

## Efforts made by Statistics Denmark to reduce the response burden

*Who decides?* The production of statistics is one of the areas in which the Council of the European Union (since May 1999 together with the European Parliament by way of the procedure for common decision-making) has decision-making powers and adopts regulations and directives resulting in demands on the statistics production in the Member States.

Statistics Denmark is the central authority for statistics in Denmark, and in areas where the requirements of statistics are not outlined in detail by the Council of the European Union, Statistics Denmark's Board of Governors decides the extent to which and in which manner the primary data for compiling the statistics are to be collected.

*Necessary information* One of the most important tasks of Statistics Denmark is to collect, process and publish statistical information on social and economic conditions. In carrying out this task the necessary basis of information for the democratic debate and for a well-working national economy is thus ensured. For example, statistics analysing short-term trends by way of changes in prices and employment, external trade and balance of payments and economic growth are essential to political and economic decision-makers.

It is important that the products generated by the production of statistics are of a sufficiently high quality, implying that the picture provided by the statistics is trustworthy and analyses the most important social and economic trends in society.

### The present data collection

Statistics Denmark's production of statistics is, as far as possible, based on data already collected for administrative purposes by other public authorities. In this way, statistics are produced without imposing a further response burden on the business enterprises. This is a significant feature of the production of statistics in Denmark, compared to most (also European countries) countries, where the national statistical institutes are forced to collect more data directly from the businesses for compiling statistics.

In the statistical areas where it is necessary to collect data directly from the business community, Statistics Denmark endeavours to minimise the response burden as much as possible.

*Response burden* As one of the world's few statistical national institutes, Statistics Denmark has since 1996 estimated and published the response burden imposed on the business community. From 1996 to 2002 the response has developed according to the following:

1996: 310.0 man-years  
1997: 247.5 man-years  
1998: 239.1 man-years  
1999: 252.3 man-years  
2000: 240.0 man-years  
2001: 232.6 man-years  
2002: 236.8 man-years

It appears that there are slight fluctuations in the response burden, but it was 24 pct. lower in 2002 than in 1996. 98.6 pct. of the response burden in 2002 can be ascribed to the statistics where from data in accordance with legal acts are directly or indirectly submitted to the EU.

*Intrastat* In 2002, external trade, Intrastat, accounted for 2/3 of the response burden imposed on the business community by Statistics Denmark. These statistics are subject to an EU Regulation, which lays down both the level of detail of the statistical data with respect to, e.g. the commodity distribution and the scope of the merchandise trade for which data must be collected in conjunction with compiling the statistics (coverage). If changes are to be made to the existing Intrastat system, a common EU decision is therefore required.

In 1996, it was decided by Statistics Denmark to reduce the coverage and the requirements with regard to certain supplementary information. It was considered by Statistics Denmark that with these reductions the statistics would still be able to meet the requirements of the Regulation over a short period of time. These changes were backed up by the Danish Government as well as the business community, and from 1996 to 1997 they resulted in a reduction ranging between 25 and 30 pct. in the response burden imposed on the Danish enterprises in conjunction with the data reports submitted to Intrastat. A further reduction of the coverage and level of detail in Intrastat would be a contravention of the current EU Regulations.

Statistics Denmark has over the last few years opened up new possibilities of reporting data. Since 2001, it has been possible for the enterprises to submit information to Intrastat via the Internet, and from 2003 this possibility was expanded. Enterprises using a special data input program (Idep) can now report their data by e-mail.

*Samples* Collecting information from only a sample of business enterprises and subsequently raising the sample results to cover the entire population is one of the methods applied to minimise the response burden. The sample size is, as far as possible, reduced, but it must, simultaneously, be ensured that the statistics still provide reliable results. It is a general rule when samples are selected that the very small enterprises are not asked if this is at all possible, and that the selected share generally rises concurrently with increasing enterprise size. An example is the accounts statistics where enterprises employing less than 5 persons are not asked at all. Data from enterprises with 5-49 employees are only collected from between 10 to 50 pct. of the enterprises, while all enterprises employing 50 persons or more are obliged to report data for the statistics.

To ensure optimum use of the selected sample, Statistics Denmark has initiated work on reviewing the statistics where there is a relatively great response burden. This has implied that 2,500 enterprises, compared to the

previous number of 3,000, will be asked to submit data for the statistics on employment in the construction industry from 3rd quarter 2003.

Statistics Denmark's strategy of collecting information from only samples of enterprises has implied that 79 pct. of all business enterprises engaged in actual activities did not have to report data to Statistics Denmark in 2002.

*Questionnaires* The design of and the guidelines on how to fill in the questionnaires have an important bearing on how the response burden is regarded by the enterprises when they fill in the questionnaires. During the course of 2003, Statistics Denmark reviewed all questionnaires and guidelines for the most important data reports with respect to intelligibility and language.

Furthermore, reviews of whether it is possible to reduce the number of questions in the questionnaire forms are continuously conducted. As a result of this, the number of questions contained in the questionnaire form used for employment in the construction industry was reduced from 12 to 7.

*Advance notice* In 2000, Statistics Denmark initiated a new practice of giving advance notice to those enterprises selected to provide information for 5 or more statistics in the year to come.

*Special initiatives* To this is added special initiatives taken in selected areas:

With respect to the accounts statistics, the business enterprises may submit a copy of their detailed accounts to Statistics Denmark, instead of filling in the comparatively comprehensive questionnaire. For accounts data in 2001, about 50 pct. of enterprises made use of this opportunity.

From 1 January 2003, an ancillary tool on Statistics Denmark's web site was introduced when data are submitted for the statistics on earnings. The tool made it possible for the enterprises to convert in-house job titles to those job codes applied in reporting data for the statistics on earnings.

With respect to the price statistics, it is possible for some enterprises to collect price data directly from the web sites of the enterprises. For these enterprises data are collected from their web sites by Statistics Denmark, and consequently the enterprises are not involved in reporting data in a questionnaire form.

## **Prospects for the future**

*Requirements of statistics* There are in the political system regular requirements of analysing new aspects of social and economic trends in society. The requirements occur both nationally and as a result of the steadily closer EU cooperation. Consequently, it is difficult to assume that the future requirements of statistical data will be lower. However, it is, as mentioned a political decision, which in most cases is made under the auspices of the EU.

*Reduce the burden on the respondents* Consequently, the efforts made by Statistics Denmark to reduce the response burden will be focussed on continuing and intensifying the work on easing the burden exacted on the respondent enterprises. This work will cover work

on improving the existing forms of reporting data and work on opening up new opportunities for the enterprises to report data.

Statistics Denmark has continuously carried out work on simplifying the questionnaires used for reporting data and the associated guidelines, and to prepare offers of sending, free of charge, the results from the statistics to the respondent enterprises. The purpose of these initiatives is to improve the continuous cooperation with the enterprises.

*Samples* Statistics Denmark will continue to minimise the response burden by only asking a sample of enterprises. The work on ensuring optimal use of the sample sizes will be continued, and in the autumn of 2003 the Pig Surveys will be reviewed to explore the possibilities of reducing the number of enterprises which are obliged to report data.

*Forms of reporting* Furthermore, Statistics Denmark will steadily increase the opportunities of making new forms of reporting data available to the enterprises. The new forms of reporting data on which work is present being performed are: electronic data interchange (EDI) solutions, electronic reporting and telephone reporting.

*EDI* EDI reporting is an example of one form of reporting data where an IT system is established which can be added to the administrative system of the enterprises. The information to be reported by the enterprises can thus be directly extracted from the administrative systems of the enterprises. An example of this system is the new system for earnings. Statistics Denmark is actively participating in the work on this system, and from 1 April 2002 the enterprises were able to submit information to the statistics on earnings via the new system for earnings. In addition to this, Statistics Denmark has established corresponding systems for reporting data to the Pig Survey and to the statistics on road transport of goods.

Another area in which an EDI solution is expected to ease the response burden on the enterprises is the reporting of data for the accounts statistics. In this context, a working group is set up, which is headed by the Danish Commerce and Companies Agency with the participation of the Central Customs and Tax Administration and Statistics Denmark and a task force from the Danish Ministry of Finance. The working group has the responsibility of establishing a system, which enables enterprises to report accounts data directly from their own administrative systems to each of the three first-mentioned institutions. At present, there is some uncertainty as to whether this system will be put into operation in 2003, so that data can be reported for the accounts statistics.

*Electronic reporting* In most other areas than those mentioned above, it will not be expedient to establish EDI solutions, as these solutions are disproportionately expensive and inflexible to the enterprises. However, Statistics Denmark will also in this context open up possibilities for the enterprises to report data electronically. At present, it is possible for the enterprises to report data electronically to Intrastat, to the statistics on earnings and to the statistics on other labour costs. In these areas, electronic questionnaires have been established, and the enterprises can report data either via disc/CD or via the Internet.

During the entire period of development Statistics Denmark has participated actively in the work on setting up the common enterprise portal for the public

sector, virk.dk. All enterprise-related forms used by Statistics Denmark will be made available from virk.dk, so that they can be used by the enterprises as soon as virk.dk comes into operation. This implies that all enterprise-related forms of Statistics Denmark, which do not contain spaces filled in beforehand, can be expected to be available from virk.dk as from 1 September 2003. From March 2004, it is expected that virk.dk is able to handle forms with spaces filled in beforehand, and from that point in time all enterprise-related forms of Statistics Denmark are available via virk.dk.

With respect to, especially Intrastat, a dynamic form containing an integrated number of reference routines (e.g. references to commodity codes) will be established in connection with virk.dk. This is expected to result in a considerable reduction in the response burden imposed on the enterprises reporting data.

*Reporting data by  
telephone*

Another possibility of submitting data reports is by reporting data by telephone. The business enterprises report their data to an answering machine, instead of filling in a questionnaire. During 2003, Statistics Denmark will review which technical solutions are the most expedient ones. Subsequently, the best solution will be established in statistical areas where there are small legal requirements with respect to providing information, e.g. the index of retail sales.

## **Summary of data reports**

A summary of all data reports which the business enterprises were legally bound to submit to Statistics Denmark in 2002 is given below.

	Data reports	Response burden	Share of man-years
	Number	Man-years	%
<b>Data reports, total</b>	<b>370 091</b>	<b>236.8</b>	<b>100.0</b>
<b>1. EU legislation</b>	<b>361 810</b>	<b>233.5</b>	<b>98.6</b>
Intrastat (external trade).....	142 886	160.9	
Sales, etc. of goods in the manufacturing industry.....	18 145	10.8	
Consumption of raw materials/ services in the manufacturing industry ....	1 334	8.4	
Earnings statistics – annual survey.....	18 254 <sup>2</sup>	6.1	
Pig survey.....	18 420	5.5	
Accounts statistics (business structure).....	8 331	5.5	
Orders and turnover in the manufacturing industry.....	15 719	3.9	
Nights spent at hotels, etc. ....	6 284	3.8	
Agricultural and horticultural survey.....	14 863	3.7	
Nights spent at camping sites, etc. ....	2 943	3.5	
Employment in the construction industry .....	11 359	3.4	
Earnings statistics – quarterly survey .....	13 263 <sup>2</sup>	3.1	
Index of retail sales .....	15 917	2.4	
Consumer price index .....	16 536	1.6	
Energy consumption in the manufacturing industry .....	4 237	1.5	
Wholesale price index .....	14 202	1.4	
International transport by Danish lorries .....	2 672	1.1	
Crop production, etc. ....	3 891	1.0	
Felling, etc. ....	1 542	0.9	
Cargo ships and cruisers calling at Danish ports .....	16 949	0.8	
National transport by Danish lorries .....	3 276	0.8	
Public finance – accounts (large questionnaire) .....	325	0.8	
Labour costs .....	1 922	0.6	
Product statistics for the ICT sector .....	779	0.2	
Product statistics for business consulting, auditing, etc. ....	571	0.2	
Product statistics for consulting engineers .....	569	0.2	
Freight earnings from Danish ships in foreign seas .....	169	0.2	
Supplementary accounts statistics shipping companies .....	169	0.2	
Public finance – accounts (small questionnaire) .....	146	0.2	
Survey of inventory valuation .....	2 199	0.1	
Rent survey (housing) (Property administration) .....	1 081	0.1	
Passenger transport and ferries calling at Danish ports .....	742	0.1	
Farmers' stocks of cereals .....	387	0.1	
Survey of fruit trees .....	348	0.1	
Product statistics for the advertising trade .....	333	0.1	
Ships and aircraft .....	281	0.0	
Stocks plus sales of cereals by retailers .....	158	0.0	
Consumer credit, etc. quarterly .....	136	0.0	
Product statistics for temp agencies .....	106	0.0	
Production of mixed fodder .....	81	0.0	
Transport by rail .....	69	0.0	
Goods traffics at Danish ports (freight statistics).....	63	0.0	
EXTRASTAT – North Sea .....	54	0.0	
Product statistics for opinion polls and market analyses .....	48	0.0	
Activities of major financing companies .....	36	0.0	
Accounts statistics for consumer credit companies .....	15	0.0	
<b>2. National legislation</b>	<b>72</b>	<b>0.0</b>	<b>0.0</b>
Official prices of barley and wheat for the regulation of farm rents .....	72	0.0	
<b>3. Partially external financing by interest groups</b>	<b>841</b>	<b>0.7</b>	<b>0.3</b>
Pleasure yachting .....	714	0.4	
Holidays dwellings rented through Danish agents .....	127	0.3	
<b>4. Basis for Central Business Register, workplace and employment</b>	<b>7 368</b>	<b>2.6</b>	<b>1.1</b>
Workplace specification .....	7 368	2.6	

<sup>1</sup>The response burden is estimated as the time spent on filling in questionnaires. <sup>2</sup>Including data reported by the Danish Employers' Confederation