

ANNUAL REPORT 2015

Interview with
Stefan Schweinfest
Director of the Statistics Division at the United Nations
Page 20

Interview with
Prof. Helge Braun
Minister of State to the Federal Chancellor
Page 30



Imprint

Published by

Federal Statistical Office, Wiesbaden

Editing and interviews

Heidrun Stirner und Ilka Willand
jahresbericht@destatis.de

Design and layout

KonzeptQuartier® GmbH, Fürth
Barbara Both, Federal Statistical Office

Published in July 2016

© Statistisches Bundesamt, Wiesbaden 2016

Reproduction and distribution, also of parts, are permitted
provided that the source is mentioned.

Photo credits

Cover

© KonzeptQuartier® GmbH / © Statistisches Bundesamt

Pages 03, 04, 05, 06, 07, 10, 12, 13, 17, 18, 19, 24, 26, 28, 29, 34, 35,
42, 44, 46

© Statistisches Bundesamt

(The persons shown are employees of the Federal Statistical Office /
Photographer: Dennis Williamson)

Pages 04, 05, 08, 09, 10, 14, 15, 22, 33, 36, 37, 44, 47

© KonzeptQuartier® GmbH

Pages 04, 20

© UN Photo / Eskinder Debebe

Pages 05, 30

© Bundesregierung / Steffen Kugler

Pages 04, 14, 15

© Statistische Ämter des Bundes und der Länder

Page 19

© United Nations

Page 32

© fotobeu – Fotolia.com

Pages 04, 39

© Nataliya Hora – Fotolia.com

Pages 40, 41

© BDI / Christian Kruppa

Statist. Bundesamt - Bibliothek



16-02315

(06.2411)

Dear reader,

We learn at a very early age that quality is something good. Quality is regarded as desirable and reliable: it stands the test of time. Yet quality is more than a clearly measurable parameter. It nowadays needs to be safeguarded in an environment which constantly calls for flexibility and adaptation.

The following pages provide you with an insight into which national and international standards are used to ensure the quality of official statistics in Germany. Our interview with Stefan Schweinfest, Director of the Statistics Division at the United Nations in New York, sees us broaden this view to cover the global statistics community.

With our second central topic, namely businesses, we show which statistics are acquired from business data, how these statistics influence decisions regarding economic policy and the way in which they impact businesses. In our interview with Professor Helge Braun, the Minister of State to the Federal Chancellor explains to us from a different perspective what the results of the business survey mean for his task of reducing bureaucracy.

Being able to adapt and change while ensuring a consistent level of quality is a hallmark of official statistics. We hope that this issue of the annual report gives you a better understanding of this area.

Yours,



Dieter Sarreither
President of the Federal Statistical Office



Contents

- 02 Imprint
 - 03 Editorial
-

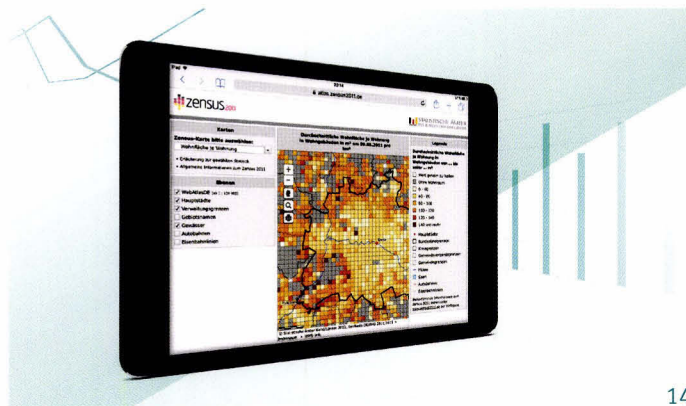
- 06 **Vision**
Leitmotif and key figures in brief

- 08 **“Willing to listen, good standard, communication on equal terms”**
Feedback on our press activities in 2015

- 10 **GENESIS-Online**
OpenData for our customers

- 12 **Change at the top**
New head of the Federal Statistical Office

- 13 **Gerhard Fürst Award 2015**
Dialogue with the scientific community



14



20



16



38



- 14 **Germany squared**
Online grid map
- 16 **Focal topic I**
Quality management
- 20 **Interview with Stefan Schweinfest**
Director of the Statistics Division, United Nations

- 24 **Focal topic II**
Business statistics

- 30 **Interview with Professor Helge Braun**
Minister of State to the Federal Chancellor

- 34 **Official and simple –**
Public administrative services within easy reach
Satisfaction with government services

- 36 **Expertise in demand**
Remuneration of Members of the Bundestag

- 38 **Customer profile**
The Federation of German Industries

- 42 **Budget**
Budget and expenditure in 2015

- 44 **Human resources development and advanced training**
E-learning and wiki application

- 46 **Senior management**

-
- 48 **Contact and addresses**



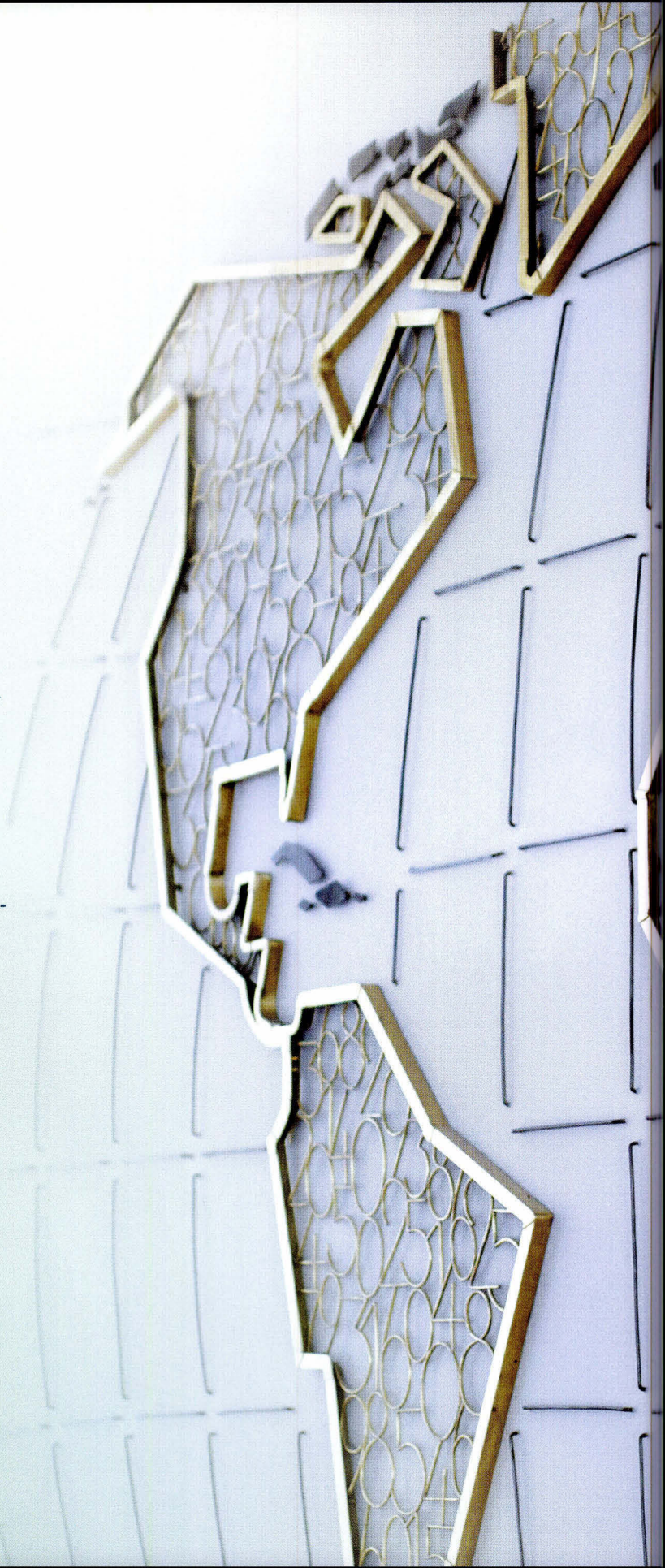
Our vision

The Federal Statistical Office is the leading provider of high-quality statistical information on Germany.

Our role

We provide the statistical information required for the development of informed opinions and decision-making processes in a democratic society while ensuring the neutrality, objectivity and scientific independence of our work and data confidentiality regarding the microdata placed at our disposal.

Our efficiency is based on the innovative power, competence and customer focus of our staff.





The Federal Statistical Office in figures in 2015

Arrows indicate the year-on-year trend

Employees

Employees in Wiesbaden	1,688 ↓
Employees in Bonn	570 ↓
Employees in Berlin	24 ↑
Staff employed under collective agreements	68% –
Public officials	30% ↑
Apprentices	2% ↓
Percentage of female employees	58% ↑
Percentage of female executive managers	37% ↑
Part-time employees	23% –
Average number of training days per employee	2.5 –

Finances

Budgeted funds	162.3 million euros ↑
Percentage share of the budget of the	
Federal Ministry of the Interior	2.6% ↓
Percentage share of the federal budget	0.05% –

Press and service

Requests from the German Bundestag	639 ↑
Press releases	478 ↑
Press conferences	9 ↑
Destatis tweets	920 ↑
Twitter followers	7,175 ↑
Requests by phone	14,441 ↓
Requests in writing	13,975 ↑

GENESIS-Online database

Table retrievals	2.9 million ↑
Sets of statistics available	222 ↑
Values available	704 million ↑

“Willing to listen, good standard, communication on equal terms”

Feedback on our press activities in 2015



Information event for data journalists

Even though the number of data journalists in Germany remains relatively small, they make intensive use of our data. The data visualisation methods they employ help to make statistical information clearer for the population. At an information event, Destatis experts showed data journalists the databases of official statistics and what these can offer: GENESIS-Online, the regional database, Eurostat database and the health monitoring system's online database. Discussions focused primarily on technical interfaces and data formats. The data journalists commented on the event on Twitter: “Willing to listen, good standard, communication on equal terms”, or “@destatis today informing data journalists what they can get from the organisation, nice one.”

Press conference on “The generation 65+”

“Hard-working, fit, mobile and online: that describes the generation 65+” *Abendzeitung München* 30 July // “Older people living life to the full” *Faz.net* 29 July // “Working life no way near finished for those aged 65” *Die Welt* 30 July

Demographic change means that the impact on society of older people aged 65

and over is becoming ever greater. At a press conference, a comprehensive picture of the lives of senior citizens was presented based on a variety of statistics. This shows a generation that is both active and mobile. For instance, employment among older people continues to increase. In 2014, 14 percent of people aged 65 to 69 were still in employment. This rate has more than doubled since 2005. Older people are also using a computer and the internet more and more often.

Press conference on German unity

“Catching up without overtaking” *Kölner Stadt-Anzeiger* 30 September // “3.3 million Germans from the east now live in the west” *Der Tagesspiegel* 30 September

The celebrations to mark 25 years of German unity provided the statistical offices of the Federation and the Länder with the opportunity to take a closer look at the differences and similarities between eastern and western Germany. Together with the Land Statistical Office of Hesse and the Statistical Office of Berlin-Brandenburg, we presented the brochure entitled “25 Jahre Deutsche Einheit” (25 years of German unity) at a press conference. Changes in the population, the labour market, and the economy were

examined from the statistical aspect. For instance, the new Länder have lost more than two million people following reunification, although outward migration from eastern Germany is slowing. Economically, the new Länder have made up a lot of ground. Economic structures in the east and west of the country are becoming aligned even though there are still considerable differences at regional level.

Press conference on population

“Young immigrants are in demand” AZ Mainz 29 April // “Germany’s population on the decline” Berliner Morgenpost 29 April // “Immigrants slow population decline in Germany” Spiegel Online 28 April

The 13th coordinated population projection, which was presented at a press conference in April, attracted lots of attention. The focus remained on the projections even after the press conference, due primarily to the influx of refugees. However, experts believe that future population development will be influenced to a greater degree by the current age distribution than by immigration. The trend towards an ageing population cannot be reversed by immigration.

Press conference on time use

“Germans cleaning less” Handelsblatt 27 August // “A nation of assiduous TV watchers” Lüdenscheider Nachrichten 27 August // “Parents wish to have more time for their children” Die Welt 27 August

9:31 hours spent sleeping and on personal grooming, 3:16 hours on work and education, 3:18 hours doing unpaid work, 5:57 hours devoted to leisure time, 1:41 hours eating: this is how people in Germany spend their day on average, according to the time use survey. Answers to the question of how time passes for people in Germany were provided by President Roderich Egeler and Federal Minister for Family Affairs Manuela Schwesig at the press conference for the 2012/2013 time

use survey. They presented not only the average daily routine of people in Germany but also findings on the subjective perception of time, such as whether mothers and fathers have enough time for their children.

More from the newsroom

In addition to the eight press conferences in Berlin, many of our 486 press releases were the focus of public interest. With the help of our data, we were able to contribute to current debate, on issues such as refugees, the Greek economic crisis or the rail strike.

Our reports on the labour market were once again packed full of record figures. The number of persons in employment in Germany rose steadily in 2015 to reach the highest level since German reunification. The labour market boom is therefore continuing. However, there was much more to report on the topic of employment. Standard employment increased in importance, with fewer people engaged in either fixed-term or marginal employment. Germany also performed well compared to the rest of the EU: the country had the

lowest rate of youth unemployment of all Member States.

There is a sustained boom in the German housing market too. The upward trend in building permits which began in 2010 continued in 2014. This can be attributed, for example, to low interest rates and major demand in metropolitan areas.

The increase in the 2014 fertility rate to 1.47 children per woman, the highest value recorded since German reunification, was a positive news item. Of particular note in this regard is the fact that the fertility rate among younger women up to the age of 25 has stabilised. Although many media sources report a baby boom and a reversal in trend, our experts have not yet been able to corroborate this development.

As a nation of car owners, the trend in energy prices was particularly pleasing for Germany. In January 2015, year-on-year consumer prices were lower, by 0.3 percent, for the first time since the economic crisis of 2009. This in turn stoked up the media debate surrounding deflation. However, for some foodstuffs, such as fruit and vegetables, consumers were forced to dig deeper into their pockets.



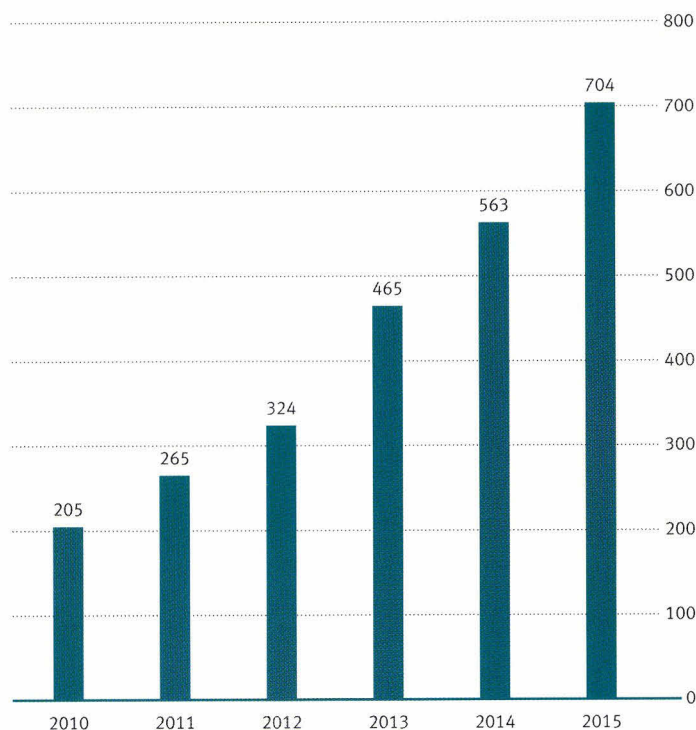
GENESIS-Online: OpenData for our customers

The database at www.destatis.de/genesis provides users with a central access point to the range of data offered by the Federal Statistical Office. The database is updated daily and is now available in both German and English.



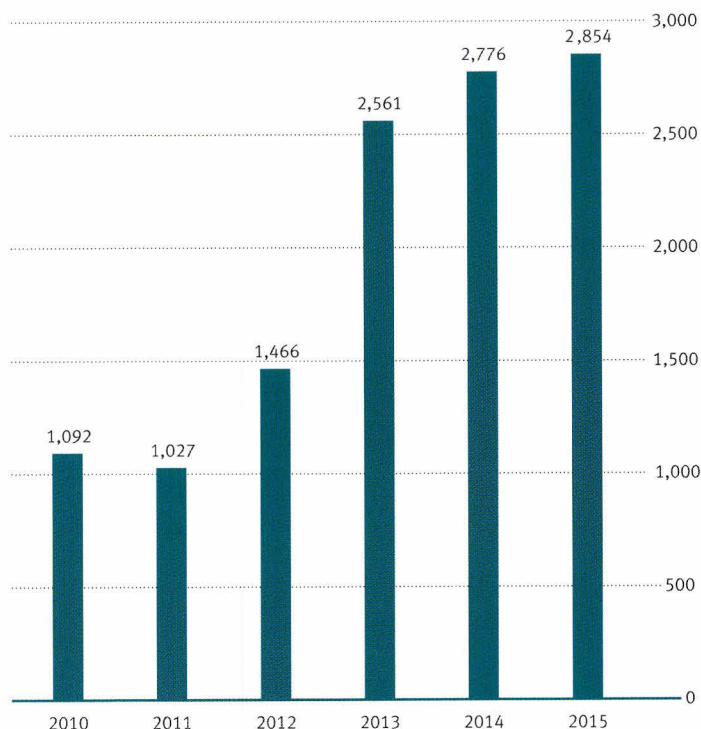
Values retrieved as at 31 December

Millions



Tables retrieved as at 31 December

Thousands



For more than a decade, GENESIS-Online has been a major channel used by Destatis for disseminating data. The benefits it offers are clear: data can be retrieved in accordance with individual requirements using flexible table structures and can be visualised interactively through diagrams or thematic maps. Data can be downloaded in Excel or HTML format, as well as in the open file format CSV.

As at the end of December 2015, GENESIS-Online contained 222 statistics with a total of 704 million figures. Since 2013, expansion of the database has really gathered pace: in 2015 alone, the volume of data increased by 141 million figures and the one billion figure mark is drawing ever closer.

In 2015, the focus was on expanding the statistics on recipients of basic security benefits in old age and in cases of reduced earning capacity ("Reform of statistics on basic security benefits in accordance with the German Social Code, Book XII (SGB XII) as of 2015"). In terms of publishing data, the emphasis was placed on GENESIS-Online which led to a significant rise in the number of tables retrieved.

With 2.9 million table retrievals, the expansion of the database led to a new record for its use in 2015. The most frequently retrieved statistical tables were those for the "Consumer price index for Germany", "National accounts of the Federation", "Index of producer prices of industrial products" and "Foreign trade".

The option of open export formats for OpenData, i.e. the free availability and usability of public data, has seen GENESIS-Online become increasingly important. In June 2015, a workshop was held with data journalists at which the issue of open access via GENESIS-Online to the range of official statistical data met with an extremely positive response. GENESIS-Online has also become an important source of data for GovData, the data portal for Germany.

The database can now be used by English-speaking users as well. In 2015, work on the creation of an English-language version of the database progressed to such an extent that the version could be made available during the first half of 2016. The Federal Statistical Office is therefore able to provide its first bilingual database offering an extensive range of data from all statistical subject areas.



From left: Roderich Egeler, Dr. Thomas de Maizière and Dieter Sarreither.

Change at the top of the Federal Statistical Office

On 2 October 2015, an official retirement ceremony was held by Federal Minister of the Interior Dr. Thomas de Maizière for Roderich Egeler, the outgoing President of the Federal Statistical Office and Federal Returning Officer. During his term in office between 2008 and 2015, the register-based 2011 Census was conducted. In his capacity as the Federal Returning Officer, he was responsible for two European and Bundestag elections. Other major focuses of his seven-year period in office were bureaucracy cost measurement and the initiative for the amendment of the Federal Statistics Law.

Dieter Sarreither was appointed as the new President and Federal Returning Officer. He has a degree in mathematics and began his

career with the Federal Statistical Office in 1982 as Assistant Head of Section in software development. In 2000 he became Head of Department for Information Technology and Mathematical-Statistical Methods before being appointed Vice-President of the Federal Statistical Office in 2011. The development of indicators for the United Nations Sustainable Development Goals will be one of Sarreither's most important remits for the future. You can read more on this topic in our interview with Stefan Schweinfest, Director of the Statistics Division at the United Nations, on page 20.

Gerhard Fürst Award 2015

Input from the scientific and academic community and dialogue with representatives of institutions of higher education and scientific institutes enrich official statistics. For instance, methods development and model calculations are just two of the areas in which scientific papers contribute to innovations and a higher degree of quality within official statistics. In return, however, students and young academics, especially those from the fields of economics and the social sciences, also benefit from the data supplied by the Federal Statistical Office and the statistical offices of the Länder. For empirical studies, material provided by the research data centres is used in particular.

The Federal Statistical Office supports and promotes these projects carried out by young academics with the Gerhard Fürst Award, which has been presented in recognition of outstanding scientific papers for 17 years. Awards are presented in the “Master’s/Bachelor’s thesis” category as well as in the “doctoral thesis” category.

The 2015 Gerhard Fürst Award was given to two projects and presented at the scientific colloquium. In the “Master’s/Bachelor’s thesis” category, this year’s Award was presented to Philip Rosenthal from Trier University for his Master’s thesis on “Optimising algorithms to estimate robust spatial small area models”. This paper is devoted to the estimation of data for small spatial entities and suggests possible ways of optimising this procedure.

The Gerhard Fürst Award for the best doctoral thesis went to Christian Troost from the University of Hohenheim for his work on “Age-based modelling of climate change adaptation in agriculture: A case study with MPMAS for the Central Swabian Jura”. In this paper, a model was developed in order to be able to analyse climate change adaptation in agriculture based on the example of the Central Swabian Jura.



From left: Prof. Walter Krämer, Dr. Christian Troost, Sibylle von Oppeln-Bronikowski, Philip Rosenthal, Prof. Ralf Münnich.

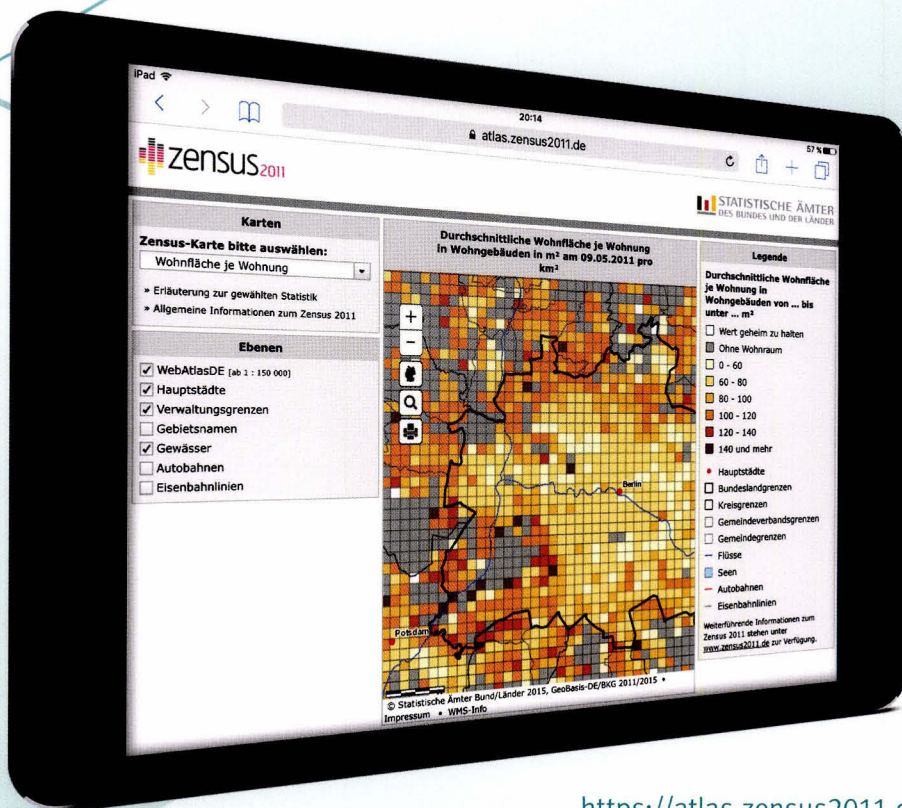
German squared

Online grid maps from census data and agricultural statistics

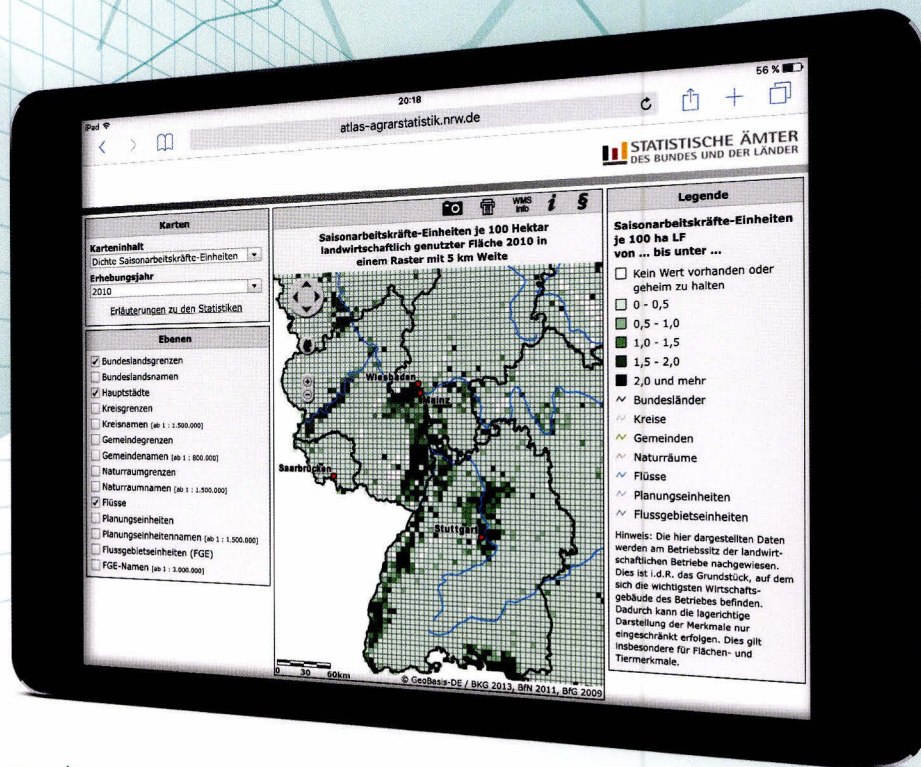
As a general rule, statistical information is only available for administrative territorial units, i.e. the Federation, Länder, administrative districts and municipalities. In the new grid maps of the Federal Statistical Office and the statistical offices of the Länder, Germany is broken down into small-scale squares. The benefit of this is that it allows better comparability of different areas, with administrative boundaries no longer acting as a constraint.

In the past, information on the age of the population, nationality or living conditions was only available down to municipal level as the smallest unit of evaluation. The size of the areas covered ranged from the smallest municipality of Dierfeld in Rheinland-Pfalz with just 11 inhabitants to the capital Berlin with 3.3 million inhabitants. The 2011 Census provides a new option for spatial evaluation, namely the dividing up of Germany into quadrats measuring one square kilometre each.

The illustration below shows the living floor space per dwelling in Berlin and the surrounding area. It is clear from the map that larger dwellings are to be found on Berlin's city boundary. The larger-than-average dwellings in Dahlem, Zehlendorf and Wannsee are also clearly visible from the dark orange squares situated in the south-west of Berlin.



<https://atlas.zensus2011.de/>



www.atlas-agrarstatistik.nrw.de

The illustration above uses quadrats of five square kilometres to show the concentration of seasonal workers. This is particularly high, for instance, in the wine-growing regions along the Rhine and Mosel rivers, in the asparagus-growing regions of southern Hesse as well as in the eastern part of Rheinland-Pfalz and by Lake Constance.

The Atlas of Agricultural Statistics contains a total of 16 maps on the topic of agriculture, based on quadrats measuring five and ten square kilometres respectively. Included in the atlas are maps on the utilised agricultural area as well as maps on livestock numbers and the number of people employed in agricultural holdings. The statistical data basis for the maps is geo-referenced data from the Census of Agriculture 2010. The range of data is supplemented by comprehensive metadata as background information.

Quality management ensures trust

Official statistics form the basis of a wide range of political, economic and social decisions which ultimately affect the lives of all citizens. Official in this regard is synonymous with credible and high-quality products and processes – and these need to be safeguarded.

Fundamental principles of quality

The UN's ten Fundamental Principles of Official Statistics govern the production and dissemination of official statistics worldwide. They constitute a global frame of reference for uniform, professional and scientific standards regarding objectivity, transparency, confidentiality and the prevention of unauthorised use and provide a framework for national coordination and international cooperation between statistical offices. In this area, Germany is actively working to develop and disseminate these fundamental principles further.

The quality requirements of the European Statistical System (ESS) are harmonised on a pan-European basis and have been implemented in German official statistics for more than a decade. Ensuring that data are of high quality is one of the main functions of the ESS and the European Statistics Code of Practice represents the most important framework for guidance in this regard. Quality assurance is provided by the Code of Practice through a total of

15 principles relating to the institutional framework of statistics production, statistical processes and statistical products. More specific details on these principles are provided in the form of 82 indicators. These are designed to identify key aspects of the respective principle and allow compliance with the principles to be monitored. The aim of this is to ensure that official statistics are produced according to recognised scientific methods and free from external influence in all Member States. The EU statistical institutes have committed themselves to the Code of Practice as a tool for self-regulation. For the Federal Statistical Office and the statistical offices of the Länder in Germany, the Code of Practice is the central quality guideline on which the production and dissemination of statistics are based.

In the ESS, compliance with the Code of Practice is reviewed by means of self-assessment and peer reviews. Peer reviews are regarded as a very important way of improving the quality and independence of the ESS. The peer reviews for Germany were conducted in 2007 and 2014. As part of the reviews, European auditors



.....
This picture and the next: members of the quality team.



held discussions with members of senior management and staff at the Federal Statistical Office. Further talks were held with other national authorities producing data for EU statistics, with federal ministries and with representatives from the fields of science and the media.

The final report to the peer review 2014 attested to a high level of compliance with the European Code of Practice by German official statistics.

Nevertheless, there is still potential for improvement, as set out in 28 recommendations. One example is the request to make it easier for the statistical offices to access administrative data and to involve these at an early stage whenever there are new or amended administrative procedures, so as to make data easier to

use in future. Other recommendations are aimed at strengthening systematic quality management and better coordinating the national authorities producing data for EU statistics as regards compliance with European standards. The system of German official statistics has responded to these recommendations and drawn up 33 specific measures for improvement with a binding implementation schedule. Progress in the implementation of these measures is reviewed annually by Eurostat, the Statistical Office of the European Union.

At national level, the most important foundation is the Federal Statistics Law which also regulates aspects relating to quality: Article 1 lists the principles of statistical work, namely neutrality, objectivity and scientific independence, the use of appropriate methods and IT technologies as well as the use of microdata exclusively for scientific purposes. The credibility of federal statistics is based on these principles. They have a constitutive character for all official statistics. The statistical system can fulfil its functions only if the general public trusts in statistical information being compiled and disseminated without the interests of individual social groups or the government exerting any influence. The Federal Statistics Law also regulates other quality-related aspects, such as the mandate to collect data, the obligation to provide information and the duty to maintain confidentiality with regard to the data collected.

Quality assurance through transparency and communication

It goes without saying that German official statistics both comply with and meet the requirements and guidelines described above. Good communication with the users of our statistics is just as important. This communication must make it clear and transparent as to how our statistical products are developed, which methods are used to acquire, process and analyse data and how the resulting product quality is to be evaluated. These requirements can be derived directly from the European Statistics Code of Practice. Since 2005, the Federal Statistical Office has offered more than 300 quality reports in total on all federal statistics. The aim of quality reports is to help ensure that data are used properly and are not interpreted incorrectly. They give an overview of the data content and provide guidance on how the data should be used, all rolled into one. At the same time, they are designed to make our processes more transparent and to strengthen confidence in official statistics.

Despite the many quality assurance measures we employ, errors in published statistical products cannot be completely avoided. To maintain confidence in official statistics in such cases, it is important to respond appropriately and in a uniform manner. Here too, transparent communication is very important. In accordance with the European Statistics Code of Practice, we correct errors detected in published statistics at the earliest possible date and we pub-

licise the fact. The whole procedure for dealing with publication errors is set out in a guideline. It ensures that errors are always treated, corrected and documented in a similar fashion once they have been classified. The guideline also regulates the way in which the error is communicated to the users of statistical data. A major element of the procedure is the documentation of errors that have occurred and their causes. This allows us to take measures to prevent the error from occurring again.

Quality assurance through confidentiality and data security

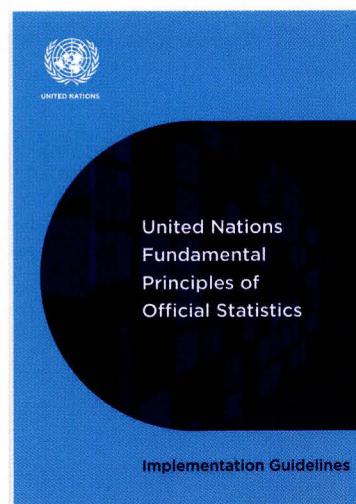
Besides maintaining the trust of our users in the quality of our statistical products and the underlying production processes, methods and procedures, the trust of respondents with regard, in particular, to our integrity, statistical confidentiality and data security is also of paramount importance.

The statutory obligation to provide information – which applies to the majority of our statistics – and confidentiality and data security go hand in hand. The obligation to provide information will only be accepted on a permanent basis and without resistance if respondents have trust in the guidelines governing confidentiality and data security in relation to official statistics. Weaknesses and loopholes in security in these areas would therefore have disastrous consequences for official statistics. Naturally, this also applies to statistics for which the provision of information is, by law, voluntary. Irrespective of whether response is compulsory or voluntary, official statistics are reliant on good cooperation with respondents, with the key word once again being trust.

The principles governing confidentiality and how to deal with confidential data are laid down in modular confidentiality guidelines for specific statistics. Descriptions of the methods used and regulations governing the different statistics are documented in a general module. Physical and technical data security is ensured by storing all statistical data centrally in data centres that are both secure and monitored. Data communication between the statistical offices takes place via a non-public network.

Summary

The degree to which official statistics are accepted is largely dependent on trust. The trust of users from the fields of politics, business, science, as well as the trust of the general public, in the independence, objectivity and accuracy of official statistics. But also the trust placed by respondents in the fact that their data are protected and secure. The aim of systematic quality management as practised by the statistical offices is to both safeguard and improve these principles of trust in their work on a sustainable and long-term basis.

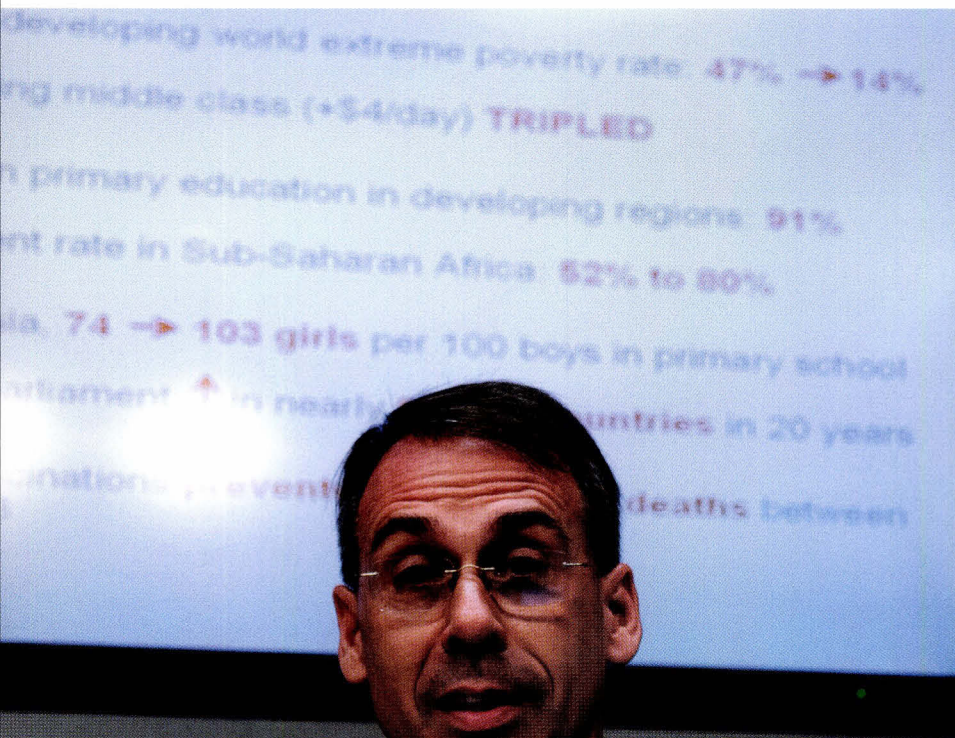


.....

Foundations for uniform quality standards in official statistics: the UN Fundamental Principles of Official Statistics and the European Statistics Code of Practice.

Interview with Stefan Schweinfest

Director of Statistics Division, United Nations



Mr Schweinfest, you are the Director of the Statistics Division at the United Nations. What does your job involve?

I belong to a team of 140 people working in a high-rise in New York opposite the famous UN building. We are part of the United Nations Department of Economic and Social Affairs. Our primary task is to collect data in all thematic areas from our 193 member states. We work on international standards and help developing countries to implement international norms. My task is to coordinate the global statistical system of all member states, international organisations, UN specialized agencies, the World Bank and the International Monetary Fund. The most enjoyable part of the job is organising the annual Statistical Commission, which brings together the whole international family from 140 countries and enables us to work on compiling a global statistical programme.

How did you become “Master of Figures”? Surely it wasn’t something you had intended doing when you were still at school?

The signs were already there. My three favourite subjects at school were History, Mathematics and French. I always had a special liking for languages and international affairs. After completing my studies in Paris and London – my father accused me of international university tourism (laughs) – this passion grew even stronger. My work here allows me to combine my interest in languages and other cultures.

A central topic of our work last year was the quality of official statistical data. How important are the Fundamental Principles in this regard?

The issue of quality is of paramount importance to our work. As statisticians, we are reliant on the credibility and trust placed in us. Essentially, we have a pact with the people. They entrust us with their data which we then process, in our capacity as official statisticians, in accordance with specified rules. Finally, we return the data to government and citizens. Stringent regulations must be applied to the way in which this process is carried out and quality of data is vital. The importance of the Fundamental

Principles cannot be overestimated at all. They represent our shared ethos and our common language; they are what bind us together. It always warms my heart whenever I am somewhere in a foreign country and I see the Fundamental Principles hanging on the wall of the local statistical office. They hang here in my office as well as a reminder of just what it is that underlies our actions and the work we carry out.

Why have the Fundamental Principles recently attracted a great deal of attention at the highest level? They were endorsed by the UN General Assembly in 2014 but have been in existence for about 20 years already.

The context under which the Fundamental Principles came into being, at the start of the 1990s, was very specific. In Europe, a set of principles existed which acted as a forerunner, and these were adopted by the United Nations in 1994. The need for such principles was triggered by the fact that many countries in what was then the Eastern Bloc updated their statistical systems, prompting joint reflection regarding the principles under which we produce statistics. This was a topic of debate among the statistics family and the pioneering figures were completely unaware of how important these principles were, even for countries whose statistical systems were already established.

The importance enjoyed by the Fundamental Principles today is also the result of two further developments which have occurred. First, governments have seen how these principles relate not only to the work of official statistics bodies, but also to all policymakers and stakeholders. Second, the importance of statistics has only become clear to many people within the context of the debate at the United Nations on the Sustainable Development Goals. In this respect, the willingness was there to adopt the code from a parliamentary perspective at the highest level of the UN. The fact that the principles have, in essence, stood the test of time and remained as they were when they were created, is remarkable.

Germany played a key role in creating the implementation guidelines. How important are they for statistical work?

They have proven to be very important. We should start off by stating that the Fundamental Principles are basically very abstract. There are lots and lots of different statistical systems depending on country, political and social culture. Statistical systems are either centralised or decentralised and that may mean that different factors are required when it comes to implementing the Fundamental Principles in practice. A working group of the Statistical Commission therefore developed the implementation guidelines. These show specific examples regarding implementation. Germany kindly played a very prominent role in the development of the implementation guidelines and this cannot be appreciated enough.

One element of the European Statistical System is peer reviews on quality assurance and on the implementation of the European Code of Practice, which is comparable to the Fundamental Principles. Does something similar exist within the UN too?

In the 193 member states, the Statistics Division of the United Nations does not have powers of implementation comparable to those of European authorities. The concept of voluntary agreement underpins the United Nations at all times. This is a major challenge and we know that countries at a whole host of different levels struggle with this. Sometimes the problems lie within the statistical system, sometimes outside of it. The question then arises as to what can others, what can we, what can my Division, what can other countries do to help? I am a firm advocate of regional cooperation because I always assume that countries that are grouped together more tightly, in groups of 10–15 nations, which are neighbours and share similar linguistic and cultural backgrounds or similar socio-economic backgrounds, are able to support one another best. One example here may be the Spanish-speaking countries of Central America or the French-speaking countries of West Africa. In this respect, the peer reviews are a very good approach.

“You have to have patience in the international arena. Developments in the field of statistics are slow-moving.”



Stefan Schweinfest has been Director of the United Nations Statistics Division (UNSD) in New York since 2014. Prior to this, he spent 25 years working for UNSD in a whole range of positions. In addition to statistical fields of activity such as national accounts, environmental accounts or compiling indicators, he was responsible, among other things, for contact between the UNSD and its member states and partner organisations. Stefan Schweinfest also worked in the area of “statistical capacity building” which could be translated as “development assistance in the field of statistics”. Statistical capacity building is a key task of the UNSD and of great importance in particular for the poorest countries wishing to set up an independent information infrastructure.

Is your role therefore more that of a motivator? Less control but more motivation?

Exactly, I have no right of control. It is very important for us not to lose the trust of statistical offices as the trust of countries provides the basis for our data collection activities. In 27 years of working in the field of statistics at the United Nations, I have built up experience. Things can change quickly and care must be taken to ensure that none of the basic structures or communication structures are damaged. With patience, time and optimism, I believe that you can change things for the better in the long term.

The Sustainable Development Goals (SDGs), comprising 17 goals and 169 targets, are currently being developed. The United Nations Statistical Commission has been given the task of developing indicators for the attainment of the SDGs, in cooperation with the national statistical offices. Germany is also represented in the Inter-agency and Expert Group created for this purpose. That sounds like a mammoth task.

It is a huge challenge. Generally speaking, I sleep very well but occasionally when I wake up at night and thoughts are running through my mind, they often revolve around this issue. The fact that the political apparatus, by which I mean the General Assembly, the UN parliamentary body, has asked the group of the world’s Chief Statisticians to provide a proposal of an indicator framework, is an enormous success. It is testament to the trust placed in the global statistical apparatus and in the national statistical offices by UN policymakers. Striking a balance between statistics and politics was naturally another major challenge. During negotiations, there was always the danger that discussions regarding the indicators could get politically motivated. I believe that we were able to minimise this. The biggest problem now is the number of indicators.

What impact are the current refugee flows having on both your own work and the work of the expert groups?

This is, of course, a highly topical issue and one which is being keenly felt at present, especially in Europe. Yet for some time now, it has been a long-standing global phenomenon. Indeed, the Statistical Commission addressed this topic last year and set up a working group which presented a strategy paper. Last year, too, a Conference on Refugee Statistics took place in Turkey, the recommendations of which are being resubmitted to the Statistical Commission so that models for cooperation can subsequently be developed. Naturally, by its very definition, this is an international problem and concerns migration statistics. It is an area where countries need to work together, and this is what is happening at the UN.

Are you saying that Europe is only now becoming more consciously aware of this global problem?

Yes, I’ve been domiciled in the United States for a long time now. The movement of people across the border from Mexico to the United States has been a subject of debate here for many years, while human migration is also an issue in other countries where humanitarian crises and natural disasters occur. Population movements have increased greatly in recent years and I should add that we are working closely together in this area with the UNHCR (High Commissioner for Refugees), the UN special agency.

One of the UN’s mottos is: Better Data, Better Lives. What makes you so optimistic that this is indeed the case?

I must admit that, deep down, I can’t help but be an optimistic person. Therefore, the slogan for our World Statistics Day that I have adopted is an optimistic one. For many years I have had the privilege of working here and have witnessed many positive

developments during this time. This is the case most notably in many developing countries, where statistics have become more important, where many young statisticians have been trained and then made important contributions over the years. It is thanks to figures that a problem first becomes apparent. And it is figures that allow us to find solutions to problems. You have to have patience in the international arena. Developments in the field of statistics are slow-moving. We often assume that better data also lead to better decisions, or to what we always term as evidence-based decision-making. And I recently asked the question as to whether we actually have the evidence to make such decisions. Sometimes, as statisticians, our involvement in the processes is not to such a degree that we are able to take further decisions. But I believe that we should do that. It is very regrettable. I recently gave a talk to the DFG, the German Research Foundation, where I was asked what areas of research could help statisticians. I suggested taking a look at history: have decisions been taken that have actually also resulted in cost savings in quantifiable terms, or vice versa? If we had had more precise figures regarding this or that decision, or if we had known better, then we would not have squandered this or that investment. I would find therefore research projects of this nature extremely interesting. They are a way of also showing where statistics have been successful.

Returning to your optimism. You are a fan of geographical information and geographical information systems and see huge potential here. Can you tell us where you think this potential lies?

Over the years we have had colleagues here who have raised this issue repeatedly, originally from the field of census work where we of course had cartographers who always made us aware of the huge potential offered by the link between geographical information and statistics. When we talk about geospatial information, we are referring to satellite imagery, aerial photography and much more which goes beyond scope of what statisticians use. This is one area where the private

sector has filled information gaps which official national bodies would not have been able to do. Many people who want to find out information about an African country tend to search on Google rather than at a national cartographic office. For me, that leads once again to interesting phenomena since information about a country may be learned in the process which even these countries themselves do not have. It therefore becomes an own-

ership problem too, which means a genuine management challenge in which the UN plays a key role as an intermediary. I would like to see a marriage between the Geospatial Commission and the Statistical Commission, but we are yet to progress beyond the flirting stage. But there is a lot of potential there; following the census in 2020 in particular, many analyses which are currently still inconceivable, will become a possibility.

The 10 Fundamental Principles of Official Statistics

- I Official statistics provide an indispensable element in the information system of a democratic society, serving the Government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.
- II To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations, including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.
- III To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.
- IV The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.
- V Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.
- VI Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.
- VII The laws, regulations and measures under which the statistical systems operate are to be made public.
- VIII Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.
- IX The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all official levels.
- X Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.

.....
*Martin Beck, one of our experts for
business statistics. The following pages
show employees from his team.*



Focal topic: businesses

The Federal Statistical Office and the statistical offices of the Länder are obliged to make statistical information on economic developments available on a regular basis. These statistics are geared primarily towards policymakers who wish to justify, develop or evaluate measures using an evidence base. However, there are also benefits, whether direct or indirect, for businesses which provide information.

Reliable data for the minimum wage

In 2015, Germany introduced a statutory minimum wage. For the first time in the history of our republic, there is now a minimum amount that applies for an hour of paid work: this figure currently stands at 8.50 euros. For some people, this regulatory intervention represented the breaking of a taboo, while for others, the introduction of this appropriate right for employees means that Germany has finally followed the course already taken by other countries.

At the request of the Federal Ministry of Labour and Social Affairs, the minimum wage project is, from the outset, to be statistically documented, analysed and developed further on a robust empirical basis. Data taken from official statistics on earnings play an important role here.

As far as federal statistics relating to earnings were concerned, 2015 was therefore dominated by the minimum wage. In this respect, there were three important developments: the strengthening of the agreed earnings index as a basis for minimum wage adjustment, the expansion of the existing structure of earnings survey and the carrying out of an additional survey of earnings in 2015, a year after the introduction of the minimum wage.

The index of agreed earnings

In addition to creating the statutory minimum wage, the Minimum Wage Act of 11 August 2014 also stipulated that a standing Minimum Wage Commission will pass resolutions in respect of adjusting the amount of the minimum wage every two years. The members of the Minimum Wage Commission are appointed by the central employer and employee organisations. The new body is therefore politically independent – the parties to collective agreements shall be responsible for fixing the minimum rate of pay, not politicians. In accordance with the legislation, the amount of the minimum wage shall subsequently be adjusted to collective wage developments. One of the first tasks of the Minimum Wage Commission was to select the most appropriate statistics from the various statistics of agreed earnings that were to be taken into consideration. The Federal Statistical Office supported the Commission by providing comprehensive explanations and advice regarding its agreed earnings statistics as well as the approximately 500 collective agreements contained therein which are updated on a regular basis. The Commission finally agreed to use the monthly index of agreed hourly earnings, excluding extra payments. The

Federal Statistical Office publishes this index on a monthly basis, at the end of each reference month, both on its website and in the GENESIS-Online database. For its resolution regarding the amount of the first adjustment of the minimum wage, which has to be announced by 30 June 2016 at the latest, the Commission will use the rate of change in the index time series from December 2014 to the time of the resolution. Information on the current level of the agreed earnings index is provided to the Minimum Wage Commission each month at the same time as it is published on www.destatis.de.

The structure of earnings survey 2014

The Minimum Wage Commission and the Federal Government were also given the legal mandate to ascertain and assess the actual im-

pact of the minimum wage. Has the income situation of employees improved? Have jobs been lost? Have consumer prices increased? There are already good official data sources that can help with many questions. In terms of the statistics on earnings, however, there were serious gaps. As a result, the existing Earnings Statistics Act was also amended at the same time as the legislation governing the minimum wage was introduced. The structure of earnings survey, providing the only official statistics regarding individual gross hourly earnings, was expanded considerably. From now on, the survey will record not only data on jobs in industry and services, but also in agriculture and forestry as well as in fishing. The number of employers that formed the basis of the survey – it is the employers who provide information on what their employees earn – was increased from 34,000 to 60,000. Very small



establishments can now be included in the survey as well. To date, these establishments with less than ten employees subject to social insurance contributions have not appeared in earnings statistics – a legally created “blind spot” which substantially weakened the informative value of statistics on the prevalence of low wages. The wages paid by smaller establishments are, in most cases, significantly lower. The structure of earnings survey will now collect data on all types of jobs in the private and public sectors – a first, even for German official statistics which are over a century old. This statistical assessment will continue to be conducted only at intervals of four years, starting from April 2014. The first measurement therefore presents a picture directly before the introduction of the minimum wage. The results of all further statistical data collections following the introduction of the minimum wage can be compared against this “zero point measurement” and examined in terms of the impact created by the minimum wage.

The special survey 2015

The first scheduled data collection following the introduction of the minimum wage, namely the structure of earnings survey, will be conducted for the reference year 2018. For the fields of politics and business, it is much too late to take swift countermeasures in the event of adverse effects. The Federal Ministry of Labour and Social Affairs

therefore used legislative powers and commissioned the Federal Statistical Office and the statistical offices of the Länder at short notice to compile additional federal statistics regarding the earnings situation in calendar year 2015. As a survey for special purposes where data are required at short notice, the employers who took part in the structure of earnings survey in 2014 were contacted in writing a second time. On this occasion, they were requested to provide information relating to April 2015, exactly a year on from the data they provided for the first survey. This is another survey where the statistical offices are entering uncharted territory as there is no obligation to provide information for surveys for special purposes, which is not the case for regular earnings statistics. Only around one in eight of the employers who are contacted take part in the survey, a fact which is unprecedented when it comes to earnings statistics. It is not yet possible to assess whether the data provided by the participants are actually representative and reliable. At the time of writing (March 2016), data are still being collected and evaluated. However, should the methodological experiment be a success, the Federal Statistical Office will for the first time have data on the precise number and type of jobs which are paid the minimum wage. The results are then expected to be published in May 2016, just in time to make a statistical contribution towards the public debate regarding the first amendment of the statutory minimum wage in Germany, due in June 2016.

More value for businesses

Provided it is legally possible to do so and the data collected are of the quality required, the German statistical offices use administrative data when compiling their results. In many cases, however, surveys of establishments and enterprises are essential in order to be able to satisfy the requirements in terms of accuracy and timeliness of data. Even if surveys are conducted in a manner which keeps the administrative burden to a minimum, such as by means of sampling and the creation of online transmission channels, the official statistics bodies are still unable to prevent businesses from incurring associated administrative costs.

Survey allows for earnings that are actually paid to be calculated

The quarterly survey of earnings is a prime example of how, even in businesses, there can be a direct benefit to the administrative costs incurred due to statistics. In the quarterly survey of earnings, 40,500 businesses, spread across almost every sector, are surveyed every three months regarding the earnings and working hours of their employees. On the downside, companies incur annual costs of around 110 euros on average as a result of the survey.

On the plus side, however, many businesses also derive a benefit from being able to use the results of this survey. The data provided by businesses are used, among other things, to regularly calculate earnings indices on the trend in gross hourly earnings and gross monthly earnings that are actually paid. The Federal Statistical Office makes these indices available to all interested users each quarter in published form as well as in a database. The indices are provided free of charge.

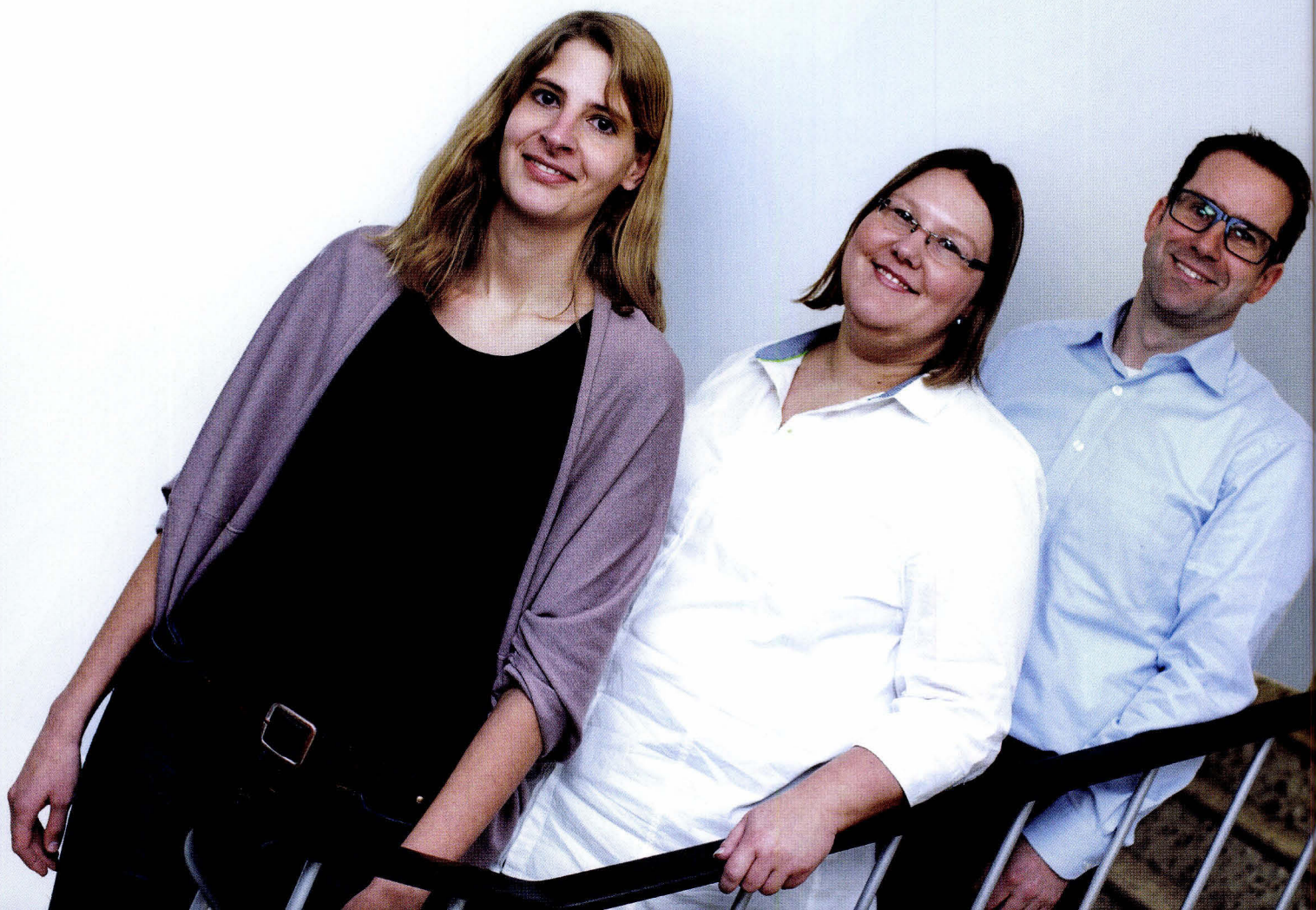
Stable-value clauses as a basis for contractual negotiations

Indices of earnings – which also include the index of agreed earnings and the labour cost index – are often part of contractual agreements relating to regular payments and can be found in lease, rental, annuity, pension and other agreements, such as the adjustment of municipal payments to private businesses. Such agreements are designed to ensure that a creditor will continue to receive the amount which, in value terms, corresponds to the financial amount originally agreed. As this is a way in which businesses safeguard long-term payments against a loss in value, the term stable-value

clauses is used. When businesses enter into longer-term contracts, they often refer to indices provided by official statistics as these are calculated in a neutral and objective manner and are freely accessible to anyone. By using official data, the quality of which is recognised, contractual parties can agree on price adjustment parameters without having to incur costs or become involved in protracted discussions.

At the last count, the publications and time series containing the earnings indices of the quarterly earnings survey were retrieved around 46,000 times during the year. Adding on to this

figure the users of the agreed earnings and labour costs indices, which are calculated without any additional administrative costs and which in some cases draw on the findings of the quarterly survey of earnings, the number of data retrievals increases to over 140,000. Many of these data users are from the businesses sector. For some of those businesses surveyed, this opportunity to use the earnings indices goes at least some way towards compensating the administrative costs they have incurred. Businesses which do not register for this survey of earnings can derive a significant benefit from these statistics, without incurring any expenses.





Achieving clarity through classifications

In an age of global economic integration, comparable economic data are very important: an entire system of internationally harmonised classifications is used to describe such interrelationships and structural changes in the economy. The German classification of economic activities (WZ), which is used to allocate businesses to particular sectors, enables data to be acquired which are vital not only for decisions of economic, monetary, financial and social policy, but also for business decisions.

Financial implications for businesses

The legislator and other institutions outside the field of official statistics are increasingly using the classification of economic activities as the basis for a whole range of decisions. These include:

- the Federal Office for Economic Affairs and Export Control (BAFA), in relation to the special equalisation scheme for electro-intensive undertakings within the framework of the surcharge imposed under the Renewable Energy Sources Act (EEG surcharge).
- main customs offices, in relation to electricity tax credit for businesses
- BAFA, in relation to the Venture Capital Investment Grant
- occupational accident insurance institutions, in relation to calculations of working times for company medical officers and for occupational health and safety specialists
- local tax offices in relation to the granting of the investment subsidy to the new Länder

In such cases, where the classification of economic activities is used for non-statistical purposes, allocation to the various sec-

tors sometimes has major financial consequences for businesses, especially in the areas of energy and tax law. Accordingly, under certain conditions, there is provision in the Renewable Energy Sources Act (EEG) for a lowering of the EEG surcharge if businesses belong to one of the 221 electro-intensive sectors listed.

Advice from the Federal Statistical Office

Since it is not always obvious to which sector a business belongs, the Federal Statistical Office is requested in many cases to give its opinion on the classification of economic activities in order to provide clarification on contentious or complex questions regarding allocation. In this context, the Federal Statistical Office receives enquiries not only from businesses themselves or the firms of solicitors, tax and business consultants, auditing companies or associations representing them, but also from the competent authorities or, occasionally, (financial) courts as well – as a rule without explicitly naming the business concerned. In such cases of doubt, enquiries are answered based on the description of the economic activity that has been provided as well as with regard to how an allocation within the classification would be carried out for statistical purposes alone, and therefore irrespective of the actual purpose of the enquiry. These responses by the Federal Statistical Office ultimately provide the parties involved with a crucial basis on which to assess the circumstances in question, ideally in a consensual manner. However, in such cases where classifications are used for non-statistical purposes, the Federal Statistical Office does not make or replace any binding official decisions.

Interview with Prof. Helge Braun

Minister of State to the Federal Chancellor



“With its methodological expertise the Federal Statistical Office is the main pillar when it comes to documenting and measuring compliance costs in Germany.”

Prof. Braun, what does your job as Minister of State to the Federal Chancellor involve?

My main responsibility is to coordinate the relations between the Federation and the Länder, or strictly speaking to coordinate the relations between the Federal Government and the Bundesrat. I am also the Federal Government Coordinator for Bureaucracy Reduction and Better Regulation. It is our aim to continuously reduce red tape and to make legislation more comprehensible. Reducing bureaucracy also includes the measurement of administrative costs. The bureaucracy cost index shows the total burden of administrative costs on businesses as well as the total reductions in administrative costs incurred by businesses.

These two topics aside, I am also responsible for special tasks that occur in our day-to-day business. At the moment, our focus is on refugees. We also want to promote e-government as an additional service for businesses and citizens.

A survey on situations faced by businesses was carried out in 2015 – its results have just been published. What is this survey about?

Since 2006 we have been asking the ministries to provide us with proposals on how to reduce red tape. Of course, it is quite normal that the number of ideas that the Federal Government generates itself diminishes over time.

At the same time, we have had a look at how other countries deal with this topic

and we found a prototype for our survey on such life situations in France. We took this as an opportunity to reverse the top-down approach in which the ministries deliver proposals on how to reduce bureaucracy. We wanted to highlight those areas in which red tape has a considerable impact on businesses. It is the task of ministries to examine one piece of legislation at a time and one field of law at a time. The aim of our survey, however, was to analyse typical situations which an individual or a business may face and which generate red tape. We gave the Federal Statistical Office the task of devising a survey that will deliver results, which we as a legislating body can then use to initiate changes.

What part does the Federal Statistical Office play as a service provider?

With its methodological expertise, the Federal Statistical Office is the main pillar when it comes to documenting and measuring compliance costs in Germany. It also plays a very important role in evaluating the measures that we take. Every two years, it carries out follow-up measurements on our behalf. This approach allows us to understand how pieces of legislation work in practice. The survey results reveal whether our estimates have been precise enough. We are often accused of making the figures seem better than they actually are. Destatis is not only a good service provider, it also guarantees a high level of quality. With Destatis, it is not just anybody carrying out the measurements, and in particular not the respective ministries themselves. The Federal Statistical Office

is neutral and incorruptible, and that is extremely important to us. We were also reliant on the support of the Federal Statistical Office when it came to actually conducting the survey on the situations concerning businesses and citizens – here at the Federal Chancellery we would never have had the necessary resources to carry out such a survey. In this regard, all of the successful measures that we have taken in order to reduce bureaucracy would not have been possible without this expertise.

How were situations which generate red tape identified? Were businesses and associations included?

During the concept development phase we focused on information and topics which have often been mentioned by the business community and by associations. These typically include areas such as the appointment of employees, registration for social security, the construction of establishments and setting up a business.

The Federal Statistical Office formed part of the survey. Businesses were asked how satisfied they were with the reporting obligations for imports and exports. The response was less positive.

I really appreciate the fact that the Federal Statistical Office itself was a subject of the analysis. The rather negative response also had a positive aspect to it. It shows how independent Destatis is and increases the credibility of the analysis. In other respects, the Federal Statistical Office has already gone some way towards relieving the burdens on businesses. It always

takes some time before changes make a difference and improvements become measurable.

The Federation of German Industries (BDI), for example, says (page 38) that businesses accept statistical obligations more easily when they see the benefits in them. What do you think could be done to better communicate their benefits?

Politicians are not always the best people to seek advice from in this respect as, sometimes, they do have their own problems with communication. But a few sentences promoting the cause are enough to explain the purpose and advantages of a piece of legislation. Studies show that survey respondents are more likely to participate in repeat surveys if they too were able to benefit from the findings.

I am sometimes asked whether a micro-census is really necessary. I then explain that a data base is vital to be able to plan funding programmes or tax reliefs for certain groups of the population. This data base allows us to give an initial rough estimate of case numbers because otherwise, nobody is able to say how many people are affected. Critics are instantly satisfied

once they have understood the purpose of a particular action.

Trustworthiness, incorruptibility and non-discrimination – German businesses are almost all very satisfied with these aspects when it comes to dealing with public agencies. Relatively little attention was paid to this result.

I think it is normal to focus on problems first and foremost. But the message is clear: when it comes to the competence and advisory role of our administrative authorities, comparable and reliable decisions are taken free of preferential treatment. In fact, we achieved top ratings in this area. In the international arena too, there is hardly any other country which receives better ratings in this area than Germany. At times like these in particular, where the refugee crisis subjects the rule of law to more frequent criticism, this result reflects huge praise. And to a certain degree, we can be proud of that.

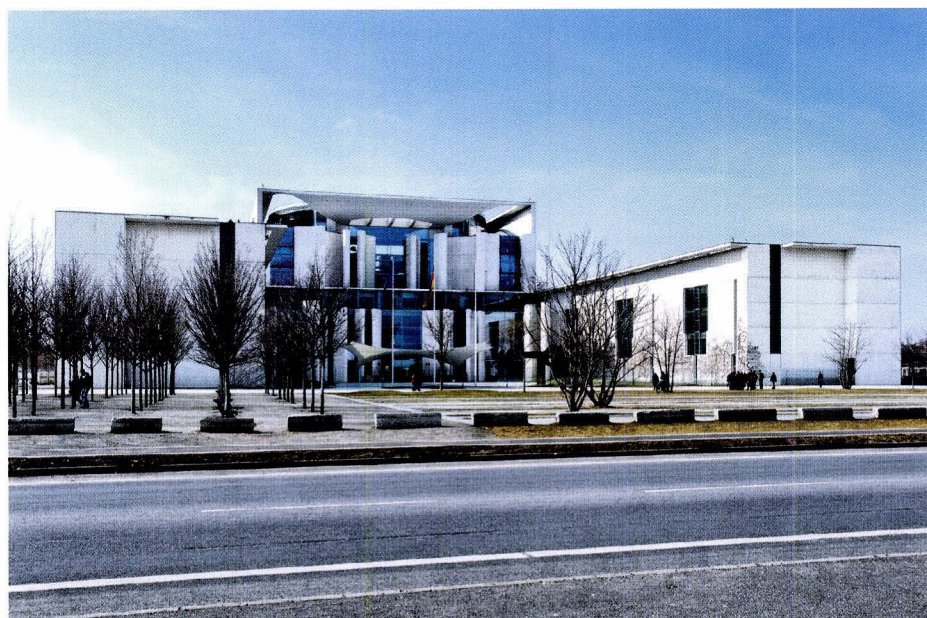
What happens to the results of the survey? Which processes are going to follow?

We presented the report and its result to the public. Naturally, we are interested to hear the feedback. The main objective,

however, is to bring together the responsible ministries so as to tap synergies in order to reduce red tape in all of the situations that were examined and in which businesses have to deal with bureaucracy. The willingness on the part of the ministries has now increased. The “bureaucracy brake” legislation forces them to take action. Whenever a new law is drafted or amended resulting in additional red tape for businesses, which is also justified in this particular case, this will now have direct consequences. We ask ourselves how we can then reduce compliance costs for businesses in other areas.

On the one hand, we see the willingness to relieve citizens and businesses of the burden of reporting obligations for statistical purposes. On the other hand, the scientific and political communities demand reliable data so as to be able to make key decisions. Take the minimum wage, for example, which, in future, is to be adjusted every two years. The structure of earnings survey, however, only provides data every four years.

The bad thing about examples like this is that the consequences of an action are often not even conceivable at the time



“I think that many decades, if not centuries, will pass before we can forego official data. At the same time, however, big data will revolutionise our life in many areas.”

when such time limits are set. It is therefore vital that all the expertise in this field is incorporated and data collection and reporting periods are synchronised. The minimum wage is a difficult example, as four years is naturally a very long time for collectively agreed wages. But conducting a survey every two years would mean that we have only succeeded in increasing red tape again.

The rule of law and democracy are difficult to imagine without independent, high-quality and official data. Nevertheless, what do you think of unofficial data and big data?

I think that many decades, if not centuries will pass before we can forego official data. At the same time, however, big data will revolutionise our life in many areas. Even though many people do not deal with big data consciously, they would not, even now, want to give up the benefits that it already brings. Nobody is interested anymore in how long a traffic jam is. The question as to how many minutes people are stuck in the jam is much more relevant. The public sector will also, slowly but surely, increasingly use data which were provided or analysed by private persons. And I think we should proactively support this development. With regard to Open Government and Open Data, we set out in the coalition agreement that public data are to be provided in an appropriate manner, so that they can be used by private businesses. Of course, these data need to be protected properly. A transparent state or a public social security system makes sure that everyone is able to benefit from findings and administrative data.

Official data are merged with other data, analysed by third party providers, evaluated and, in some cases, sold at high prices. We all generate data which are used com-

mercially, sometimes without even being aware of it.

This is an important issue that the government and the chancellery are addressing. There is no longer a simple answer to the simple question: “Which data belong to whom?” Every household appliance generates data and we take it for granted that an appliance belongs to its owner, so these data belong to its owner too. At the same time, the owner provides these data to the manufacturer as if it were the most natural thing in the world. The question is, how does the third party provider deal with these data? All of this can equally be applied to official data. Data create a lot of added value which is why this issue is extremely relevant and has not yet been fully tackled at a political level. Citizens too are increasingly realising that they are providing personal data – which big American platforms are then using to become rich. There are people who no longer want to provide their personal data, and there are others who want to sell them themselves if they have to provide them (laughs). A lot of things will change.

Mr Braun, you are a trained doctor and you are now in charge of cutting the costs of bureaucracy. How do people you talk to react to what you are doing?

In the past, I would meet a lot of people who, when I told them I was in charge of reducing red tape, congratulated me and added that at least somebody was dealing with this issue as not a lot had been done about it in the past. Slowly but surely, we can show that a lot has indeed changed in this area. The benefits are now clear to ministries. The bureaucracy cost index which has been in place since 2012, for example, shows how successfully measures have been implemented.



Prof. Helge Braun has been Minister of State to the Federal Chancellor, Federal Government Coordinator for Bureaucracy Reduction and Better Regulation and Federal Government Coordinator for Relations between the Federation and the Länder since late 2013. A trained doctor, he was a member of the German Bundestag in the Committee on Education, Research and Technology Assessment as well as in the Committee on the Environment, Nature Conservation and Nuclear Safety. From 2009 to 2013 he was Parliamentary State Secretary to the Federal Minister of Education and Research.

Helge Braun is in charge of implementing the government’s “Bureaucracy Reduction and Better Regulation” programme. The Standard Cost Model (SCM) is a main pillar of the programme. It is used to estimate the administrative burden arising from the obligations to provide information.



Official and simple – Public administrative services within easy reach

Satisfaction with government services

Even though bureaucracy provides protection against arbitrariness and is essential in a social state based on the rule of law, excessive red tape results in unnecessary costs and is a burden. Since 2006, the Federal Statistical Office has measured the cost of businesses' information obligations under federal law and keeps these up to date. These obligations include the day-to-day storing of invoices but also exceptional events such as the application for a permit for the construction of a power plant. The total bureaucracy costs borne by businesses are approximately 43 billion euros. The results are publicly accessible in the WebSKM database.

However, costs in terms of time and money are only one important aspect. In many cases, it is not so much the time it takes to complete a form or the amount it costs to send it which prove annoying, but instead incomprehensible forms, a lack of online services or inconvenient opening hours of authorities which are a burden for businesses. The Federal Statistical Office has examined these subjectively perceived burdens for the first time in its satisfaction survey. A similar examination has already been made by France's Secretariat-General for Government Modernisation (SGMAP).

The Federal Statistical Office began by compiling "journeys through the corridors of public administration" for the ten selected situations which businesses face. They show which authorities businesses have contact with, when employing new staff for instance, or importing and exporting goods and services. The interactive charts are available online at www.amtlich-einfach.de and provide an overview of government services.

The Federal Statistical Office then developed a survey methodology and the questionnaire and commissioned the research agency TNS Infratest Sozialforschung to conduct the telephone survey. A total of more than 1,500 businesses provided information on how satisfied they were with government services in Germany, with public authorities receiving a rather positive assessment. On a scale of -2 (very dissatisfied) to +2 (very satisfied), the average rating was +0.94. Businesses are, however, slightly more critical than citizens who gave their dealings with public agencies a rating of +1.06 in a similar survey conducted by the Federal Statistical Office.

Not all of the situations examined received an equally good rating. Businesses awarded the highest score to authorities in the areas of vocational and continuing training and health and safety at work, whereas they are relatively dissatisfied when it comes to the construction of an establishment and participation in a tendering process. Nevertheless, these two situations also attained a positive rating.

In all of the situations studied, there are factors which influence the perception of contact with public agencies. The responses expressed by businesses were particularly positive when it came to the factors of incorruptibility and non-discrimination, which



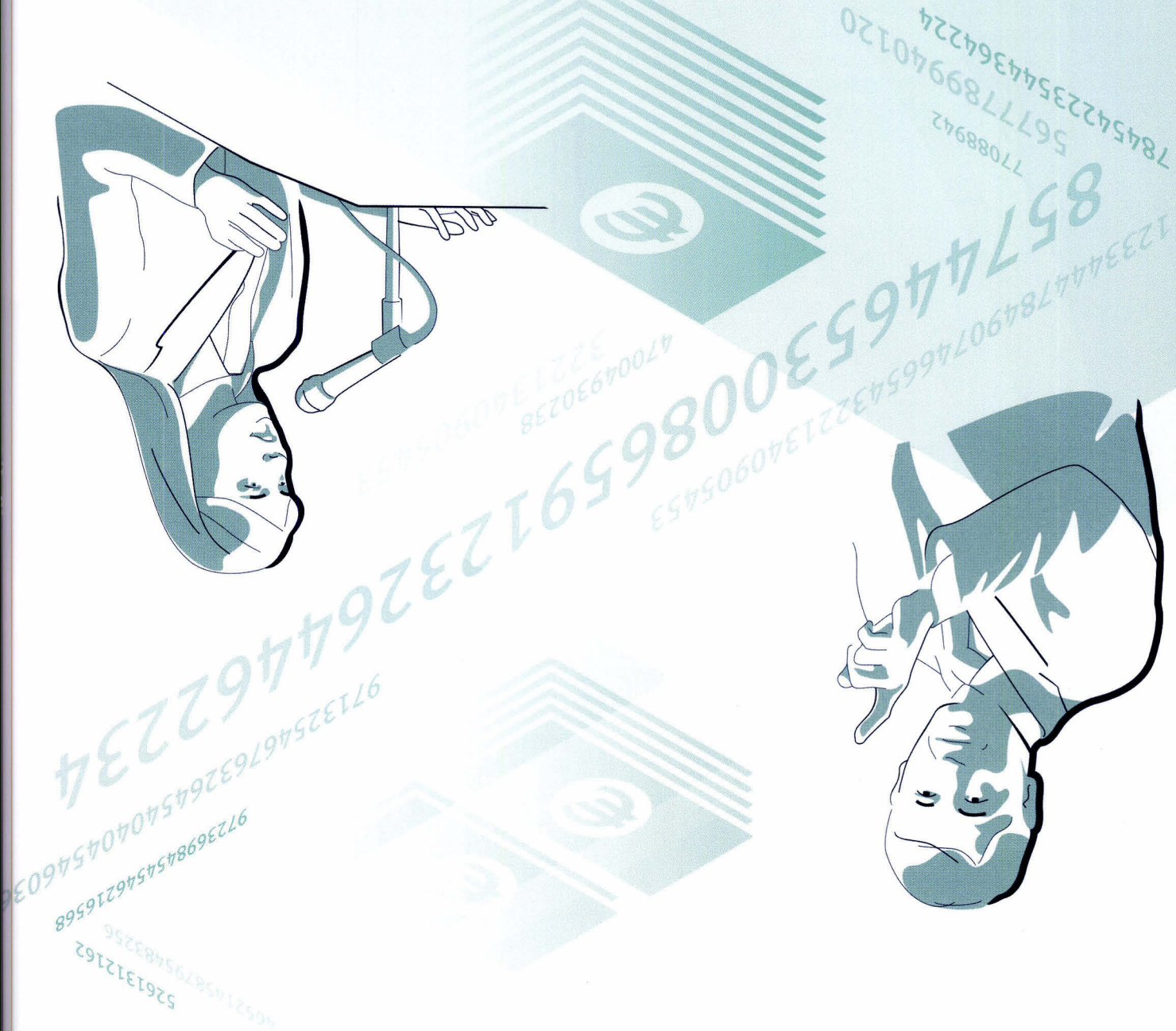
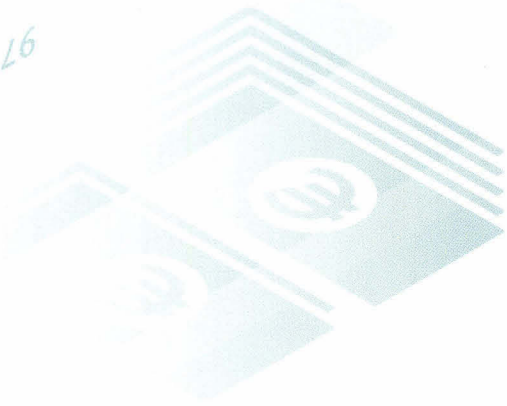
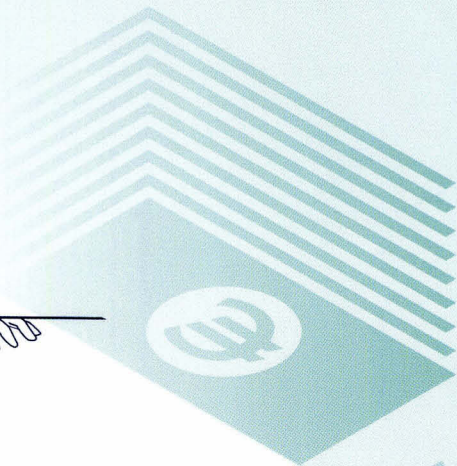
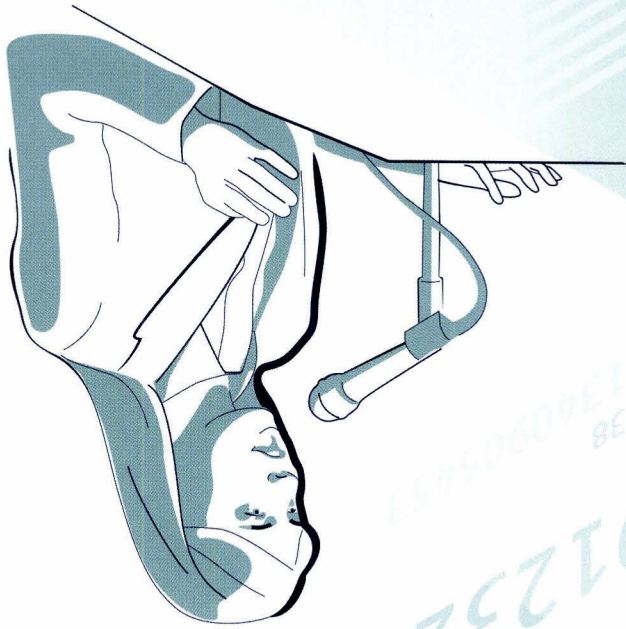
Members of the bureaucracy cost measurement team.

are enormously important for the fundamental concept of public administration. The ratings attained for these factors are +1.79 and +1.71, close to the best rating possible of +2. On the contrary, businesses are less satisfied with the comprehensibility of forms and of the law. The ratings for these two factors were +0.54 and +0.19 respectively.

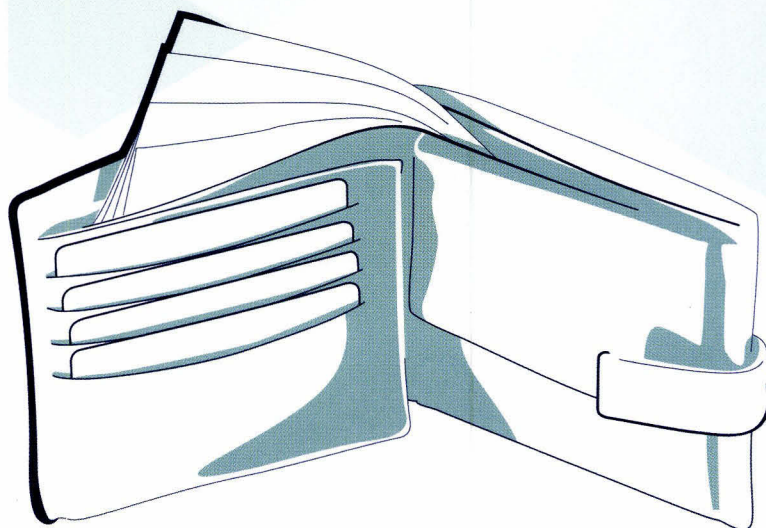
Since the publication of the results at a press conference in Berlin on 21 January 2016, the Federal Statistical Office has been supporting the Federal Government with special evaluations for policymakers. In special information events held by the Federal Chancellery, it also presented the findings to the relevant federal ministries and it advises them on how to interpret the results.

Expertise in demand

From mid-2016 onwards, the remuneration of Members of the Bundestag will be pegged to the index of nominal earnings, which is calculated at the Federal Statistical Office. The adjustments will take place in a comprehensible and transparent manner based on the average gross monthly earnings of all employees in Germany.



71925316443
094362198734589674002863324
2344989847004930238



In February 2014, the German Bundestag passed a law regulating the amount and subsequent development in the monthly remuneration of Members of the Bundestag. The amount of the remuneration shall be based on the monthly income of a judge of the highest federal courts. This figure was therefore increased in two stages up until 1 January 2015, since when the remuneration has been 9,082 euros. Under the legislation, adjustments will be ‘automatic’ with effect from 1 July 2016. As a basis for this, the President of the Federal Statistical Office shall transmit to the President of the Bundestag the development of the index of nominal earnings by 31 March of each year. However, the continuation of this procedure must be reapproved by the German Bundestag for the entire legislative term at the start of each electoral term.

What is background to this statutory regulation?

Under the hitherto procedure, a decision regarding the adjustment of Members’ remuneration was taken by the German Bundestag on the basis of a corresponding legislative proposal by the President of the Bundestag. Without taking any statistical indicator as a basis, a decision regarding adjustment was taken which directly affected the decision-makers themselves. This made it difficult for the general public to both accept and comprehend the adjustments. In November 2011, the German Bundestag’s Council of Elders therefore instructed an “Independent Commission to Examine Legal Provisions Specific to Members of the Bundestag” to make recommendations by the end of March 2013 on the future amount and adjustment of the remuneration paid to Members of the Bundestag. On behalf of the Commission, the Federal Statistical Office began by making some calculations on the hypothetical development of index-linked Members’ remuneration and presented these to a meeting of the Commission.

In its report, the Commission recommended pegging the development of the remuneration for the Members of the Bundestag to the change in the Federal Statistical Office’s index of nominal earnings. By adopting this law, the German Bundestag has also followed this recommendation.

The index of nominal earnings is not an index that has been designed specifically for the purposes of adjusting Members’ remuneration. It has been calculated since 2009 and is one of the general earnings indicators produced by the Federal Statistical Office. The results are published regularly in press releases and on the Destatis website. Using the index of nominal earnings helps to make adjustments to Members’ remuneration both comprehensible and transparent for the general public.

.....

The **index of nominal earnings** reflects the change in the average gross monthly earnings of all employees in Germany. To this end, a survey of employees’ earnings is conducted every three months among a representative sample of 40,500 businesses, from virtually all sectors, in the quarterly survey on earnings. In accordance with Section 3 of the Earnings Statistics Act, the statistical offices of the Länder are permitted to conduct this survey among reporting companies, which are then obliged to respond. The characteristics of the survey are defined in such a way that almost all of the information required can be taken from the business accounting system. Combined with extensive examinations of business data carried out by the statistical offices of the Länder, the index of nominal earnings guarantees a precise picture of the earnings trend. The quarterly results are used to calculate the data for the corresponding calendar year.

Customer profile: the Federation of German Industries

The Federation of German Industries (BDI) represents the political interests of German industry. Its interactions with the Federal Statistical Office are therefore very broad in scope.

BDI as the voice of industry

The BDI is the umbrella organisation of German industry and industry-related services. It speaks for 36 trade associations and more than 100,000 enterprises with around eight million employees. The scope of its membership is very broad, incorporating industrial associations ranging from the automotive industry to the sugar industry. Fifteen organisations in the Länder represent the interests of industry at regional level. The BDI has the task of protecting and promoting all the joint concerns of the branches of industry united in the Federation. It raises issues, compiles differentiated views, creates a balance of interests in the alliance with its member associations and thus offers policy-makers positions adopted by industry that are coordinated and representative. It provides its members with information and economic policy consultations on all issues relevant to industry, ranging from energy and climate policy, fiscal and financial policy, to policy concerning innovation, raw materials and foreign trade.

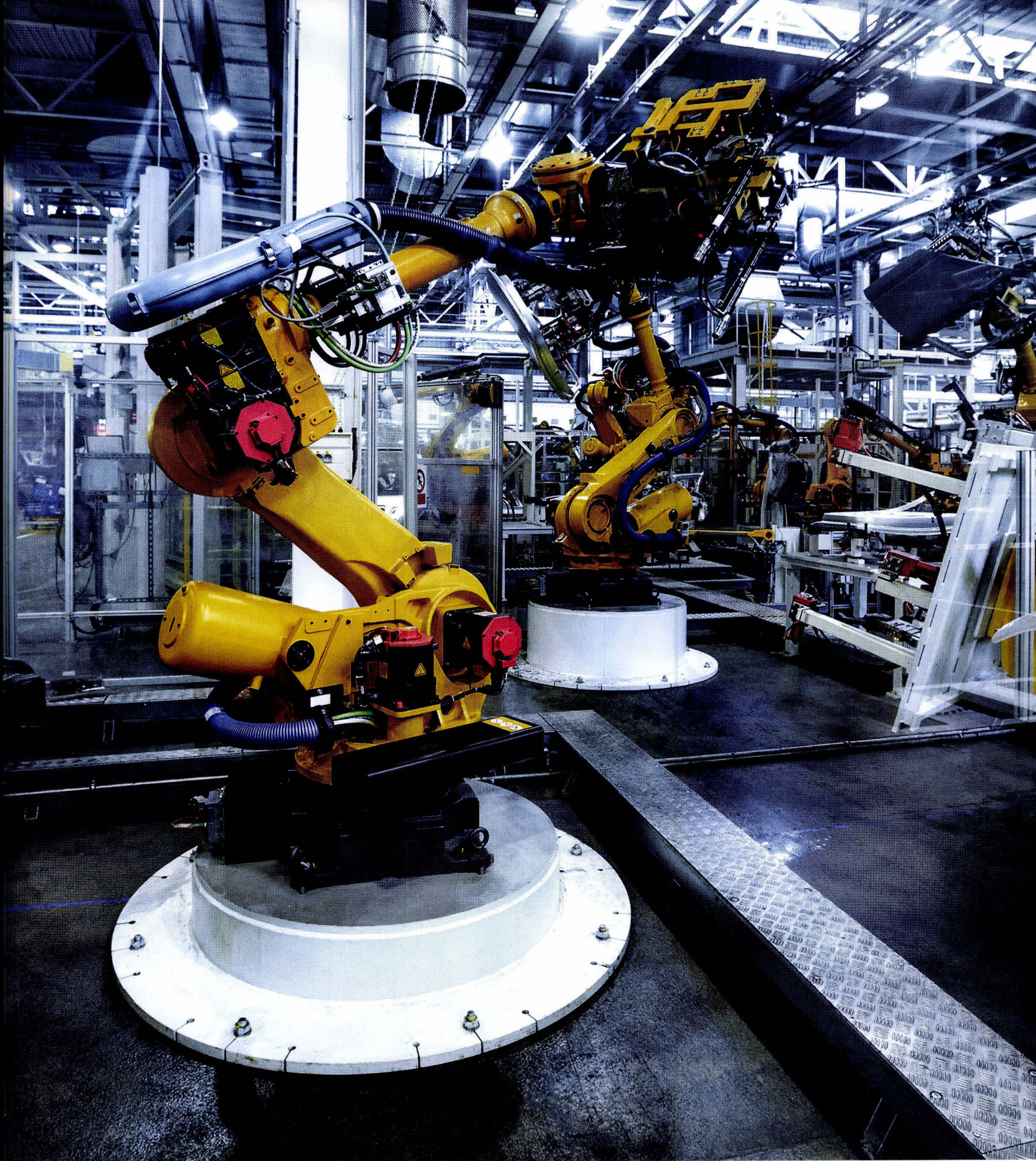
Among these major topics, which the BDI prioritises and deals with on a daily basis in the interests of its members, statistics appear initially to be of marginal importance. However, for issues of economic policy, whether they be the energy transition, Industry 4.0,

European integration or TTIP, a solid basis of data is essential as it provides a foundation for reliable decisions concerning the future and helps to protect against errors of judgment. At the levels of the Länder and the Federation, the information provided by official statistics is particularly important for tackling major issues of economic policy.

The BDI and its member associations make intensive use of official data covering all specialised statistics. The results of national accounts are incorporated into the day-to-day work of the Federation, as too are the detailed short-term economic statistics and structural statistics in industry and the foreign trade data derived from intra-EU and extra-EU trade statistics. But data on price statistics and environmental statistics, or the results of publications on specific issues such as health or the labour market, also form the basis for many analyses and positions adopted by industry associations.

Germany as an industrial nation

Almost a quarter of Germany's gross domestic product is generated by German industry. If industry-related services are included, this figure rises still further to around a third of GDP. Germany generates





Left: The BDI's main building in Berlin
Right: President Ulrich Grillo at the
German Industry Day 2015.

more than 30 percent of overall industrial value added in Europe. And with a share of almost 7 percent of global production, Germany is the world's fourth largest industrial nation. Together with industry-related services, industry is the core driver of growth in our economy and plays a prominent role contributing towards Germany's prosperity.

However, none of these factors occur automatically. In the face of strong international competition and against the background of enormous challenges, businesses must permanently defend and strengthen their competitiveness so as to ensure that they remain successful in future. In order to be able to take the correct decisions, businesses need up-to-date and reliable data for their market research.

The member associations of the BDI provide an extensive data service for their member businesses using a variety of communication channels. Examples include their own regular publications or association-specific databases offering a broad range of relevant official data.

Businesses are acutely aware that having the right information at the right time is now more important than it has ever been as a basis for achieving economic success. But high quality data that are not only up-to-date but are also as detailed as possible come at a cost, and one which is borne in large part by businesses in their role as the suppliers of raw information. As a result, businesses justifiably attach importance to the fact that

the burdens incurred when complying with statistical reporting obligations do not become excessive. Reducing the reporting obligations arising due to official statistics therefore remains a major political objective for the BDI and its member associations. It should, of course, be noted that if the benefits of official statistics are self-evident, the burdens associated with them will also be accepted by the respondents. This requires statistics to be geared consistently towards user needs and to be adapted to these needs on a permanent basis.

Industry is both a customer and a partner

The precise aim of the long-standing partnership of the BDI and its member associations with the Federal Statistical Office and the statistical offices of the Länder is for industry to be both a customer and a partner. We have made good progress in our joint efforts to develop statistics further. Recent years have seen official statistics become much more modern and flexible. The widespread arrival of information and communication technology in this field, across all areas of statistical production, from data acquisition to data processing and data publication, has proven to be very instrumental in this regard. In particular, the use of electronic data collection methods enabling raw data to be generated from business accounting systems in a fully automated manner has relieved the burden considerably on businesses subject to reporting obligations. In addition, the further development of classifications of economic activities and goods, the increasing use of administrative data for statistical purposes or the efforts to make the rigid

legal framework of statistics more flexible all had the aim of making economic statistics in Germany fit for the future.

The achievements are clear for all to see although the modernisation process is far from being completed and needs to be continued in a consistent manner. With the intention at European level to restructure the legal framework for business statistics and the planned redesign of intra-EU trade statistics, major reform programmes in this regard are in the pipeline. The BDI also believes that work still needs to be done on modernising the legal framework in Germany. Although the forthcoming change to the law is a major step forward, the legislation on statistics is still a long way off being modern and flexible as far as the BDI is concerned. As a measure, it is top of the statistics policy agenda.

Tackling political, economic and social issues without drawing on solid and informative statistical data is inconceivable in a well-functioning democracy. Official statistics form a central pillar of the information infrastructure in Germany and are an element of our democratic basic order that should not be underestimated. It is therefore in all of our interests to be able to access independent and valuable official statistics which, in providing us with a picture of the present and the past, create a sound basis for decisions regarding the future. Statistics should be understood and embraced as being a matter of course as opposed to a necessary evil. If this were the case, the political will to equip the Federal Statistical Office and the statistical offices of the Länder with the tools required to meet the demands of a constantly changing society would also be self-evident.



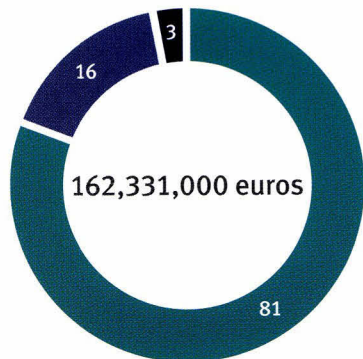
Budget

The budgeted funds of the Federal Statistical Office amounted to 162.3 million euros for 2015. This figure accounts for 2.6 percent of the total budget of the Federal Ministry of the Interior and for 0.05 percent of the Federal Republic's total budget.



Budgeted expenditure of the Federal Statistical Office in 2015

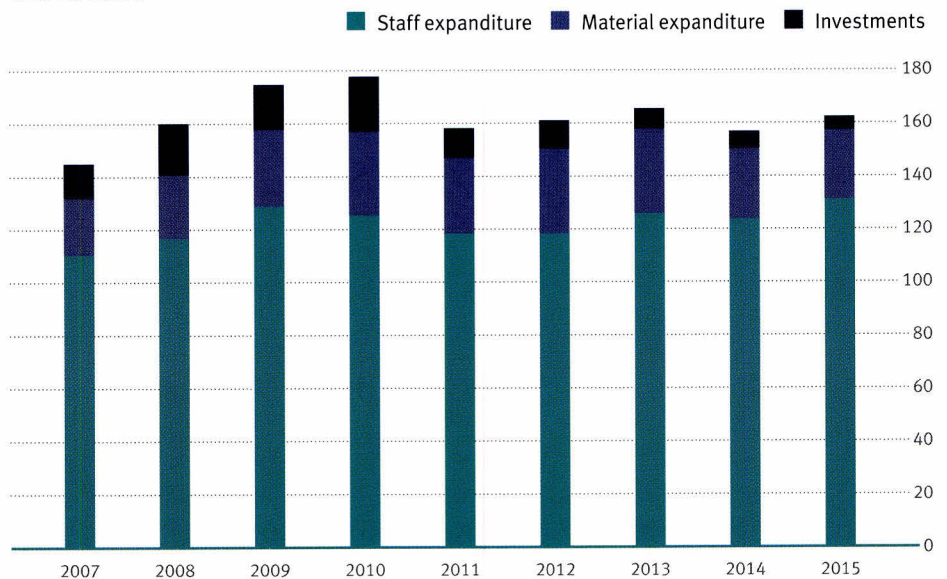
Percentage share



■ Staff expenditure: 131,223,000 euros
■ Material expenditure: 26,086,000 euros
■ Investments: 5,022,000 euros

Budget of the Federal Statistical Office

Million euros



At 131.2 million euros, expenditure for the approximately 2,290 staff members of the Federal Statistical Office accounted for 81 percent of its total budget in 2015. The amount budgeted for material costs was 26.1 million euros, which equated to around 16 percent of total expenditure. Investment in information technology and the ongoing modernisation of the office building in Wiesbaden totalled 5 million euros and represented a share of 3 percent of the budget.

Despite a fall in the number of personnel, the share of staff expenditure has risen slightly in recent years. Since 2007, however, this trend has not been continuous, due in part to the pooling of IT operations (IT consolidation) which saw a total of around 100 staff members move to the Federal Office for Information Technology (BIT). As part of this process, 11 million euros were transferred from the Federal Statistical Office to the BIT to cover staff, material and investment expenditure. In 2015, staff expenditure rose by around 7 million euros as additional funds were granted for new posts as well as for increases in collectively agreed salaries and in the remuneration of public officials.

The overall modernisation of the Federal Statistical Office in Wiesbaden had a decisive influence on the trend in investment expenditure. Modernisation work was carried out in two phases between October 2005 and June 2013.

The Federal Statistical Office is granted additional budget funds, or new posts there are created, for “special items”. These are tasks or duties which are the subject of political focus and could not be carried out otherwise with the resources available. In recent years, funds have been provided for conducting the 2011 Census, establishing bureaucracy cost measurement, statistics regarding basic security in old age and quality assurance in public finance statistics, among others.

A series of projects are also being carried out on behalf of and financed by the federal ministries. In terms of the Federal Ministry of Education and Research, examples include the preparation of the National Education Report and the Education Finance Report, the repeat doctoral student survey and the time use survey. Thanks to EU grants, the Federal Statistical Office is able to work on further projects. In this respect, co-financing provided by Eurostat, the Statistical Office of the European Union, means that additional employees can be recruited on a temporary basis to perform these tasks. If, on behalf of companies or other third parties, special evaluations on statistical data are compiled because these evaluations are either not available or not published as standard, this will also generate additional income. Accordingly, third-party funding of around 7.1 million euros in total was received in 2015.

Human resources development and advanced training

For the first time, staff from the Federal Statistical Office were given the opportunity to help shape and comment upon the basic principles of leadership and cooperation with the aid of a wiki application. Training courses for specialists and the topic of e-learning are becoming increasingly important for staff development.

Together with an internal working group, a proposal for the final version of the “Basic principles of leadership and cooperation” was drawn up, taking into consideration the wiki contributions. Individual comments by staff members resulted in changes being made to the final version. Specific suggestions related, for example, to the corporate vision for executives, which was ultimately formulated in a more forthright fashion than was originally planned: “We are flexible and innovative. We actively develop and support changes.”

With regard to other issues too, the wiki application will in future enable the staff to participate directly in discussions which concern them. Participation has initially been quite modest and shows that this tool will require a little longer to become widely accepted among the personnel. In any event, it is worthwhile making further attempts and giving staff the opportunity to play a part in defining strategies. In this way, aspects which may not

What is a wiki? A wiki (Hawaiian for “fast, quick”) is a hypertext system for websites, the content of which can be read by users but also edited directly online. The aim is often to pool experience and knowledge (collective intelligence) and to document this in a form which can be understood by the target group. To this end, authors work together to produce texts, and photographs or other media are added (collaborative writing, e-collaboration). This is made possible by means of a simplified content management system, the so-called wiki software. The most well-known wiki application is the online encyclopaedia “Wikipedia”. Source: Wikipedia



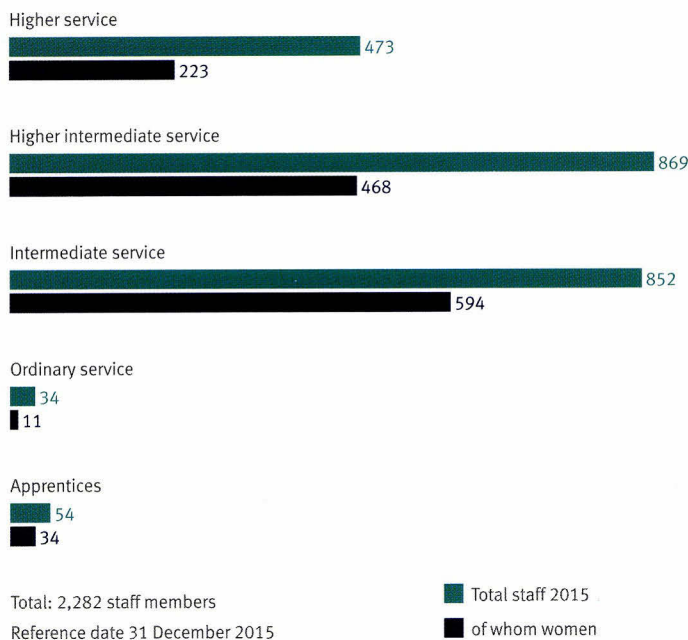
have been considered during the planning phase can be incorporated into discussions and staff can ultimately identify more with the results.

The comprehensive seminar programme comprised a number of in-house training courses on information technology, soft skills, foreign languages, specific specialist topics and a broad range of training courses for executives. Prompted by the most recent staff satisfaction survey, the growing importance of individual specialist training courses has become the focus of education and training at the Federal Statistical Office. As a result of the high degree of division of Labour and an increasing level of spe-

cialisation, it is no longer possible to cover all training needs with standard seminars. Many individual requests for further training were able to be met in 2015 thanks to the support of the education and training team.

A further focal point was the development of new e-learning modules. In cooperation with the statistical offices of the Länder, the Federal Statistical Office developed 18 separate learning modules, which can be integrated by staff members into their own working time as required. One advantage of e-learning is the flexible availability of further training modules available for teleworkers.

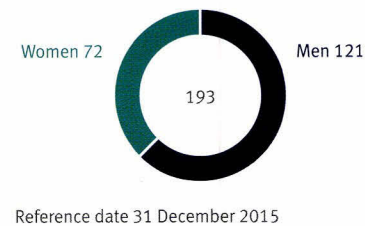
Total staff members by class of service



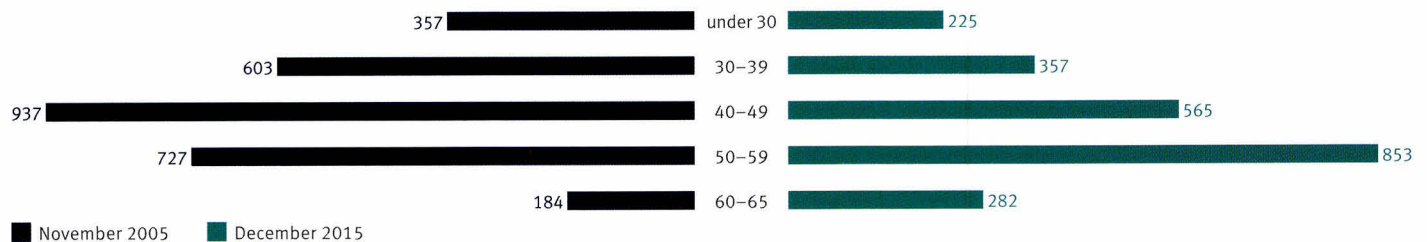
Part-time employees (excluding those in partial retirement)



Proportion of female executives



Total staff members by age group in a ten-year comparison



Senior management



- 1 **Dieter Sarreither**
President and Federal Returning Officer
- 2 **Angela Schaff**
Agriculture, Environment, Foreign Trade
- 3 **Sibylle von Oppeln-Bronikowski**
Strategy and Planning,
International Relations,
Research and Communication
- 4 **Irmtraud Beuerlein**
National Accounts, Prices
- 5 **Dr. Sabine Bechtold**
Population, Census, Finance
and Taxes, Labour Market
- 6 **Dr. Georg Thiel**
Vice-President and
Deputy Returning Officer
- 7 **Beate Glitza**
Information Technology,
Mathematical-Statistical Methods
- 8 **Dr. Ruth Brand**
Health, Social Statistics,
Education, Households
- 9 **Jürgen Chlumsky**
Administration,
Administrative Cost Measurement
- 10 **Peter Schmidt**
Business Register, Earnings,
Industry, Services



Contact

www.destatis.de

Central Information Service

Phone: +49 (0) 611 / 75 24 05

www.destatis.de/contact

Press Office and Journalist Service

presse@destatis.de

Phone: +49 (0) 611 / 75 34 44

Service office for statistics in the Bundestag

Marie-Elisabeth-Lüders-Haus

bundestag@destatis.de

Statistisches Bundesamt

Gustav-Stresemann-Ring 11

65189 Wiesbaden

i-Punkt Berlin

Friedrichstrasse 50-55 (Checkpoint Charlie)

10117 Berlin

Bonn Branch Office

Graurheindorfer Strasse 198

53177 Bonn

