

# EC statistics: legislative framework for the production of short-term EC statistics

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In accordance with provisions set out in Regulation 1158/2005 concerning short-term statistics (the STS-Regulation) the Commission is required to submit a report to the European Parliament and the Council on statistics compiled under the terms of the Regulation. The report is required to address their relevance, quality and the revision of indicators. It is also specifically required to address the costs of the statistical system, the burden on business arising from the Regulation and on best practices for lessening the burden on business. If appropriate the report should indicate ways to reduce any unnecessary costs.

## Relevance of short-term statistics and benefits

An improved supply of data has resulted in a significant increase in the use of STS for economic analysis. For example, in 1999, at the launch of Stage Three of the EMU, industrial production was available on a monthly basis only; in 2007 data are now available for monthly and quarterly indicators on output, demand, prices, wages, employment, construction, retail trade and market services. The data are used for current economic analysis at EU and euro area level, for country analysis and country comparisons, for forecasting, economic research and for economic and monetary policy decisions. Further, the STS dataset has been recently extended to their services sector. The increased amount of data are now four times bigger than five years ago.

Deadlines for the submission of STS data have improved and have been achieved with systematic work in the Member States in order to maintain a high level of data quality. However, the release of some EU indicators are still behind those of the US and Japan. The 2005 amending Regulation introduced some European sampling, which is particularly suitable for first and timely estimates at European level and, therefore, fulfil major requirements of users while minimising the cost and burden in each Member State.

As far as the scope and quality of statistics is concerned, the report finds that data are available earlier. Similarly the country coverage at the moment of first release has improved. This is an important quality feature as it reduces the risk of subsequent revisions of first releases. Based on unbiased and accurate assessments, the quality of short term statistics has been described by users as generally good or satisfactory. There has been limited revisions of the STS. For some indicators, however, (for example retail trade turnover) further work is needed in order to improve the reliability of first estimates.

As with most EU countries, Eurostat has established an advance release calendar for many of the indicators. The release dates pre-announced on the Eurostat website for the whole year have been respected. The punctuality of STS statistics is unanimously assessed as optimal, very good or satisfactory. On a final point, the definitions, methods and quality between the EU and euro area economies and other major economies is very good and permits better economic analysis. Eurostat works closely with the OECD and other international institutions to ensure comparable methodologies and data as well as the use of common tools. When comparing the timeliness of some statistics, the US and Japan maintain faster delivery deadlines than Europe in terms of labour force and wages.

## Data Quality

Five principles govern the European statistics code: quality of statistical output; relevance; accuracy and reliability; timeliness and punctuality; coherence and comparability; accessibility and clarity. The report finds that the accuracy of the statistical output is tackled at both national and Community level in order to

eliminate, as far as possible, non-sampling errors and by calculating sampling errors and studying revisions. All short-term statistical data are accessible on the Eurostat website. As from 2006 onwards a dedicated section of the Eurostat website on short-term statistics provides the latest publications, access to data, background information and answers to frequently asked questions. As for clarity, this is ensured by a comprehensive and coherent set of metadata, tables and graphs related to published series.

### **Costs and burdens**

In 2005 a task force was set up of short-term statistics specialists in order to develop a tool to measure the statistical burden on businesses and the cost of the statistical system arising from the common European methodology. Based on a sample of 26 countries, a good overall picture for the EU has been obtained. In a typical year, around 930 000 European businesses responded to a statistical survey related to the 39 short-term statistics indicators. On average each business spent around 4 hours and 20 minutes per year filling in statistical survey relating to the STS Regulation and the 39 indicators. Respondents tend to be larger enterprises given that SME's are, mostly, exempted.

### **Best practices**

Examples of best practice includes: some twenty countries introducing electronic data collection rather than the post of fax; all Member States avoid burdening small businesses by including thresholds or implementing sample strategies; and some National Statistical Offices have successful experiments with a "one entry data point" for larger companies known as the large business profiler programme. This latter policy creates a very good long-term relationship between businesses and statistical offices.