

## **METHODS – APPROACHES – DEVELOPMENTS**

## Information of the German Federal Statistical Office

## **Edition 1/2012**

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Published by: Federal Statistical Office, Wiesbaden

#### Subject-related information

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General information

on the data supply:

Information service, tel:+49 (0) 611 / 75 24 05 fax: +49 (0) 611 / 75 33 30 www.destatis.de/kontakt/

Release calendar of the Press Office:

http://www.destatis.de/.../Terminvorschau

Periodicity: (generally) twice a year

Published in June 2012

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#### The catchword

#### The relevance of the statistical business register for national accounts

The statistical business register – in the following referred to as business register or register – is a database of economically active enterprises and local units from nearly all economic branches and is regularly updated. After quite a long setup phase, it has continuously been enhanced in terms of methodology and content. It contains comprehensive high-quality information on the number and structure of almost all enterprises in Germany which employ at least one person subject to social insurance contributions and/or achieve a taxable turnover of more than Euro 17,500 per year from supplies and services. In reference year 2009, the business register contained – for the economic branches covered (sections B to N and P to S of WZ 2008) – a total of approximately 3.6 million enterprises for which data are available, among other things, on the turnover achieved by the enterprises and on the number of persons subject to social insurance contributions employed there.

The statistical business register is the major infrastructural element of a register-based system of business statistics. In national accounts, the register has gained increasing importance because the large-scale censuses, which were conducted at larger intervals in the past (e.g. census of non-agricultural local units, census of distributive trade and the hotel and restaurant industry, census of crafts) and were major pillars of national accounting, have been abandoned and are largely being replaced by data from the register. However, the calculations performed continuously in national accounts still include and combine all statistical sources available, that is, short-term and structural statistics such as the production index or the cost structure survey in industry. In turn, the business register provides the sampling frame and expansion frame for a variety of business statistics.

#### Indicating the sectors to which the enterprises in the register belong

For national accounts, it is essential that the business register indicates to what sectors the enterprises belong to. This refers to the five sectors of national accounts, that is, non-financial corporations (S. 11), financial corporations (S. 12), general government (S. 13), households (S. 14) and non-profit institutions serving households (S. 15). In terms of content, a distinction is made between that sector classification and the usual classification by economic branch.

In the last few years, the demand for statistical data on the national accounting sectors has sharply increased on the part of the European Commission, the European Central Bank and the scientific community. National accounts and the statistical business register co-operated closely in the past, too. Such co-operation intensified when a common project was carried out on the statistical coverage of the "third sector" (non-profit institutions) and on implementing the EU business register regulation no. 177/2008 of 20 February 2008 with regard to the classification of enterprises in the register by national accounting sector.

Especially for the sector of non-profit institutions serving households, the register is very important as a continuous source of data that is used to determine the number of employees subject to social insurance contributions. This is because there are no surveys providing sufficient and comprehensive data on that sector. In national accounts, non-profit institutions serving households belong to non-market producers. This means that their value added cannot be ascertained on the basis of sales proceeds. Instead, it is obtained by adding up the

<sup>1</sup> See most recently Kleber, B./Sturm, R./Tümmler, T.: Ergebnisse zu Unternehmensgruppen aus dem Unternehmensregister, in Wirtschaft und Statistik 6/2010, p. 527 ff.

<sup>2</sup> The annual turnover threshold for the relevant year is based on the threshold indicated in section 19 (1) of the Turnover Tax Law.

<sup>3</sup> The term "third sector" is used here to describe the field between the market and general government. The "third sector" project was initiated and funded by a consortium of the Stifterverband für die Deutsche Wissenschaft, the Bertelsmann Stiftung and the Fritz Thyssen Stiftung and its goal was to study the economic importance of the third sector in Germany. The project report is available at http://www.stifterverband.org/statistik\_und\_analysen/dritter\_sektor/index.html.

expenditure components of compensation of employees, consumption of fixed capital and the balancing item of other taxes on production and by subtracting other subsidies on production. New data on the number of employees subject to social insurance contributions employed by non-profit institutions serving households have now become available from the business register for the first time in more than ten years. Based on them, the compensation of employees was recalculated, which is by far the quantitatively largest expenditure component of gross value added. In addition, the business register was used to achieve a major improvement in the delimitation between the sectors of national accounts.

As a first step of defining the national accounting sector of non-profit institutions serving households, which is part of the third sector, the relevant enterprises were allocated to the third sector. The methodological basis for defining the third sector is a United Nations Handbook describing and explaining the definitions and concepts of the third sector. For the allocation of units in the business register, a technical algorithm was developed which allows an optimal allocation to the third sector on the basis of variables existing in the register, such as legal form, economic branch and name of the enterprises. Also, positive lists of units belonging to the third sector (e.g. charitable services of the Evangelical Church or foundations) were linked to the business register, as were negative lists of units not belonging to the third sector, such as the public units from the system managing the group of respondents of public finance statistics. As a final step, under certain conditions, sectoral allocations of parent companies were transferred to their subsidiaries. After running the algorithm, about 70% of the enterprises in the register were uniquely allocated in an automated way. The remaining 30%, for which unique automated allocation was not possible, were further subdivided. Part of them were globally allocated after sample tests had been performed, while for another part time-consuming research was required in every individual case.

After the third-sector enterprises had been marked as such in the business register, they were further narrowed down to the national accounting sector of non-profit institutions serving households (code S. 15). For the purpose, the third-sector units with a legal form that is atypical of the sector S. 15, such as public limited company, limited liability company or co-operative, were excluded. Also, the enterprises were limited in terms of economic activity to the divisions of WZ 2008 which typically apply to the main activities of non-profit institutions serving households. Those divisions are research and development, education, human health activities, residential care activities, social work activities, creative and arts activities, libraries, museums, etc., sports, amusement and recreation activities as well as activities of membership organisations (excluding business associations) and activities of religious organisations.

The sectoral allocation to the sectors of non-financial and financial corporations and to sole proprietorships and freelancers, which belong to the households sector, was also done through the combination of economic activity and legal form, which are available as variables in the business register. Among the public units contained in the business register, the units to be allocated to the general government sector were identified by linking them to data from public finance statistics and from the system managing the group of respondents among public enterprises.

#### Conclusion and outlook

The business register has proven suitable as a data basis for obtaining sector-specific information. For purposes of national accounting, information on the number of persons employed in the sector of non-profit institutions serving households became available for the first time in a decade during the 2011 revision, though only for 2007 for the time being.<sup>3</sup> The

<sup>&</sup>lt;sup>1</sup> United Nations: Handbook on Non-Profit Institutions in the System of National Accounts, New York 2003.

<sup>&</sup>lt;sup>2</sup> See Rosenski, N.: Indicating the third sector in the statistical business register, in Methods – Approaches – Developments 2/2011, p. 18 ff.

<sup>&</sup>lt;sup>3</sup> See Räth, N./Braakmann, A.: *Revision der Volkswirtschaftlichen Gesamtrechnungen 2011 für den Zeitraum 1991 bis 2010*, in *Wirtschaft und Statistik* 9/2011, p. 825 ff.

third-sector project was successfully finished. In addition, all units of the statistical business register were classified by national accounting sector. Such classification was done centrally in a federal copy of the business register for reference year 2007.

The common goal of national accounts and the business register is to continue showing a high-quality sector identification in the register. Currently, the sectoral allocation for reference years 2008 and 2009 is being updated. Permanent maintenance of high-quality allocation, however, depends on the availability of adequate resources.

However, the findings and data obtained so far are not sufficient for a comprehensive calculation of all transactions of the sector of non-profit institutions serving households and for a separate representation of the sector in national accounts. There are data gaps especially regarding the expenditure and proceeds of, transfers received and made by, and investments made by the institutions. One way of bridging some of the data gaps is to directly question institutions. As there is no legal basis for the Federal Statistical Office to conduct such a survey, institutions can be questioned only by third parties. This is currently being considered by the *Stifterverband für die Deutsche Wissenschaft*. In this context, the Federal Statistical Office will support the efforts of the *Stifterverband* where possible.

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## Methods of federal statistics - Further development

#### The Overall System of Tax Statistics – A project progress report

Tax statistics are a major information basis for politics, the scientific community and the society. At the same time, they are used to plan and control fiscal policy matters. Especially for regulatory impact assessments, tax statistics data are indispensable. Over the last few years, the requirements to be met by tax statistics have continuously increased, especially the need for upto-date data which allow flexible evaluation. Against this background, it has become necessary to redesign the system of tax statistics with the goal of setting up a new Overall System of Tax Statistics (Steuerstatistisches Gesamtsystem – StSys). 1 Major project goals comprise programming a framework application in which all tax statistics can be processed, setting up an IT architecture for centralised statistics production and data storage as well as process optimisation and using synergies in statistical processing of individual sets of tax statistics. Synergy potentials include the possibility of data reconciliation between different sets of tax statistics in the processing phase. Also, efficiency gains are achieved through the standard framework application and through automated data transfer. Such facilitation in statistics production is important for tax statistics to meet the growing requirements. This may be illustrated as follows. By integrating the various sets of tax statistics into the StSys, such federal sets of statistics will in future be processed at annual intervals. So far, nearly all federal statistics have been processed every three years. That modification will considerably increase the processing efforts at the statistical offices of the Federation and the Länder. The only way to cope with that workload is to apply new IT solutions in combination with process optimisations in tax statistics.

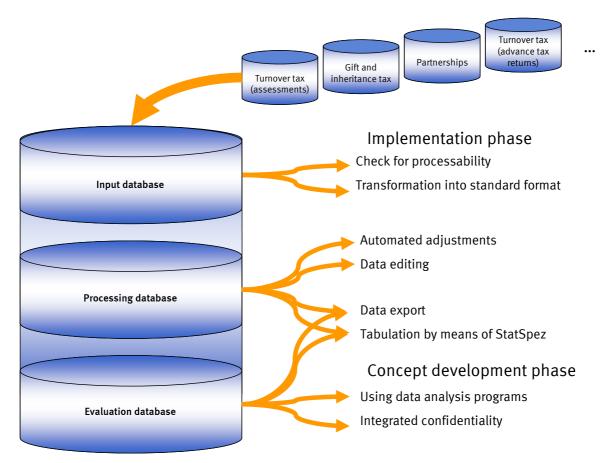
 $<sup>^{1}</sup>$  Cf. Ehlert, A.: New concept for the system of tax statistics, in: Methods – Approaches – Developments, 2/2008, p. 11 f.

#### **Project progress**

Processing in the *StSys* is based on the principles of centralised statistics production and data storage. The data are processed and edited in a central database. The statistical offices all over Germany access the database through a web application. The database structure of the *StSys* is based on three databases for input, processing, and evaluation (see chart 1). After checking for formal processability, the data are transferred to the processing database. That transfer involves automated data adjustments. In the processing database, the data are edited and then transferred into the evaluation database, where they are available for statistical evaluation.

The input database and the processing database are fully operational. Based on the data from the processing and the evaluation databases, standard tables can already be compiled in a centralised way through the StatSpez statistics software. For more detailed evaluations, the data have to be exported and be analysed in the relevant statistical office. Further requirements to be met by the evaluation database are currently being co-ordinated in the Statistical Network. Apart from integrating the remaining modules, another challenge in the overall project of "redesigning the system of tax statistics" will consist in preparing a concept of an evaluation database that meets the specific requirements of tax statistics.

Chart 1: Central database of the Overall System of Tax Statistics



The overall project comprises the integration of the following sets of tax statistics (modules) into the Overall System of Tax Statistics:

- 1. Turnover tax (assessments),
- 2. Gift and inheritance tax,
- 3. Statistics of partnerships,
- 4. Turnover tax (advance tax returns),

- 5. Trade tax.
- 6. Corporation tax,
- 7. Wage and income tax.

In the context of programming the first module – the new turnover tax statistics (assessments) – the framework application for all tax statistics was developed. Then the gift and inheritance tax statistics and the statistics of partnerships were integrated into the *StSys*, with individual adjustments in terms of tax statistics being performed in the framework. All three modules have been released, so that those tax statistics are now processed and evaluated in the *StSys*. As a fourth module, turnover tax statistics (advance tax returns) are currently being integrated. As that set of statistics is most up-to-date, it is of particular importance within the *StSys*. It is intended that data on a specific taxpayer that have been edited in turnover tax statistics (advance tax returns) will automatically be transferred to other, downstream statistics, which will save work time.

Generally, the overall project is going according to schedule, although there were delays in some modules. Especially quality assurance and the related feedback loops between the contracting authority, the contractor and the quality assuring Land statistical office as well as the relevant documentation are time-consuming processes and took longer than had been planned. Also, quality assurance had to be applied not only to the individual functions in the modules but also to the successful integration of the modules into the overall system.

On the one hand, the separate invitation to tender for the individual tax statistics modules requires great co-ordination efforts in project control. Currently a consortium (consisting of three Land statistical offices) and two other Land statistical offices, in their function as contractors, are responsible for programming the modules. In addition, three Land statistical offices provide quality assurance. The Federal Statistical Office acts as the contracting authority and, as part of project management, co-ordinates the programming work, performs additional quality assurance measures and accepts the finished modules.

On the other hand, the knowledge acquired and potential improvements discovered in the context of awarding and programming the first three modules can be taken into account when integrating the new modules into the system. This will reduce the efforts required. Especially using functionalities already programmed can reduce the programming efforts for new modules.

Parallel to programming the individual modules, training is offered to the staff of the statistical offices of the Federation and the Länder to present the new application and the redesigned statistical processes.

#### Outlook

As mentioned above, turnover tax statistics (advance tax returns) are now in the integration phase, which will be finished by mid 2012. Also, the subject-related bases for integrating the fifth module (trade tax statistics) are now being prepared. The project is scheduled to be finished in 2013. According to initial plans, corporation tax statistics would then have to be integrated, followed by wage and income tax statistics.

Due to the gradual reduction of resources for mainframe applications, it is now being discussed whether the programming priorities for the remaining modules and the duration of the overall project should be modified. According to the original schedule, income tax statistics would be the last module to be integrated into the *StSys* and the overall project would be terminated in 2016. It is now planned that income tax statistics will be included earlier into the *StSys* and that, with the integration of corporation tax statistics as the last module, the overall project will be terminated in 2015. The overall project would then be finished a year earlier than scheduled.

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# Business closures in business notifications and insolvency statistics and in business demography

#### 1. Problem definition

The statistics of business notifications, insolvency statistics and business demography provide information on closures of enterprises and local units. This article describes briefly both methodological and content-related aspects of the business closures covered by the above three surveys/calculation systems. The aim is to provide users with content-related and/or methodological help in interpreting discrepancies that may occur between the results of the different statistics/calculation systems.

#### 2. Business closures in the statistics of business notifications

The statistics of business notifications cover all registrations and deregistrations of enterprises and establishments. They are based on the obligation laid down in the German Industrial Code to notify the competent registration authority of the beginning or end of any business activity. That obligation does not only refer to business start-ups or shut-downs, but also to relocations, changes of legal status or ownership and other changes of business activity. Liberal professions and primary production, such as agriculture and forestry, are not subject to the Industrial Code and therefore are not covered by the statistics.

In the statistics of business notifications, closures are covered under business deregistrations. Above all they concern notifications received from enterprises or establishments which have completely ceased their economic activity. In addition, so-called transformations under the German Corporate Transformation Act require notification, too. Transformations include mergers and demergers of businesses. In that context, legal entities ceasing to exist are obliged to deregister, while new entities are required to register. The moving of businesses to another registration district must be notified, too. The same applies to what is called the handing over of businesses and to associated changes of legal status, withdrawals of partners, succession, sale or leasing. Changes of legal status require businesses to deregister the previous form and register the new legal status. At the same time, deregistration is required if partners withdraw from a partnership. The obligation of notification also applies to cases of selling or leasing out a business, and also to successions. The reasons for a business deregistration must be indicated, too. They may range from economic problems and insolvency to personal and family reasons.

Hence 'real closures', that is, final shut-downs of enterprises or establishments constitute only part of the potential business deregistrations covered by the statistics of business notifications.

#### 3. Business closures in insolvency statistics

Insolvency proceedings are opened in the event of a debtor's insolvency or overindebtedness. The purpose is to distribute the assets of the debtor among the creditors concerned and, if possible, to restore financial soundness. Based on the relevant insolvency regulations, the courts of law settle the associated disputes. Court reports are used to compile the insolvency statistics. At monthly intervals, the decisions rendered and facts established by the courts are transmitted to the statistical offices of the Länder. As regards enterprises, the relevant data refer to the whole of insolvency proceedings opened and rejections of respective applications due to lack of funds. A rejection due to lack of funds is made if a debtor's assets are not sufficient to cover the costs of the proceedings. Normally, the enterprise concerned must be immediately liquidated upon receipt of such a rejection notice, and the creditors remain without compensation. Therefore, rejecting an application for the opening of insolvency proceedings due to lack of assets can be regarded as a closure of the relevant enterprise. Insolvency proceedings are opened if the assets of the debtor are sufficient to cover the costs. As a result of the given procedure, the enterprise concerned can either be liquidated (which would be equal to its closure) or its financial soundness can be restored. The latter does not constitute any form of business closure.

#### 4. Business closures in the context of business demography

The business register (URS) is a database of enterprises and local units, which encompasses almost all branches of economic activity in Germany. However, agriculture and forestry and also public administration are not yet completely incorporated. The business register covers all businesses liable to pay turnover tax which submitted advance turnover tax returns in Germany in the reference year and whose annual turnover currently amounts to at least Euro 17,500. That is an essential difference as compared to the statistics of business notifications which cover businesses irrespective of their annual turnover levels. The business register allows, among other things, to determine changes in the stock of businesses over time and it provides business demography-related information. In that context, data on business closures can be generated, too. A 'real closure' is to be understood as the dissolution of a combination of production factors, while no other business is involved in the event. Cases of leaving the stock of businesses due to merger, takeover or the restructuring of an enterprise group are not regarded as 'real closures' because the production factors continue to exist – at least partly. A unit leaving the stock exclusively due to a change of economic activity or ownership is not counted either. And an enterprise is only covered under 'real closures' if it is not reactivated within two years.

The multi-stage comparison procedure used to obtain information on 'real closures' is briefly outlined below:

The stock of data available for the reference year and the data in place for the following year are used for comparisons to determine potential closures. Businesses which were active in the reference year t, while they were not active in the following year t+1, are marked as potential closures in the reference year t. That comparison is only based on identification numbers. In addition, the intra-annual administrative data on turnover (advance turnover tax returns) and on employees (data of the Federal Employment Agency) of the reference year are used to determine potential closures if, due to the reporting patterns, a cessation of activity can be assumed for the reference year.

As a next step, checks are made to find out whether so-called demographic events, such as changes of legal status or fusions, are linked to the potential closures determined in the above manner. As a result of demographic events, existing units are not maintained; instead new data records are compiled. In accordance with the methodology applied in the area of business demography, however, these are no 'real closures' in the above sense. To identify such demographic events, an elaborate comparison method is applied, which tries to detect the events on the basis of combining the information available on name, location and branch of economic activity. Basically, the relevant demographic events include the following:

- predecessor/successor relation (e.g. change of ownership, change of legal status)
- dissolution (distribution of the production factors of an enterprise to two or more new units)
- fusion
- takeover
- closure of a joint venture

As a last step, that is, before the remaining potential closures will be marked as 'real closures' in the reference year, reactivated units — namely those units which were inactive over a period of less than two years — must be taken into account. They are also to be marked as no real closures.

All remaining units are 'real closures' in the context of business demography (see above).

#### 5. Conclusions

This article has shown that, in the above three types of statistics, the definition of 'closures' of enterprises and local units differs in both content-related and methodological terms. The number of 'real closures' can be regarded as tending to be higher in the statistics of business

notifications than in a business demography context, particularly due to the fact that the business register contains those businesses which submit advance turnover tax returns and whose annual turnover currently amounts to at least Euro 17,500. However, closures that are covered by the insolvency statistics constitute only part of the 'real closures' both in the business notification statistics and in business demography.

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## Methodological adjustments in the survey of vegetable cultivation and harvest as from 2012

#### Introductory note

Starting in 2012, the crop production reports (*Ernte- und Betriebsberichterstattung – EBE*) for vegetables and strawberries and the survey of vegetable cultivation will be combined and conducted with compulsory response for agricultural holdings. The legal basis is Regulation (EC) No 543/2009 of the European Parliament and of the Council of 18 June 2009 concerning crop statistics and repealing Council Regulations (EEC) No 837/90 and (EEC) No 959/93 (OJ L 167 p. 1) for the production of Community statistics on agricultural land use and crop production. It replaced two former Regulations and data supply obligations based on gentlemen agreements. As regards meeting additional supply obligations arising from the Regulation, the Commission has granted a two-year transition period to several member states, including Germany. The first obligatory reference year will thus be 2012.<sup>1</sup>

The modified requirements arising from the European legal basis had to be implemented in the national Agricultural Statistics Act. On that occasion, improvements in the data collection and processing procedures were implemented, the quality of the results was assured, and the burden on respondents was reduced where possible. Consequently, the survey of vegetable cultivation and the crop production reports for vegetables have been combined. In contrast to the survey of vegetable cultivation, response was voluntary in the crop production reports. In the last few years, however, it had become more and more difficult to find agricultural holdings or crop reporters who were able or willing to provide information on yields in the holding or in the reporting district for the yield estimates. Consequently, the data quality has markedly deteriorated. The survey of vegetable cultivation was conducted annually in the period from May to August, while the crop production reports were provided annually in June, August, October/November. This paper describes the methodological consequences of combining the survey of vegetable cultivation and the crop production reports for vegetables into a newly designed vegetable survey involving compulsory response as from 2012.

#### Methodological changes

Due to the new legal basis, the lower limits of coverage will markedly change in the vegetable survey as from 2012, which will reduce the burden on respondents. The obligation to provide information will be limited to agricultural holdings with areas under outdoor cultivation of at least 0.5 hectares or under high accessible cover of at least 0.1 hectares (with cultivation of vegetables and/or strawberries or their young seedlings) or with a mushroom production area of at least 0.1 hectares. By raising those cut-off limits, the burden will further be reduced especially

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<sup>&</sup>lt;sup>1</sup> Through the new legal basis, the vegetable survey will, from 2012, meet the statistical requirements of the European Union regarding crop production.

for smaller holdings. Holdings which, despite exceeding other agricultural limits<sup>1</sup>, cultivate vegetables and/or strawberries only on smaller areas do no longer belong to the group of respondents.

The vegetable survey will be conducted on a general basis every four years, starting in 2012. Although according to the old law, too, a general survey of vegetable cultivation was conducted every four years, the data on cultivated areas and harvested quantities will be combined in one survey as from 2012 as a result of the amended Agricultural Statistics Act.

This means that questions on the cultivated area must be answered by all agricultural holdings exceeding the cut-off limits for vegetables. However, it is laid down in the new law that, in the years with a general survey, the survey variables on harvested quantities have to be covered in a sample of not more than 6,000 holdings. In the intermediate years (2013-2015), the harvested quantities and the areas under vegetable or strawberry cultivation are collected together on a representative basis with a maximum sample size of 6,000 holdings.

For the 2012 main survey, this means that the cultivated areas for the main vegetables are covered generally and the data on harvested quantities are covered on a sample basis. In most cases, the main survey will start in Germany in November 2012.

There have also been changes in the list of variables. Fennel, horseradish, kohlrabi under glass are no longer shown separately but under "other vegetables". In addition, leeks are allocated to the vegetable group "leafy or stalked vegetables" and onions to "root, tuber and bulb vegetables". Due to the EU Regulation concerning crop statistics, parsley and chives have no longer been covered by the survey of vegetable cultivation since 2010, but only in the main survey of land use under the category of aromatic plants, medicinal and culinary plants.

Because of the great importance of strawberries and asparagus (about 30% of the total area under vegetable and strawberry cultivation), a provisional result both on cultivated areas and on harvested quantities will be determined for both crops by means of a pre-survey every June starting in 2012<sup>2</sup>.

A separate questionnaire has been developed for the new survey of mushroom production. The survey period for reference year 2012 will be January and February of the subsequent year. Due to the small number of mushroom holdings in Germany, the data on harvest areas and harvested quantities will be collected on a general basis also in the intermediate years.<sup>3</sup>

#### Defining the population and the sampling population

The population of the vegetable survey cannot be based only on the register of agricultural holdings because the variables that are relevant for the obligation to provide information are not contained in the register. However, the group of reporting units of the vegetable survey can be narrowed down as the holdings which responded to the vegetable surveys of 2008 to 2011 are indicated as such in the register of agricultural holdings. In addition, the data of the most recent main survey of land use is examined with regard to the variables deciding about whether a holding is obliged to provide information for the vegetable survey.

<sup>&</sup>lt;sup>1</sup> In the 2011 survey of vegetable cultivation, also those agricultural holdings were obliged to provide information which, though cultivating vegetables and/or strawberries on small areas, exceeded a lower limit of coverage of 5 ha of used agricultural area, 1 ha of permanent crops, 0.5 ha of tobacco, 0.5 ha of hops, 10 cattle, 50 pigs, 10 breeding sows, 20 sheep, 20 goats, 1000 poultry.

<sup>&</sup>lt;sup>2</sup> In the pre-survey of asparagus and strawberries, the data on areas under cultivation and harvested quantities will be collected together in a sample survey for the first time in 2012. Already in the past, in the crop production reports on vegetables and strawberries a provisional harvest result for strawberries and asparagus was calculated for June. However, the current area under cultivation was not available yet at that time, so that the value of the previous year had to be used to determine the yield. A provisional result for rhubarb will no longer be calculated in the vegetable survey as from 2012.

<sup>&</sup>lt;sup>3</sup> The survey of mushroom production will be conducted on a general basis every year, and for the first time in January and February 2013. The purpose of the survey of mushroom production is to determine the harvest areas and harvested quantities of the individual mushroom species. At the same time, it will meet the statistical requirements of the European Union regarding crop production.

#### Conducting the survey

A total of three different questionnaires have to be developed to conduct the 2012 vegetable survey.

In the pre-survey of asparagus and strawberries, only those holdings will be questioned every June as from 2012 which cultivate only asparagus and/or strawberries. For the purpose, a separate questionnaire and a sample design have to be developed. The questionnaire is a short version covering only the areas and harvested quantities of asparagus and strawberries and the fact of whether the holdings cultivate other vegetables in addition. If so, the holding is included also in the main survey.

In the main survey, all vegetable holdings exceeding the legally defined lower limits of coverage are included in the population<sup>1</sup>. It should be taken into account here that the variables on harvested quantities are covered on a representative basis, the data on areas under cultivation on a general basis. Therefore, two questionnaires must be provided. Holdings selected for the sample get a questionnaire containing the questions on cultivated areas and harvested quantities. All other holdings have to complete the questionnaire covering only the cultivated areas.

In the intermediate years (2013-2015) until the next general vegetable survey, the main survey will cover both the cultivated areas and the harvested quantities on a representative basis in a common questionnaire.

#### Estimating results from the pre-survey and the main survey

The harvested asparagus quantities reported from the pre-survey in June can directly be taken over for the main survey in November because harvesting will be finished by that time.

Things are more complicated for strawberries. The strawberry harvest is not finished when the pre-survey is conducted, so that the harvested quantities reported in the survey cannot be taken over for November without applying a correction factor if the harvested quantities differ significantly between the pre-survey and the main survey. Therefore, in the Länder conducting a sample survey, half of the strawberry holdings with an average cultivated area are questioned in June and the other half in November. For those strawberry holdings, a correction factor regarding the harvested quantities is determined. The correction factor will be used to take over the results from June or be applied to the holdings having a comparable area under strawberry cultivation. For strawberry holdings with a smaller cultivated area, the June result will be taken over for the main survey without a correction factor.

Overall strata are indispensable for the largest strawberry holdings to obtain a result with reasonable precision already in June. Without such overall strata, a very high standard error would have to be expected. To avoid marked biases in the final result, selected strawberry holdings with a larger area under cultivation should be questioned again in November. For those holdings, the result from the pre-survey will be replaced by the final result from the main survey.

In June, expansion estimation is applied to the cultivated areas and harvested quantities. However, another correction factor has to be determined whose purpose is to offset the bias in the estimate of strawberry and/or asparagus areas in holdings with other vegetables (relation between total cultivated area and the cultivated area of the pre-survey). In November, the harvested quantities are expanded using combined ratio estimation.

In some Länder with large areas under vegetable cultivation but with a small number of agricultural holdings, the data on harvested quantities are obtained through a 100% sample.

<sup>&</sup>lt;sup>1</sup> Smaller and medium-sized holdings which were questioned already in the pre-survey in June and which cultivate only strawberries will not be included in the main survey in November 2012.

The data obtained from previous surveys can be used to roughly estimate the relative standard error for the pre-survey and the main survey. This already gives a first impression of the quality of the sample of the 2012 vegetable survey (units changing the stratum and non-response or item non-response are not taken into account).

Also, the holdings in the sampling frame are sorted by region, which may reduce the relative standard error.

#### Results

First results of the estimation of asparagus and strawberry harvest will be available at the end of July 2012. The results of the main survey are expected for January 2013.

#### **Further information**

For further information on the quality and the results of vegetable harvest estimates please refer to the quality reports for those surveys and to the publication service:

Quality report on vegetables

Crop production reports: vegetables and strawberries

Vegetables – harvest areas, yields per hectare and harvested quantities

Final results of the 2010 vegetable harvest, outdoor and under glass

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#### **Events**

# User conference on official household statistics: "Research Based on the Microcensus and the Sample Survey of Income and Expenditure", 29 – 30 September 2011 in Mannheim

Since 1998, the GESIS Leibniz Institute for the Social Sciences and the Federal Statistical Office have regularly convened user conferences that are addressed to researchers who work with, or are interested in, relevant data from official statistics. The major conference objectives are to present and discuss the research findings derived from these data as well as to promote an exchange of experiences among the researchers and between the researchers and the statistical offices as data producers.

This year, for the first time, a conference was held on the two major sources of official household statistics together: the microcensus and the sample survey of income and expenditure. It was the seventh user conference on the microcensus and the second on the sample survey of income and expenditure. The conference was mainly dedicated to analysing the social structure and income and expenditure in Germany. The about 40 participants heard a total of 16 contributions, which also addressed methodological aspects and data quality issues.

On the first day, the representatives of the Federal Statistical Office introduced the conference by giving an overview of the two sets of statistics, their legal bases, content and data collection

modes. Special emphasis was placed on the European context of both the microcensus, which incorporates the Labour Force Survey, and the sample survey of income and expenditure, which provides the basis for the EU Household Budget Survey.

The ensuing sessions with a focus on "Social inequality" examined poverty and family dynamics and the effects of social inequality on health behaviour. Another focus was on the subject "Migration and integration, social situation", with contributions on the changing labour market opportunities for migrants and on the chances of advancing from a migrant environment to highly qualified occupations.

The second day started with longitudinal issues concerning the labour market, such as the identification of business start-ups, using the microcensus panel, or the changes in mature labour force participation as reflected by cross-sectional data. Further sessions were held on the subjects of "Data quality and methods" and "Education and labour market".

The final discussion centred on questions and suggestions made by the researchers with regard to official statistics, including the possibilities of improving the data basis and general aspects of data communication.

The programme of the user conference and all the presentations can be found in the events archive of the GESIS German Microdata Lab on the internet at: http://www.gesis.org/veranstaltungen/veranstaltungs-archiv/german-microdata-lab/

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# National accounting specialist committee discusses broad range of subjects

On 2 and 3 November 2011, the National Accounting Specialist Committee convened at the Federal Statistical Office in Wiesbaden. The committee's aim is to inform the major data users about changes and further developments in national accounts and to discuss these with the users. Apart from representatives of the Federal Statistical Office, about 50 external experts took part in the meeting, among them delegates of the Federal Ministry of Economics and Technology, the Federal Ministry of Education and Research, the Federal Ministry of Labour and Social Affairs, the Statistical Office of the European Communities (Eurostat) and of several statistical offices of the Länder. The representatives of the major data users came from the Deutsche Bundesbank and the European Central Bank as well as from several research institutes, the Association of German Chambers of Industry and Commerce and a number of economic associations.

A total of 13 contributions were presented to the committee, which covered a broad range of subjects and often stimulated lively discussions. The focus of the meeting was on the 2011 revision of national accounts, which had just been concluded successfully, and the forthcoming general revision in 2014. Much attention was also given to the new European requirements concerning the quality and timeliness of government finance data in national accounts, which have assumed a prominent role in public debate because of the debt crisis in some EU member states. Also discussed were the current national and international activities for measuring wellbeing, which the Federal Statistical Office has been following and supporting. In this context, the working tasks of the Bundestag Study Commission "Growth, Wellbeing and Quality of Life" and new research findings of the Organisation for Economic Co-operation and Development were presented and discussed.

Considerable time was spent on analysing the changes resulting from the 2011 general revision and their effects on national accounting results. This revision was necessary in the EU countries because of the transition to new classifications of economic activities and products and, in Germany, was also used to improve data quality. Accordingly, new data sources were incorporated and methodological improvements were implemented, for instance, with regard to the recalculation of data on non-profit institutions serving households. Consequently, all time series of national accounts since 1991 have been fully revised in Germany. Although the Federal Statistical Office did more extensive revisions than most of the other EU states, the EU-wide release date (September 2011) was met, a fact emphasised by the Eurostat delegate. The 2011 revision and its influence on major aggregates such as gross domestic product and value added by sector had already been presented in an article in the September issue of the journal "Wirtschaft und Statistik". Additionally, the chairwoman of the working party "National Accounts of the Länder" explained how the 2011 revision was implemented at Land level and outlined other important activities of the working party.

Representatives of Eurostat, the European statistical office, and the Federal Statistical Office gave an overview of how far the revision of the currently applicable System of Economic Accounts (ESA 1995) has progressed. This revision is necessary because, from 2014 onwards, the thoroughly revised ESA 2010 will be mandatory for all EU states. The ESA 2010 is expected to be adopted in 2012 and comes with a multitude of profound methodological and conceptual changes. Therefore, this focal topic was complemented by several specialist contributions on selected revision issues. Special attention was given to the treatment of research and development, which will be classified as capital formation in future. Also presented were methods to calculate pension entitlements and banking services (FISIM).

Reliable and timely statistics are an essential prerequisite for overcoming the debt crisis in some European countries. As representatives of Eurostat and the Federal Statistical Office explained, European level statistics will also be used in the future to pre-emptively identify symptoms of economic crisis or macroeconomic imbalances in the EU states. The procedure, which is scheduled to be implemented for the first time in the spring of 2012, is incorporated into a legislative packet of the EU Commission that comprises six regulations and directives. This legislative packet contains, inter alia, stricter provisions on the independence of the statistical institutes, on fines in the event of statistical manipulations, as well as on the monthly and quarterly government finance data. In addition, it provides the basis for robust quality management in statistics, especially for government finance statistics. One of the regulations concerns economic policy and is aimed at the prevention and correction of macroeconomic imbalances in the EU countries. In this context, a set of statistical indicators (scoreboard) will be used to detect such imbalances as early as possible. The German statistical agencies will contribute detailed national accounts data to ensure the success of the EU's new political project.

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#### Federal Statistical Office grants Gerhard Fürst Award 2011

For her doctoral thesis entitled "On Hospital Competition: Quality, Efficiency, and Ownership", Dr. Annika Herr was granted the 2011 Gerhard Fürst Award of the Federal Statistical Office (Destatis). This annual scientific award for outstanding scientific projects closely related to official statistics was given by the Federal Statistical Office for the 13th time. The award-winning doctoral thesis was supervised by Professor Dr. Justus Haucap at Friedrich-Alexander-Universität Erlangen-Nürnberg. The award money is Euro 5,000.

In the category of diploma/master's dissertations, two young researchers received promotion prizes. First, Philipp Breidenbach of Ruhr-Universität Bochum was honoured for his diploma dissertation on "European Structural Funds and Regional Income Convergence. An Empirical Analysis using Panel Data". Secondly, Destatis awarded a prize to Wolf Heinrich Reuter for his bachelor's dissertation on "Establishing an Infrastructure for Remote Access to Microdata at Eurostat", which he wrote at Vienna University of Economics and Business. The promotion prizes for young researchers each came with Euro 1,000 in prize money.

By offering the annual scientific awards, the Federal Statistical Office intends to intensify the cooperation between the scientific community and the official statistical agencies. At the same time, the prize aims to encourage junior scientists to make extensive use in their empirical research of the wide variety of data offered by official statistics. The papers submitted are assessed by an independent expert jury.

The setting for the presentation of the 2011 Gerhard Fürst Award was provided by the 20th Scientific Colloquium on "Micro Data Access – International and National Perspectives", which was held by the Federal Statistical Office together with the German Statistical Society in Wiesbaden on 10 and 11 November 2011.

The laudatory speeches on the award-winning papers were delivered by the chairman of the expert jury, Professor Dr. Ullrich Heilemann (Leipzig University). The laudatory speeches were published in the December issue of the periodical "Wirtschaft und Statistik".

More detailed information on the Gerhard Fürst Award and short versions of the award-winning papers can be found on the Federal Statistical Office's <u>website</u>.

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# 20th Scientific Colloquium: "Micro Data Access - International and National Perspectives"

In co-operation with the German Statistical Society (DStatG), the 20<sup>th</sup> Scientific Colloquium on the topic of "Micro Data Access – International and National Perspectives" was held in the Gerhard Fürst hall of the Federal Statistical Office in Wiesbaden on 10 and 11 November 2011.

Providing access to microdata for the scientific and research communities and the general public is a topic of central importance for the Research Data Centres of the statistical offices of the Federation and the Länder as well as for the Research Data Centres of Deutsche Rentenversicherung Bund (German statutory pension insurance institution) and the Institute for Employment Research of the Federal Employment Agency.

Accordingly, talks were given not only by renowned national and international researchers but also, in particular, by scientists from the <u>Research Data Centres of the Federal Statistical Office</u> and the statistical offices of the <u>Länder</u>, the <u>Deutsche Rentenversicherung Bund</u> and the <u>Institute for Employment Research (IAB) of the Federal Employment Agency</u>. The colloquium was moderated by Prof. Dr. Susanne Rässler of Otto-Friedrich-Universität Bamberg.

The <u>conference documentation</u> comprising all the presentations and the programme, which contains abstracts of all the contributions, is now available from the Federal Statistical Office's website.

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