reduce the administrative burdens on the business community was to enable Danish enterprises to communicate digitally with public authorities in all areas. In 2002, it was therefore decided to establish a business portal “virk.dk” on the Internet. Virk.dk is developed in a privately-public partnership. On this portal, the business enterprises must be able to find all business-related digital services offered by public authorities. That is, it must be possible for the business enterprises to obtain all relevant information from public authorities on Virk.dk, and the business enterprises must also be able to submit all information that they are obliged to supply via Virk.dk.

The business portal was officially put into operation in the autumn of 2003, but there are still some unsolved technical problems, which are assumed to be solved in 2004. These problems have implied that the enterprises’ use of the portal has been restricted, and this was also the case for the enterprises’ reporting of data to Statistics Denmark.

When it was decided to establish virk.dk, Statistics Denmark took the strategic decision to aim at this portal as the electronic medium of reporting data instead of continuing the development of own electronic solutions. A natural prerequisite for each statistical system as well as in general, is the establishment or alteration of a number of IT systems at Statistics Denmark in order to make use of virk.dk. The general structure is established and each system is in the process of being adjusted to virk.dk.

This strategic aim was taken with the clear expectations that virk.dk during 2004 would be able to handle all questionnaires so that questionnaires completed with auxiliary information in advance are thus more easily completed by the enterprises, and it must also be possible with respect to individualized enquiries that the enterprises can be assisted and shown exactly those questionnaires that they have to complete with data. When these prerequisites are fulfilled, the reporting of data via virk.dk will result in a reduction of the response burden of enterprises and municipalities, although the size of the reduction might be small.

The Intrastat form is the first questionnaire form available from virk.dk. Work has been carried out in 2003 to develop a specially-designed form for reporting data via virk.dk to *Intrastat*. At the beginning of May 2004, the form was made available on virk.dk. Each respondent is provided with an overview of the reporting units, and the business-specific information has been completed in the questionnaire in advance. It is also possible for the respondents to transfer the task of reporting data for each individual unit to a third party. Information submitted via the Intrastat form will automatically be validated (invalid commodity codes, etc.), and as a result hereof the respondents need not spend any subsequent time on correcting this type of error. It is also possible for the respondents to subsequently make their own corrections of errors, which relate to the nature of the commodity (DKK per unit, etc).

Any errors in the data reports via virk.dk to Intrastat can be corrected. This possibility will at first include information reported via virk.dk, but at a later time will also include information reported via other media (paper, disc, etc.). The data suppliers are also able to put forward comments to the data, provided that there are no errors, but that there are commodities different from previous data reports due to the new developments, etc. These new initiatives will reduce the more time-consuming and slow process of correcting errors via ordinary mail.

It is intended that this solution is to be used in other statistical fields during 2004 and 2005. This will imply that digital communication with the enterprises will be as efficient as possible.

5.2 Direct data reports to the accounts statistics

With respect to the accounts statistics work has over a number of years been carried out, to set up a system that makes it possible to extract data electronically from the accounting systems operated by the enterprises for Statistics Denmark, the Danish Commerce and Companies Agency and for the Central Customs and Tax Administration. This result of this work is the establishment of a solution based on XBRL for reporting data by the enterprises to the Danish Commerce and Companies Agency and to Statistics Denmark in 2004. In the next phase – presumably in 2005 – the system will be expanded to include reporting of data to the Central Customs and Tax Administration.

5.3 Direct data reports from the booking systems operated by hotels

In collaborating with the tourist industry and the central government, Statistics Denmark has been assigned with the task of analysing the market for meetings in Denmark. The system is constructed on the basis of direct electronic data reports from the booking systems operated by hotels, where a range of information on each single booking is transferred to Statistics Denmark.

5.4 Adjustment of the balance of payments statistics

It has been decided to stop the production of the balance of payments statistics compiled by the Danish central bank. These statistics are to be replaced by data on trade in services and a range of other current transactions, which will be prepared by Statistics Denmark. The main source for the balance of payments statistics is the data reported by banks relating to foreign payments made by their customers as well as by the banks themselves, supplemented by data reports from enterprises relating to, e.g. payments to and from their own accounts with foreign banks. The statistics compiled by Statistics Denmark will primarily be based on direct data reports from a limited number of relatively large business enterprises.

The following advantages are offered by the new system for reporting data:

- The total response burden of the business enterprises involved in reporting data to Statistics Denmark and the Danish central bank will annually be reduced by an estimated rate of 80 to 95 man-years
- It will also in future be possible to maintain the production of the balance of payments statistics at an acceptable quality level.
- Better knowledge of especially international trade in services will be available.

5.5 Optimum selection of sample surveys

In the fields where the statistics compiled by Statistics Denmark are based on sample surveys of enterprises, the samples will be currently reviewed to establish whether the selection of sampling units can be made more efficient. In 2004 the sample sizes will be reduced to comprise three statistics in the field of agriculture as well as the statistics on employment in the construction industry.

Against the background of a comprehensive sample survey which makes it possible to conduct an efficient updating of the 2003 register of agricultural statistics, it was decided in 2004 to cut down the number of farms from about 30,000 to about 20,000 in the sample. To this is added that the questionnaire will be reduced as a number of questions relating to, e.g. labour and irrigations of fields are excluded, compared to 2003.

In the light of a quality project conducted with respect to estimating the margins of sampling errors, it has proved that – in relation to the current EU requirements and the considerations of compiling statistics that provide a representative picture – it will be possible to reduce the sample from 5,000 to 3,5000 farms as from the survey 1 January 2004.

In connection with a quality project the margins of sampling errors have been estimated in relation to the current EU requirements and the considerations of compiling statistics that provide a representative picture of the annual crop. Against this background, it was decided that this year's sample should be reduced from about 4,500 to 4,000 respondents.

In 2003, work on reducing the sample size for the statistics on employment in the construction industry was initiated. In 2004, the reduction is fully implemented, resulting in a reduction of the sample by about 600. The sample will then cover 2,500 private enterprises engaged in building activities, compared to the previous 3,100 enterprises. A new method of raising figures has enabled the reduction of the sample survey, where registered-based data are used as auxiliary variable.

5.6 Reduction of data reported by small enterprises

As part of our efforts to minimise the administrative burden imposed on small enterprises, it was decided that small enterprises are to report data to no more than three statistics as from 2005.

At the moment, Statistics Denmark is carrying out work on setting up a system instrumental in ensuring that the goal is fulfilled. In 2003, there were about 300 enterprises employing less than 10 persons, which reported data for 4 or more statistics.

5.7 Reporting of data by telephone

Statistics Denmark will enable data suppliers to report data by telephone for some specific statistics. At first, the 4,000 enterprises reporting data on monthly sales figures for the statistics on indices of retail sales in May 2004 could report their data via a telephonic reporting system – TDE (Telephone Direct Entry). Up to now 400 enterprises have used this reporting channel for May 2004, which is a good start.

6. Statistics Denmark's initiatives in relation to EU legislation

EU legislation in the domain of statistics is very comprehensive, and as previously mentioned 98.8 pct. of the burdens imposed by Statistics Denmark on business enterprises can be directly or indirectly ascribed to legal requirements of the EU. A majority of these statistical requirements relate to statistics for which there is a national interest in producing them. However, the extent of the total legal requirements of the EU is so wide that Statistics Denmark has taken initiatives to restrict EU's legal requirements. This applies to general initiatives, as well as initiatives taken in each individual statistical domain.

6.1 Initiatives relating to "balanced" prioritisation of new EU legislation

The statistical requirements from the EU are steadily increasing, resulting in more detailed statistics in areas subject to already existing EU requirements, and with requirements of producing more rapidly available statistics in new areas. In the process leading up to the adoption of new statistical requirements, Statistics Denmark argues in the working groups as well as at the level of directors general that the level of detail in the new legal requirements must, partly be weighed against the considerations of the response burden and must be based on new methods reducing this burden and that new or expanded statistical requirements in a given area must, partly be followed up by fewer requirements in other fields.

At the initiative of Statistics Denmark, this principle of balanced prioritisation has been incorporated into the decisions of the Parliament and the Council, with respect to the 5-year programme for 2003-2007. As a result of this, Denmark has been assigned with the task of chairing a Task Force, comprising England, France, Holland, Italy, Germany and the Commission (Eurostat), which has put forward a concrete proposal for a follow-up on this. The proposal aims at establishing, partly a procedure in connection with the annual work programme in Eurostat and, partly at initiating a critical review of all legal documents to identify the statistical requirements, which are no longer considered to be of strategic importance, and can therefore be downgraded or they can simply be removed.

6.2 Enquiry to the Ministry of Economic and Business Affairs

In a majority of the statistical domains, the statistical EU requirements comply with the national requests for statistics. However, in a few domains the requirements go to a wide extent beyond the national requests. Consequently, Statistics Denmark has addressed the Ministry of Economic and Business Affairs with proposals for concrete domains in which EU requirements should, in the opinion of Statistics Denmark, be reduced by means of a political initiative. The domains comprise:

- the frequency of conducting structural agricultural surveys, which should, in the opinion of Statistics Denmark, be changed from every 2 years to every 3 years,
- the statistics on road transport of goods, which should be changed from quarterly statistics to annual statistics,
- external statistics (Intrastat), which should be simplified by reducing the requirement of coverage and by relaxing the requirement of data on quantities,
- to ease further the burden in connection with Intrastat by reporting only data on exports or imports nationally, and make use of import and export information compiled by other EU member states for compiling exports to or imports from EU member states. However, several member states need to improve the quality of their external trade statistics,
- the requirement of collecting data on stocks, which are essential in being able to calculate production indices in connection with the monthly indices of orders and sales in the manufacturing industries should be removed,
- the statistics on order intake for construction activities, which could be abolished,
- the structural statistics on the business community, where some of the specific statistical requirements for a few number of industries should be removed.

6.3 Proposals in connection with agricultural statistics.

In connection with determining the legal EU documents concerning agricultural statistics, the response burden is taken into account to a very substantial degree. This is not only argued by Denmark, but it is also a predominant argument put forward by other EU member states and by Eurostat. Statistics Denmark has taken concrete steps, which have implied that the right of using administrative data has been incorporated into a number of legal documents, as well as directives concerning livestock surveys and the Regulation on structural surveys in agriculture.

Furthermore, Statistics Denmark is also working actively in the working groups and in the committee on agricultural statistics to reduce the number of variables in each survey as well as the frequency of conducting surveys, wherever it is possible.

6.4 Proposals relating to transport statistics

As with other statistical domains, Statistics Denmark also clearly focuses on reducing, as far as possible, the response burden on transport statistics, taking due account of the quality requirements that must be made on statistics which are to provide a representative picture. The views are actively put forward in the working groups and later at the meetings of the

directors general (SPC meetings) Already at the meeting on 12 February 2004, Statistics Denmark made proposals for raising the threshold values with respect to requirements of accuracy for “small countries” in connection with discussing the Regulation on statistical registration of road transport of goods. The proposal was made with a view to reducing the sample size, and thereby the administrative burden on the transport industry, but the proposal was outvoted.

6.5 Reduction of the burden related to external trade statistics

The external trade statistics, Intrastat, account for 2/3 of the response burden imposed on the business enterprises by Statistics Denmark. These statistics are subject to an EU Regulation. The Regulation stipulates the level of detail of the statistics with respect to, e.g. the commodity distribution as well as for which part of the commodity trade data is to be collected in connection with compiling the statistics (level of coverage). Consequently, a common EU decision is necessary, if changes are to be made in the existing Intrastat system.

In 1996, Statistics Denmark decided to reduce the level of coverage and the requirements with respect to providing some supplementary data as it was considered by Statistics Denmark that, despite these reductions, it would still be possible to comply with the requirements of the Regulation during a short period of time. These changes were strongly supported by the Danish government and the business community, and this resulted in a reduction of the Danish business enterprises’ response burden related to Intrastat, ranging between 25-30 pct. from 1996 to 1997.

The existing EU Regulations imply that it will not be possible to further reduce the level of coverage in Intrastat. As a result of the active efforts made by several member states, including not least Denmark, a new EU Regulation has, however, been adopted, which will, e.g. reduce the requirements with regard to the level of coverage. Seen from an isolated point of view, the changes in the Regulation will reduce the number of enterprises obliged to report data, and thereby the response burden related to Intrastat by 7-8 pct. In addition to achieving a reduction in the requirements with regard to the level of coverage, a statement has been added stipulating that the EU Commission will continue to carry out work on putting forward further proposals for reducing the response burden related to Intrastat.

7. Measurement of the response burden of business enterprises

The business enterprises’ response burden in connection with reporting data to Statistics Denmark corresponded in 2003 to a workload involving 244.1 man-years. This is an increase of 3.1 pct. compared to the previous year.

98.8 pct. of the response burden in 2003 can be attributed to statistics for which data are supplied directly or indirectly to the EU in accordance with EU legal documents.

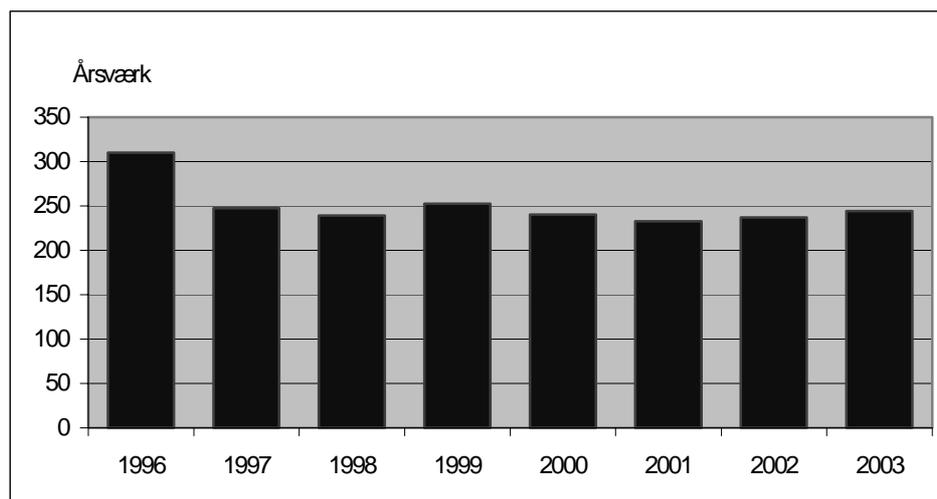
The response burden is compiled as the time spent by the business enterprises, and only covers private enterprises’ legal data reports submitted to Statistics Denmark.

7.1 Size of the response burden

Since 1996, Statistics Denmark has compiled the burden imposed on private enterprises in connection with submitting data reports to the surveys conducted by Statistics in accordance with EU legislation.

Statistics Denmark calculates the response burden by adding together the total time spent on all compulsory surveys by the enterprises.

Trends in the response burden



It appears from figure 1 that the level of the response burden has generally remained unchanged since 1997.

Response burden of enterprises in 2003 analysed by main industry

Main industry	Response burden (man-years)	Number of respondents (enterprises)	Number of enterprises, total	Burden per respondent (hours)	Burden per enterprise (hours)
Agriculture and fishing	16.8	28 318	53 179	1.0	0.5
Manufacturing, etc.	83.9	6 116	24 514	22.9	5.7
Construction	5.6	5 113	28 070	1.8	0.3
Ws. and retail trade; hotels, Transport, etc.	107.8	13 139	62 588	13.7	2.9
Business activities and financial services	5.9	3 260	15 772	3.0	0.6
Other services, and industry not stated	13.2	7 725	61 763	2.9	0.4
Total	243.7	69 403	284 166	5.9	1.4

The response burden of enterprises hinges on, e.g. the industry in which they operate. The group of enterprises engaged in activities within the industries "Manufacturing, etc." Wholesale and retail trade; hotels" account for the highest response burden. This is the case both in terms of absolute figures and as an average per total respondent and per total enterprise in the industry. 79 pct. of the total response burden is attributed to enterprises within these 2 industry groups.

Response burden of enterprises in 2003 analysed by number of employees

Employment	Response burden (man-years)	Number of respondents (enterprises)	Number of enterprises, total	Burden per respondent (enterprise) (hours)	Burden per enterprise (hours)
Under 10	94,6	49 886	259 774	3.2	0.6
10-19	36,9	8 882	12 514	6.9	4.9
20-49	47,0	6 604	7 399	11.9	10.6
50-99	27,7	2 006	2 250	23.1	20.6
100 or over	37,5	2 025	2 229	31.0	28.1

Total	243,7	69 403	284 166	5.9	1.4
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The response burden depends, in addition to the industry, also on the size of the enterprise. This is due to the fact that a great number of small enterprises are not obliged to submit data to Statistics Denmark; and for those statistics, which are based on sample surveys, the share selected increases in accordance with the size of the enterprise.

Enterprises analysed by size (employment) and by number of questionnaire-based surveys in which they participated in 2003

Employment	Number of questionnaire-based surveys					Total ¹
	No participation	1	2	3-4	5 or over	
Under 10	209 888	36 640	10 813	2 374	59	259 774
10-19	3 632	3 529	2 947	2 162	244	12 514
20-49	795	1 206	1 692	2 814	892	7 399
50-99	244	156	206	728	916	2 250
100 or over	204	253	146	378	1 248	2 229
Total	214 763	41 784	15 804	8 456	3 359	284 166

A majority of enterprises do not report data to any surveys conducted by Statistics Denmark in 2003. Among enterprises reporting data, most enterprises reported data for one survey only.

Table 3 shows that there is a positive relationship between employment and number of surveys for which an enterprise has to report data. It can be seen from the table that a majority of enterprises with less than 10 employees, which have been selected for Statistics Denmark's surveys, report data to one survey only. The higher the number of employees, the higher the tendency is for enterprises to report data to several surveys. A majority of enterprises with 100 or more employees report data to 5 or more surveys.

7.2 Methodological description

The relevant surveys conducted in connection with calculating the response burden are delimited on the basis of the following criteria:

- Only surveys in which private enterprises participate are included, and
- Only legal surveys are included.

The response burden is calculated at the time when the data were reported. Subsequently, surveys concerning the year 2002, but for which the respondents submitted data during the course of 2003, are included in the calculations of the response burden for 2003.

The response burden is calculated in terms of the time spent (the time consumption) on reporting data to Statistics Denmark. It is therefore necessary to make an estimate of how long time it takes, on average, to complete each of the questionnaires forwarded by Statistics Denmark.

The estimate is made on the basis of the following criteria:

- An estimate of the *gross burden* is made. Subsequently, any advantages derived by the enterprise from the statistics are not counterbalanced.
- Only respondents, who have actually reported data for a survey, are included.
- The total response burden is calculated. For example, the time consumption of the respondents in connection with enquiries to Statistics Denmark, submission of the questionnaires, as well as the time consumption in addition to the direct replies to be made.
- The time consumption comprises the time spent by the enterprises internally, as well as the time spent by the accountants, etc. paid by the enterprises to complete the questionnaires.

7.3 AMVAB

AMVAB, (Activity-based Measurement of Enterprises Administrative Burdens) is a Dutch method developed to identify the time consumption in connection with various administrative processes by the enterprises. The method aims to determine the time spent on each single sub-process for a normally efficient enterprise.

The Danish Commerce and Companies Agency has been assigned with the task of coordinating the measurement of the most important administrative burdens imposed on the enterprises by public authorities.

During the spring of 2004, an AMVAB measurement of the Act on Statistics Denmark has been conducted. This implies, in practice, that about 100 interviews among the enterprises reporting data to Statistics Denmark has been conducted by a consulting firm.

Final results from the AMVAB survey have not been published. The preliminary results however indicate that the estimated figures on the response burden published by Statistics Denmark since 1996 have underestimated the burden. The reason for this is that the response burden related to the reporting of data on imports Intrastat has been substantially underestimated. Intrastat accounts in total for about 75 % of the total burden. According to the AMVAB survey, the response burden for the other statistics taken as whole is lower than the figures on the response burden previously published by Statistics Denmark.

The results from the AMVAB analysis will be the point of departure for the further work on analyzing the administrative burdens and the result will be basis for the coming work on establishing an action plan for the further work on reducing the administrative burdens. It is expected that the plan will point on initiatives which can reduce the burdens directly as well as initiatives which can first be realized if the EU-demands on statistics are clarified. The action plan shall be finished beginning of October 2004.

8. Conclusion

It appears from the above description that there are many areas in which activities are in progress with a view to reducing the response burden of the business enterprises. The most important initiatives are linked to establishing electronic solutions for reporting data. However, such solutions can only to some extent reduce the response burden.

At the same time, it must be stressed that a majority of the business statistics in Denmark are compiled in accordance with EU legislation – and new EU legislation is adopted every year – and for that reason alone the possibilities of considerable reductions in the response burden are ruled out, unless initiatives are made to reduce the legal requirements of the EU in the form of negative priorities.

Statistic Denmark is working actively in connection with the concrete efforts to reduce the response burden, as well as the efforts to identify negative priorities.

