Comments and references

Tables 1-81

The following pages contain explanatory text to the tables. Purpose, method and other sources of publication are described for each table.

1. Population dynamics

Purpose: The table shows components of change in the Danish population, i.e. size changes (births, deaths and external migration), location changes (internal migration), marriages and divorces.

Data sources and method: *Live births* are live births occurring in Denmark or Greenland to women resident in Denmark.
Deaths are all deaths among Danish residents, whether occurring in or outside Denmark.
Immigration comprises a) Nordic citizens moving to Denmark (Nordic citizens are not required to obtain residence permits or work permits), b) non-Nordic citizens obtaining a residence permit for a period exceeding three months, c) persons moving to Denmark from the Faroe Islands or Greenland, and d) re-registered resident foreigners who had previously disappeared without notifying change of address.
Emigration comprises persons moving from Denmark to foreign countries (or to the Faroe Islands or Greenland) and resident foreigners having disappeared without notifying change of address.
Internal migration refers to persons changing address inside Denmark.
Marriages and *divorces* refer to couples of whom either one or both spouses are domiciled in Denmark.
Excess of births is live births minus deaths, and *net migration* is immigration minus emigration. The sum of natural increase and net migration equals the total net change in the size of the Danish population.
Up to and including 2 quarter 2007, the statistical data are obtained from Statistics Denmark's population statistics register, whose data are in turn derived from the CPR (Central Population Register). The time-lag between the occurrence of an event (birth, death, etc.) and its entry in the CPR is taken into account for the compilation of the statistics. Thus events occurring in a given quarter are included in the statistics for that quarter if they are reported during the quarter or within 28 days after the end of the quarter. If reported later, the events are included in the results for the next quarter.
The population statistics were adjusted by Statistics Denmark on 1 July 2007. The adjustment makes it, e.g. possible, to a greater extent, to take account of the cancellations and corrections reported by the local population registers to the CPR. The adjustment also implies that only events, which took place in the quarter under survey and for which data were reported with less than a delay of 3o days, are included. Previous statistics also included data on events from previous quarters, which were reported in the quarter under survey.
For live births and deaths the CPR-based statistics are regarded as provisional; and final figures based on birth and death certificates coupled with the CPR-based material are produced at a later date. Similarly, the earliest statistics of marriages and divorces are also provisional. The final figures are produced on the basis of the number of marriages and divorces throughout a whole year. In principle, the final figures make allowance for delays in the reporting of data.

Experience shows that the final figures differ only slightly from the provisional ones.

Other sources of publication: More detailed statistics on population dynamics are published annually in *Befolkningens udvikling* (Vital statistics). Summary statistics are given in *Nyt fra Danmarks Statistik, Statistisk Tiårsoversigt* and *Statistisk Årbog* (Statistical Yearbook) contain figures for both population size and population changes, as well as annual statistics for longer periods of years. Information is also available from Statbank Denmark at www.statbank.dk.

2. Supply and demand

Purpose: The supply and demand balance gives a summary of the most important economic aggregates which can be derived from the full sequence of accounts for the total economy. The supply and demand figures illustrate the value of goods and services for final use and their breakdown by aggregates of demand: private and public consumption expenditure, capital formation, and partly exports of goods and services to the rest of the world. This final use of goods and services is only possible due to a corresponding supply, which can either be assigned to the value added, generated in Denmark (gross domestic product, GDP) or via supply from the rest of the world (imports). The quarterly national accounts generally provide an overall and consistent view of the short-term economic trends within the framework of a system comprising cohesive definitions and classifications. The compilations comprise the most essential economic factors. It is thus possible to monitor trends in the GDP (gross domestic product), private and general government final consumption expenditure, investments, imports and exports at current and constant prices together with compensation of employees, employment and worked hours. It is also possible to monitor developments in subgroups relating to these factors.
The quarterly national accounts are published 8 times annually. The first version of the national accounts is published 60 days after the end of the quarter and subsequently, a revised version approximately 90 days after the end of the quarter.

Data sources and method: The compilations cover all current short-time statistics describing subsectors within the economy and employment. The most significant sources are external trade statistics, balance of payments statistics, manufacturers' sales of commodities, manufactures' turnover statistics, VAT statistics, index of retail sales, price index of domestic supply, consumer price indices, index of net retail prices, statistics of employment, , ATP-employment statistics, from 4th quarter, replaced by e-income data. The Working Time Account and other data on the public sector's finances.
Combining short-term statistics with the concepts of the national accounts makes it possible to provide an overall view of the economic trends. Detailed data on structural factors derived from the annual national accounts (commodity flow system) are used in this process. The results are based on approximately 2,700 time series.
The production method for the quarterly accounts is divided into 4 steps:

1. Primary stage systems transforming information into input data in an indicator data bank.
2. Production of quarterly data not balanced.
3. Reconciliation and evaluation.
4. Revision.

Comments and references

The compilation of the quarterly statistics is based on not seasonally adjusted figures.

Quarterly values are calculated for approx. 2,700 series, which are mostly grouped together in threes, in the form of series for current prices, constant prices and price indexes for the same factors, with the exception of transfer items, labour costs, employment- and time series.

In the following, the steps stated above will be briefly described.

Re. 1 The purpose of the primary stage systems is to create input data for an indicator data bank designed according to fixed guidelines. The systems are flexible, so that changes, including any delays in the primary data can easily be adapted.

Work on the systems is performed concurrently with the availability of the input data. The entry of input data is »closed« 2 months and 10 days after the end of the quarter, and work on the systems is concluded a couple of days later. If further source data are made available during the process phase, they will as far as possible be included.

The indicator data bank contains 1.150 indicators.

Re. 2 Combining the data bank's time series with the latest »final« quarter, values for approx. 1.150 quarterly components are calculated for the normally 3 quarters that are recalculated. Subsequently, values for the other quarterly components are calculated on the basis of identities and on the assumption of various correlations. Consequently, basic estimates are created for all components.

Based on commodity classifications of the latest final year, a distribution of supply less exports by domestic end-use is effected, and alternative estimates are thus derived for domestic end-uses. These estimates are weighted with the basic estimates.

The procedures of the second step are fully automated, and the length of time spent is reduced to one day. A detailed description of the compilation procedures is given in the subsequent section.

Re. 3 The quarterly figures in step 2 are not balanced, i.e. total supply will not be identical with total use. This is ensured manually. The compilation results are also evaluated. The work with reconciliation and evaluations continues for a week.

Re. 4 The revision comprises compilation of level chain figures, annual calculations, seasonal adjustments, and print-outs of tables, including tables for publication.

In conjunction with the calculation of annual figures, it is ensured that the quarterly figures of a given year add up to the figures of the year as a whole, which have been calculated in the final and provisional annual accounts.

In the following is given a more detailed account of the compilation procedures in section 2, which based on the indicator data bank produce quarterly figures not corrected for the 2,700 components. These procedures are, as stated, fully automated.

The procedures are roughly divided into 3 main steps:

1. Calculation of basic estimates.
2. Calculation of alternative estimates for domestic end-use at current prices.
3. Calculation of final estimates.

The calculation of the basic estimates is based on a linkage of the indicator data bank with the quarterly values of the latest quarter. On the basis of the approximately 1.150 series thus calculated a substantial number of series can be calculated residually, provided that price×quantity=value (the indica-

tor data bank contains maximum indicators for 2 of these series for each component).

Some of the other series are calculated on the assumption of correlations between the series. The most essential correlation is, for a great part of the industries, the assumption that the percentages of raw material at constant prices remain unchanged in relation to the same quarter the year before. A close correlation between developments in production and consumption of goods is also assumed for certain types of goods.

Basic estimates are created for all 2,700 components based on the above assumptions and once again a »price×quantity=value« residual calculation.

On the basis of the basic estimates alternative estimates are thus calculated for domestic end-use, by constructing balances for 1 600 commodities and services. These calculations are only made at current prices.

The first step of these calculations is a distribution of the supply, stock changes and exports by commodity groups. As regards the industrial output the commodity classification is obtained from the quarterly *Varestatistik for industri* (Statistikservice), which contains complete data on industrial sales by commodities and industries. These statistics are directly included adjusted for sales of enterprises with under 10 persons employed. For the primary sector, the basic estimates are available, to a great extent, at the single product level. For the remaining domestic output, the basic estimates are distributed over some 60 groups, and these are distributed over some 300 commodities and services proportionally with the distribution of the group concerned in the latest final accounts.

Imports and exports of commodities are directly derived from the external trade statistics, whereas the distribution of services is contained in the basic estimates (derived from the balance of payments statistics).

Stock changes distributed on 1,300 commodities: For the manufacturing industry, data are extracted from the quarterly statistics of stocks relating to changes in stocks of raw materials, stocks of finished goods and stocks of goods for resale, each distributed on 7 industries. Changes in stocks of raw material are distributed proportionally with the input composition of the industries, whereas stocks of finished goods and goods for resale are distributed proportionally with the output composition. The quarterly statistics of stock values also provide data on stock changes in wholesale trade distributed on 8 wholesale industries. These are distributed on commodities based on the commodity classification in the final accounts. Stock changes for the retail trade are estimated, and the totals are distributed on commodities. There are also data on stock changes for agricultural products and energy products.

The second step of the calculation of the alternative estimates is a calculation of basic price values for the approx. 125 groups of domestic end-use (excluding increases in stocks). The basic estimates for these groups are available in purchase prices, and by deducting basic estimates of each group's VAT and excise duties, and subsequently utilize the relationship between the basic price value and the corresponding residual value of the latest final accounts, the basic price value of the quarter can be estimated.

At the third step the 125 basic price values for domestic end-use are distributed on commodities. This distribution is effected proportionally with the distribution in the latest final accounts, however, price changes up to the latest provisional accounts have been taken into consideration.

At the fourth step the domestic end-use (excluding stock changes) is added up for each of the 1,600 commodities and

services. The value derived is compared to the value of supply less exports and stock changes, and the value of domestic end-uses of the item is adjusted proportionally, so that supply and end-use are balanced.

The fifth step constitutes an aggregation of the adjusted values to approx. 125 groups of domestic end-use, and a subsequent calculation to purchase price level.

Alternative estimates have thus been created at current prices for each of the approx. 125 groups of domestic end-use. It is obvious that the calculations are made separately for each of the normally 3 quarters that are re-calculated.

The calculation of final estimates at current prices is made by weighting the basic estimates and the alternative estimates. The weights of each group are here based on experience gained from the provisional accounts. Corrections to the basic estimates at current prices are conveyed to the fixed price values, maintaining the basic estimates of the price indexes.

Other sources of publication: The main figures from the supply and demand balance appear in *Nyt fra Danmarks Statistik*. Detailed quarterly and annual information is published in *Nationalregnskab og betalingsbalance* (Statistiske Efterretninger). The statistics are also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

3. Income, consumption and saving
Purpose: To show generation and distribution of income as well as the use of disposable income of the value added in Denmark. The use of national disposable income for consumption and saving is shown. The difference between consumption and saving is the time of consumption. The use taking place over the same period as generation of income is considered consumption. An outline of the concepts is given in National Accounts Statistics 2007.

Data sources and method: The compilations cover all current short-time statistics describing the sub-sector within the economy. The most significant sources are external trade statistics, balance of payments statistics, manufacturers' sales of commodities, manufacturers' turnover statistics, VAT statistics, index of retail sales, price index of domestic supply and other data on the public sector's finances.

Combining short-term statistics with the concepts of the national accounts makes it possible to balance the various trends in order to obtain an overall picture of the economic development, including income, consumption and saving.

Other sources of publication: Information on income, consumption and saving is published on a quarterly and annual basis in *Nationalregnskab og betalingsbalance* (Statistiske Efterretninger). The statistics are also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

4. Gross value added by industry
Purpose: Gross value added, GVA, at current prices shows the income which accrues to the production factors as compensation for the value added which the industry in question has created itself via the production process. Gross value added at 2000 prices measures the valued added by industries, when price increases since 2000 are disregarded. Changes in the figures are interpreted as growth in terms of quantity, i.e. a measurement of economic growth.

Data sources and method: The compilations cover all current short-time statistics describing the sub-sector within the economy. The most significant sources are external trade statistics, balance of payments statistics, manufacturers' sales of commodities, manufacturers' turnover statistics, VAT statistics, index of retail sales, price index of domestic supply and other data on the public sector's finances.

Combining short-term statistics with the concepts of the national accounts makes it possible to balance the various trends in order to obtain an overall picture of the economic development, including gross value added.

Other sources of publication: Information on gross value added is published on a quarterly and annual basis in *Nationalregnskab og betalingsbalance* (Statistiske Efterretninger). The information is also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

5. Employment and hours worked by industry
Purpose: In conducting economic analyses it is useful to include information on the use of labour. Consequently, it is essential to compile statistics on employment numbers in accordance with the same definitions and classifications applied in other parts of the national accounts.

The employment data series of the national accounts contain information on the number of persons employed as well as information on the use of labour in terms of hours worked, which is a more appropriate quantity measurement for the work performed in the production process.

The number of persons employed comprises all persons who perform work related to the production of goods and services. Number of hours worked comprises the hours performed in connection with the production of goods and services.

Data sources and method: Employment data series of the earliest versions of the quarterly national accounts are mainly based on ATP employment (The Danish Labour Market Supplementary Pension Scheme) *(Employment indicators on the basis of ATP contributions)*, but the Labour Force Survey and the Working Time Accounts are also included. New data from the source statistics are continuously incorporated into the following versions of the National Accounts. In 2002 the detailed employment data series of the national accounts were changed for the purpose of extending the statistics by including information on hours worked and by changing the figures on compensation of employees of the national accounts: This implies that they are now estimated on the basis of the *Working Time Accounts,* i.e. integrated statistics on the Danish labour market compiled by Statistics Denmark since 2000.

As with the previous statistics, information on the total number of employees as well as the number of persons employed is published. However, figures on these two items now include person on maternity leave and labour market leave in accordance with the definitions of the European System of Accounts (ESA95). Separate tables (NATK11 and NAT18) can be accessed from Statistics Denmark's database Statbank Denmark at www.statbank.dk. The table gives employment data by employees, self-employed and total numbers, and the figures are estimated exclusive of as well as inclusive of persons on leave.

The definition of employment implies that persons employed with resident business enterprises are included. Resident business enterprises are units whose financial sphere of interest is placed within Denmark's financial domain. The total

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number of hours worked corresponds to the total number of hours that is actually performed by an employee or a self-employed person during the course of the accounting period in order to achieve a certain scope of production within the production border.

Employment in the national accounts is compiled in accordance with the ESA95 and is based on the International Labour Organization's recommendations with respect to the concepts and definitions to be used in producing statistics on labour markets.

The estimate of the national accounts with regard to use of labour comprises the average number of persons employed. A person who is employed over the entire accounting period is counted as one person employed. A person who is employed half the time of the length of the accounting period is counted as half a person employed. The statistics on employment are compiled independently of the length of the working time. A part-time employee who is employed during the whole year is counted as one person employed. However, the statistics on hours worked take the length of the working time into account. Only the primary jobs of the persons employed are included in estimating employment.

Hours worked are hours that are actually performed within normal working time as well as hours performed outside normal working time. Furthermore, hours worked are included from primary jobs as well as any other jobs. Hours worked do not contain paid hours that have not been performed, such as paid annual vacation, public holidays or paid sick-leave. Moreover, a supplement for "black" hours worked is estimated in the national accounts excluding however unpaid overtime hours.

Persons in employment, whose earnings are tantamount to less than 80 hours of annual employment, are excluded from the statistics, which comprise men and women aged 15 or over.

In accordance with the ESA95, persons who are temporarily out of work are still to be regarded as persons in employment, with the proviso that they still have a formal attachment to a workplace. In practice, this applies to persons who are on labour market leave (education leave, childcare leave and previously sabbatical leave) and maternity and parental leave. Persons in employment who are temporarily out of work due to sickness, strike, vacation or public holidays are also included in the employment figures of the national accounts. Naturally, persons in employment who are on leave do not perform any hours of work.

Other sources of publication: Information on employment and hours worked is published on a quarterly and annual basis in *Nationalregnskab og betalingsbalance* (Statistiske Efterretninger). The information is also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

6. Employment and hour worked by industry, seasonally adjusted

Purpose: See comments and references to table 5.

Data sources and method: The employment and time data series are seasonally adjusted by means of an indirect seasonal adjustment (the series are separately adjusted). The standard package X12 ARIMA is applied for the seasonal adjustment.

Other sources of publication: Seasonally adjusted information on employment and hours of work is published on a quarterly and annual basis in *Nationalregnskab og betalings-*

balance (Statistiske Efterretninger). The information is also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

7. Compensation of employees

Purpose: In the earliest versions of the quarterly national accounts, calculations of the compensation of employees are primarily based on the statistics on aggregate payroll costs *(Indicators on aggregate payroll costs based on labour market contributions)* and indices of average earnings. New data from another source statistic are continuously incorporated into the following versions of the National Accounts. The detailed calculations of the annual figures are based on the aggregate payroll costs from the *Working Time Accounts*, which are based on the aggregate payroll costs from the statistics on employment in businesses. Statistics on compensation of employees in the national accounts are essential in order to estimate gross operating surplus and mixed income. Compensation of employees includes all wages and salaries in cash or in kind paid by employers to their employees for work performed. Compensation of employees comprises wages and salaries as well as employers' contributions to social schemes.

Wages and salaries may be paid in cash or in kind. Wages and salaries in cash comprise all direct forms of pay, i.e. commission, overtime pay, bonus, public holiday pay and holiday allowance. Contributions to social schemes, income tax, etc. imposed on the employees are included, although they are in actual fact withheld for direct payment by the employers on behalf of the employees.

Wages and salaries in kind – fringe benefits – comprise goods and services supplied free of charge or at reduced prices by the employers to their employees as part of their job. Fringe benefits are not necessary in the production process. If so, they were to be treated by the employers as intermediate consumption.

Employers' contributions to social schemes comprise employers' payments to social schemes to insure employees against any social risks and to fulfil social requirements, e.g. old age, disability, occupational accidents and diseases. Employers' contributions to social schemes can be actual or imputed contributions. Actual contributions comprise employers' payments to social funds and privately fund-based social security schemes, e.g. contributions to ATP (Danish Labour Market Supplementary Pension Scheme) and pension funds. Imputed contributions are calculated in relation to social schemes where benefits are, although no payment of the contributions has been effected, paid directly by employers to their employees or previous employees. Imputed contributions are primarily estimated in connection with civil servants earned pensions.

Data sources and method: Compensation of employees is primarily compiled from the wage and salary costs in the Working Time Accounts (WTA), which are based on estimated wage and salary costs from the statistics on employment in businesses. The statistics on compensation of employees in the national accounts are in general directly compiled from primary data sources in level.

The wage and salary costs from the statistics on employment in businesses comprise taxable A-income, including special contribution to labour market funds, i.e. wages and salaries, fees, and the like. In addition to this, capital pension contributions administered by employers are included. Other contributions to pension schemes are excluded. This applies to contributions paid by employers as well as employees.

The wage and salary costs in the WTA also cover the following items: occupational insurance, fringe benefits, anniversary bonus, etc., ATP contributions, pensions subject to current payments, civil servants earned pensions and deductions for reimbursement of maternity and sickness benefits. Below, the adjustments made to the WTA in the national accounts in order to complete the transition from register-based data on wage and salary costs to the definition of compensation of employees in the national accounts are briefly mentioned.

Compensation of employees is for some industries compiled by means of alternative data sources and not in accordance with the general compilation method, i.e. WTA. This comprises, e.g. the general government sector on which accounting figures for the central government, local governments and social funds are based. Similarly, these accounting figures are the data source for pensions and ATP contributions.

Other sources of publication: Information on compensation of employees is published on a quarterly and annual basis in Nationalregnskab og betalingsbalance (Statistiske Efterretninger). The information is also available from the annual publication Nationalregnskabsstatistik (National accounts) and from Statbank Denmark at www.statbank.dk (tables: NATK02 and NAT07).

8. Private final consumption expenditure by durability

Purpose: To estimate final consumption expenditure of households on purchases of goods and services. Private consumption expenditure is final consumption of households, but also covers consumption expenditure of non-private institutions which supply households with services, for example associations which owners do not generate any income to its owners.

Data sources and method: The compilations cover all current short-time statistics describing sub-sectors within the economy. The most significant sources are balance of payments statistics, VAT statistics, index of retail sales, consumer and net price index and other data on the public sector's finances.

Combining short-term statistics with the concepts of the national accounts makes it possible to balance the various trends in order to obtain an overall picture of the economic development, including private final consumption expenditure.

Other sources of publication: Information on private final consumption expenditure is published in *Nyt fra Danmarks Statistik* and is available from www.dst.dk/nationalaccounts. Detailed quarterly and annual information is published in *Nationalregnskab og betalingsbalance* (Statistiske Efterretninger). The information is also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

9. Capital formation by type

Purpose: Fixed gross capital formation shows resident producers' purchases less sales of fixed assets, which are included in the capital goods of industries in Denmark. Stock changes and purchases less sales of valuables comprise gross capital formation in the national accounts.

Data sources and method: The compilations cover all current short-time statistics describing the sub-sector within the economy. The most significant sources are external trade statistics, manufacturers' sales of commodities, VAT statistics, price index of domestic supply and other data on the public sector's finances.

Combining short-term statistics with the concepts of the national accounts makes it possible to balance the various trends in order to obtain an overall picture of the economic development, including fixed gross capital formation.

Other sources of publication: Information on fixed gross capital formation appears in *Nyt fra Danmarks Statistik* and is available from www.dst.dk/nationalaccounts. Detailed quarterly and annual information is published in *Nationalregnskab og betalingsbalance* (Statistiske Efterretninger). The information is also available from the annual publication *Nationalregnskabsstatistik* (National accounts) and from Statbank Denmark at www.statbank.dk.

10. Balance of payments

Purpose: The balance of payments is a statement, for a given period, of the values of economic transactions between the domestic economy and the rest of the world. The balance of payments is compiled according to a double-entry system, implying that every transaction involves both a credit entry and a debit entry. As a result of the double-entry system the total of credit entries always equals the total of debit entries, any differences between the totals being attributable to statistical discrepancies, the so-called errors and omissions.

The balance of payments statistics are mainly based on statistics of external trade in goods, respectively in services and on financial statistics from Danmarks Nationalbank, and on information from the general government sector. Supplementary information is used from other statistical sources. These sources provide data for direct use in compilations as well as data used for estimates of the development.

The balance of payments can be broken down into three principal accounts, i.e. the current account, capital account and financial account. The current account consists of the items: goods, services, income and current transfers. The balance of the current account is the most widely used statistical measure. As a consequence of the double-entry system mentioned above, a current account deficit will always be matched by a surplus of the same amount on the remaining accounts.

Data sources and method: The following comments can be made to the main items of the balance of payments:

In the main item *Merchandise transactions* imports are stated f.o.b., implying in practice that the c.i.f. values of the external trade statistics have been reduced by costs for sea freight and insurance between the exporting country and Denmark. Values of the external trade statistics are also adjusted for a number of other minor items.

The main item *services* includes transport, travels and other services Furthermore, the quarterly statistics show the sub-items corresponding to the standard distribution of the IMF. From the largest sub-item sea transport, the receipts are partly derived from ships engaged in international transport and from outchartering to foreign countries partly from foreign shipping companies' expenditure in Denmark, e.g., for towing and shipbrokers. Shipping expenditure comprises partly freight charges on imports from foreign shipping companies and to inchartering from foreign countries, partly Danish shipping companies' expenditure in foreign ports. The item *Travel* comprises disbursements by non-residents travelling or staying in Denmark and disbursements by Danish residents travelling or staying abroad as well as receipts and expenditure from border shopping, etc. Other services

relate to communications, information, business services, insurance and royalties.

In the Danish balance of payments statistics the item *income* includes primarily interest income and dividends. The receipts comprise, e.g. interest on loans to non-residents, dividends on shares in foreign companies and profits of Danish companies abroad, as offset by the payment of interest on foreign credits to Danish residents, dividends on foreign-owned shares in Danish companies and profits of foreign corporations from their branches and subsidiaries in Denmark. The item also includes minor flows of compensation of employees resident in a country different from that in which they are employed.

Current transfers include aid to developing countries and private donations across the frontier. Furthermore, transfers between Denmark and EU institutions, as subsidies from the European Agricultural Guidance and Guarantee Fund are included as receipts and Danish contributions to the budgets of the European Union as expenditure. Also included are payments concerning insurance with the exception of the service element, cf. above.

The above transactions on the current account of the balance of payments are, as previously stated, matched by transactions on the capital account or the financial account of the balance of payments. A current account deficit may be offset by a capital transfer, but is usually financed by a decrease in the financial net assets, which include *Denmark's foreign exchange reserves.*

Changes in Denmark's foreign exchange reserves may be caused by transactions involving current account items, but may also be due to financial transactions only. The Danish central government, local governments or private enterprises may, for instance, raise loans abroad, or Danish securities may be sold abroad. In both cases the external balance deteriorates, and the foreign exchange situation improves correspondingly. The same effect is achieved when loans raised in Denmark by non-residents are repaid. Conversely, the granting of loans to non-residents and instalments paid on loans obtained abroad improve the external balance.

In 1998 *the balance of payments statistics* were adapted according to the guidelines laid down in the IMF's latest *Balance of payments manual* (5. edition). Simultaneously changes in the methodology were implemented. A higher degree of consistency with the rest of the world account contained in the national accounts was thus achieved.

In 2000, the geographical coverage of the balance of payments was changed so that it no longer comprises the Faroe Islands and Greenland. In 2005, substantial changes were made to the primary statistical data and the methodology, as the collection of data for the settlement statistics compiled by Danmarks Nationalbank was discontinued at the turn of the year 2004/05. For many years the settlement statistics had constituted a very important data sources for the compilation of the balance of payments statistics.

Other sources of publication: Balance of payments data are published monthly in *Nyt fra Danmarks Statistik*. Quarterly and annual figures are published in *Nationalregnskab og betalingsbalance*, (Statistiske Efterretninger). Annual figures are published in *Statistisk Årbog* (Statistical Yearbook) and longer time series in *Statistisk Tiårsoversigt*. Information is also available from Statbank Denmark at www.statbank.dk.

11. Expenditure and revenue, general government

Purpose: The purpose of the statistics is to monitor quarterly changes in net lending/borrowing, which is one of the convergence requirements of the Economic and Monetary Union (EMU). In the Monetary Committee's Report on EMU statistical requirements, which was endorsed by the ECOFIN on 18 January 1999, the need for common, harmonised short-term statistics on the Member States' public finances was stressed. However, national users have also for a long time advocated that quarterly public finance figures were made available.

Data sources and method: Denmark has from the outset been in a favourable position as regards estimating quarterly statistics for general government. Quarterly accounting information is available for both central government and the counties and municipalities. Virtually all significant units are covered by the primary statistical data.

Under the Danish Appropriation Act, central government institutions send their accounting records in every day to the Agency for Governmental Management. The level of detail of this information is the same as the annual central government accounts. The returns to the Agency for Financial Management and Administrative Affairs also include accounting items posted after the end of the calendar year, the "supplement period". The sum of monthly returns, including returns for the supplement period thus corresponds to the annual accounts.

The municipalities and counties report quarterly data to Statistics Denmark approximately 1 month after the end of the quarter. The level of detail of the data reported is similar to the level of the annual data, however, the quarterly accounts cannot be regarded as finally closed accounts. This implies, among other things, that errors and the lack of entries with regard to a quarter are not available until the end of the year, where entries are made during the supplement period. This implies that the total for the four quarters reported does not tally with the national accounts total.

Social security funds are coved by actual quarterly accounts sent to Statistics Denmark, primarily from LG (the Danish Employees' Guarantee Fund) and the unemployment insurance funds.

The basic idea behind the quarterly accounting system is to use the same principles and methods of calculation as are used to compile annual accounts for general government.

The central government sector. Monthly datasets from the Agency for Financial Management and Administrative Affairs are combined to form a quarterly dataset. All expenditure and revenue items are sorted at the most detailed accounting level into a national accounts classification. The first stage is to transfer the national accounts classification from the same year's budget statistics to account numbers which are identical. The use of budget statistics means that classifications may be added to new accounts introduced during the year (since the accounts in question are included in the budget). The remainder, e.g. account numbers set up after the budget was aproved, are extracted and their classification estimated. Amounts for the remainder groups are insignificant.

The following variables cannot be described on the basis of the existing sources and are therefore replaced by values from budget statistics, divided by quarter using the "Denton algorithm".

An estimate from the latest budget statistics is used to include institutions subsidised by central government. This estimate is based on a projection of the most recent year for which accounting figures are available. The annual figure is divided by quarter using the Denton algorithm.

For the calculation of the fourth quarter, information is also available on entries during the supplement period. These are evened out so that most of them are posted in the first quarter and the remainder in the other three quarters. For central

government, amounts for the supplement period are fairly small.

The local government sector. Data are received from the municipalities and regions.

The municipalities' expenditure on subsidized institutions comes under type 50-59 in the accounts (subsidies to persons and institutions). A certain percentage of this expenditure is transferred to types covering wages and salaries and purchases of goods.

For the municipal sector, there is no information available on the supplement period and this therefore has to be calculated as a residual, i.e. the difference between the entries in the first to the fourth quarters and the final accounts. The supplement period entries have to be divided up over the previous four quarters. This cannot be done, of course, until the final annual accounts are available. The supplement period figures therefore have to be estimated even when the first quarter is prepared. This is based on information on the previous year's supplement period, the total budget for the year and the entries available for the first quarter. The estimate of the supplement period figure is revised continually as figures are prepared for new quarters. The supplement period figure is adjusted for the final time once the final accounts are available. Thus corrections may be made at any time to previous quarters as a result of new and improved estimates of supplement period figures, and again when the annual accounts are available and the supplement period can thus be calculated.

Some of the entries in the supplement period refer to the fourth quarter and should therefore be transferred to that period. Some of the entries made in the fourth quarter refer to the third quarter and should therefore be transferred to the third quarter. The same applies to the other quarters with the exception of the first, where the supplement period of the previous year collects late records. There will be entries referring to other than the previous quarter, but they are ignored, since they are assumed to be of insignificant amounts.

However, a complete and correct transfer of entries between quarters is not possible, since there are no sources which can provide information on this "overflow" between quarters. It is therefore assumed that the "overflow" remains constant from one quarter to the next and that it is therefore sufficient to transfer an amount corresponding to the estimated "overflow" from the supplement period to the first quarter. The share of the supplement period which is considered not to be "overflow" from the previous quarter is divided equally over the remaining quarters.

There are some variables which cannot be described on the basis of the available data and are therefore replaced by values from budget statistics, divided by quarter using the "Denton algorithm".

Compensation of employees. It is decided to base the compensation of employees for historic years on the previous employment-based figures. In the future, data for the quarterly expenditure on wages and salaries of central government, the counties and municipalities will be included as one of a number of important indicators when figures are prepared for the compensation of employees. The new wage and salary expenditure data in the accounts will provide ongoing useful information on the level of this figure.

Other sources of publication: Figures are published in *Nyt fra Danmarks Statistik* and more detailed quarterly and annual statistics are published in *Offentlige finanser* (Statistiske Efterretninger). Information is also available from Statbank Denmark at www.statbank.dk.

12. Taxes and duties, total

Purpose: The purpose of the statistics is to monitor quarterly trends in taxes and duties. The statistics also indicate trends in short-term indicators.

The statistics cover taxes and duties paid by the households and enterprises to the general government sector, which comprises units engaged in producing non-market services intended for both individual consumption and collective consumption and which are primarily financed via taxes and duties.

Data sources and method: The figures are calculated at current prices and are not seasonally adjusted. In addition to the trends in short-term indicators, the development in taxes and duties can cover seasonal fluctuations as well as changes in tax rates and tax legislation. The statistics are compiled in accordance with the guidelines of *the European System of Accounts* (ESA 1995), thus ensuring international data comparability and consistent time series over time. The quarterly statistics are based on the principle of accrual accounting, which is the time – or the period – to which the tax base of the taxes or duties relate. The former quarterly statistics on taxes and duties are replaced by the statistics compiled according to the guidelines of the ESA 1995.

The periodization of the statistics on *"Payments of taxes and duties"* related to the period of payment – i.e. the time when the public funds were affected. The statistics on *"Customs and excise duties"* were compiled according to the time of recording. However, the former quarterly statistics will be compiled as annual statistics in the annual publication entitled *Skatter og afgifter* (Taxes and duties).

Taxes and duties consist of compulsory transfers to the general government sector without any link between the payment and acquisition of services. If a special payment or acquisition of a service is provided, it is not as tax but in the form of a sale. Compulsory transfers are levied by the public sector through legislation.

Member contributions to social security funds (e.g. unemployment insurance funds) controlled by the public sector are frequently given as a borderline case. They are compulsory to members, but provide access to social security payments. As the extent of the social security payments to which a member is entitled is not, however, dependent on the size of the contributions paid, the social security funds are not managed along the lines of market conditions with respect to insurance. Consequently, there is no special relationship between contributions and social security payments, and these schemes are included in the broad description of taxation.

The European System of Accounts (ESA95) divides taxes and duties to the general government sector into four groups:

- Taxes on production and imports (D.2).
- Current taxes on income and wealth (D.5).
- Compulsory contributions to social security schemes (D.611).
- Capital taxes (D.91).

The method of calculating the short-term indicators is consistent with the annual national accounts data for the general government sector. The calculations are mainly conducted on the basis of data from the DIOR database. This implies that the level of detail of the data on taxes and duties is higher than shown in ESA95.

Taxes on production and imports (D.2) are imposed on products and on production, etc.

Comments and references

Taxes on production and imports are divided into product taxes D.21 (including VAT and excise duties) and other taxes on production D29 (including property taxes and excise duties on vehicles used in production).

Since 1997 *current taxes on income and wealth (D.5)* in Denmark have exclusively consisted of various types of personal income taxes as property taxes have been abolished.

Current taxes on income and wealth comprise, e.g. personal income tax, corporate tax, pension yield tax, labour market contributions, property value tax and motor vehicle weight duty from households.

Compulsory contributions to social security schemes (D.611). The social security funds are a special category of public institutions. The reason why they are incorporated into the general government sector is that their task and purpose is to manage public social security schemes. They are compulsory schemes taken to mean that they are designed and effectively controlled by the public sector while at the same time the schemes are managed without any individual regard for insurance. Consequently, contributions to the schemes (e.g, by members or employers) are included in the broad description of taxation and constitute a borderline case. The compulsory contributions to the social schemes comprise contributions to unemployment insurance funds, to the Special Pension Savings (1999-2001) and to the Employees Guarantee Fund.

Capital taxes (D.91) are levied on inheritance and gifts as well as property release and waiver tax.

Taxes and duties are calculated in accordance with the principles of the national accounts, and the methods are consistent with the calculation of annual taxes and duties to the general government sector. It should be noted that there are greater data and periodization problems in connection with compiling quarterly statistics than annual statistics.

The sources of calculating short-term indicators on taxes and duties and the sources of compiling annual statistics frequently differ, and the consistency is ensured by continuously verifying the short-term indicators with the annual versions of taxes and duties.

To comply with the ESA 95 guidelines, taxes and duties are recorded according to the accrual principle. This implies that tax receipts are recorded at the time when the economic values are created, transformed or wound up. It thus follows that there are discrepancies between taxes calculated according to the accrual principle or the cash principle.

The calculations for compiling the statistics on taxes and duties to the general government sector are conducted on the basis of:

- Accounting data on a monthly basis from The Agency for Governmental Management and The Central Customs and Tax Administration.
- Budgets prepared by The Directorate of the Unemployment Insurance System.
- Tax estimates prepared by ministries and statements from finance acts

Other sources of publication: The statistics are published in *Nyt fra Danmarks Statistik* and in *Offentlige finanser* (Statistiske Efterretninger). Information is also available from Statbank Denmark at www.statbank.dk.

13.   Income transfers to households

Purpose: To present an overall picture of quarterly current income transfers. Furthermore, the statistics provide useful indicators of economic trends.

The statistics cover income transfers paid by the general government to households. The general government sector comprises units engaged in producing non-market services intended for both individual consumption and collective consumption and which are primarily financed via taxes and duties. The statistics do not include all kinds of social transfers. For example, the statistics do no cover insurance companies and pension funds as well as social transfers in kind, including health care expenses. On the other hand, the statistics include all kinds of income transfers from the general government, i.e. in addition to social benefits also other current transfers, e.g. education grants.

Data sources and method: All figures are calculated at constant prices and are not seasonally adjusted. Consequently, the development in income transfers may embrace, both seasonal fluctuations and changes in the rates of benefit and the number of recipients of income transfers. For example, the short-term economic trends will have an impact on particularly the recipients of unemployment benefits and cash benefits. However, the relationship between the number of recipients and expenditure on benefits will not be quite unambiguous, as the degree of compensation and the average period of unemployment will have an impact on the economic trends.

Income transfers are calculated in accordance with the principles of the national accounts, and the methods are consistent with the calculation of the annual income transfers paid by the general government sector, which are available from the present publication. It should be noted that there are greater data and periodization problems in connection with compiling quarterly statistics than annual statistics. The sources of calculating short-term indicators on income transfers and the sources of compiling annual statistics on income transfers frequently differ, and the consistency is ensured by continuously verifying the short-term indicators with the annual versions of income transfers.

To comply with the ESA 95 guidelines, income transfers are recorded according to the accrual principle, which is also used in compiling the present statistics. This implies that income transfers are recorded at the time when the economic values are created, transformed or wound up. It thus follows that there are discrepancies between income transfers compiled according to the accrual principle or the cash principle.

The calculations for compiling the statistics on income transfers to households are conducted on the basis of:

- Monthly public accounts from The Agency for Governmental Management.
- Reports submitted by The Ministry of Social Affairs (general pensions (old age and early retirement pension), (sickness and maternity benefits and child allowances).
- The statistics on cash benefits compiled by Statistics Denmark, which are published in *Sociale forhold, sundhed og retsvæsen* (Statistiske Efterretninger*)*.
- Data for quasi-public institutions and some social security funds are based on information extracted from their budgets.
- State refunds are linked to some municipal transfers. The figures on state refunds are used as basis for calculating the transfers.

Other sources of publication: Statistics are published in *Nyt fra Danmarks Statistik* and in *Offentlige finanser* (Statistiske Efterretninger). Information is also available from Statbank Denmark at www.statbank.dk.

14. Government net wealth and debt

Purpose: The purpose of the statistics is to monitor the financial transactions of the general government sector, e.g. borrowing and sale of shares, and to monitor the development in wealth and debt of the general government sector. The complete statistics, financial quarterly accounts for the general government sector thus open up the possibility of following over time the relationship between net lending, price changes in assets and liabilities (known as revaluations) as well as the development in financial net debt/net wealth of the general government sector, which is shown in this table.

The general government sector is divided into 3 sub-sectors:

- *Central government - S.1311.*
- *Local government - S.1313.*
- *Social security funds - S.1314.*

Central government comprises non-profit institutions financed by the government and the Church of Denmark. Local government comprises municipalities and regions, non-profit institutions financed by the local government and local government institutions. Social security funds cover the unemployment insurance funds and the Danish Employees' Guarantee Fund.
Financial net debt is defined as the difference between financial liabilities and assets estimated at consolidated market value.

Data sources and method: The financial quarterly accounts for the general government sector are compiled on the basis of a great number of data sources. Main sources are:

- Central government accounts.
- Local government accounts.
- Accounts for social security funds.

In addition to the institutions covered by the central government accounts and local government accounts, there are the so called non-integrated government institutions and the Church of Denmark. With respect to assets and liability, they are only of minor importance in terms of total amounts.
Holdings and flows in the accounts are frequently estimated at nominal value. Consequently, further information is collected for recalculation into market value.
Financial instruments: Financial assets and liabilities are divided into 7 main groups. They are:

- Monetary gold and special drawing rights.
- Currency and deposits.
- Securities other than shares.
- Loans.
- Shares and other equity.
- Insurance technical reserves.
- Other accounts receivable/payable.

Consolidation: Financial accounts between institutional entities classified to the same sector are eliminated in the consolidated statistics. Consolidation at two levels is thus conducted in the general government sector. Consolidation "intra" comprises consolidation within the sub-sector, but not in relation to other sub-sectors in the general government sector (e.g. within central government). Consolidation "in-ter" comprises consolidation between the sub-sectors in the general government sector.
Financial quarterly accounts for the general government sector comply with the *European System of Accounts* (ESA95).

Other sources of publication: Statistics are published in *Nyt fra Danmarks Statistik* and in *Offentlige finanser* (Statistiske Efterretninger). Information is also available from Statbank Denmark at www.statbank.dk.

15. Local government liquidity and long-term borrowing

Purpose: The main purpose of these statistics is to indicate preliminary quarterly changes in local government liquidity and long-term borrowing, until final figures can be obtained from local government accounts.

Data sources and method: The statistics are based on reports from all Danish regions and municipalities. As regards bond holdings, the figures relate to end-year market values which are adjusted at the end of each following quarter for the quarter's net purchases of bonds at book values (quoted prices).
The figures arrived at for the four quarters of the year are later revised in the annual accounts when these become available.The revised figures then form the basis of the calculations for the subsequent quarters of the new year.
Figures for liquidity thus refer to book values, whereas all borrowing is stated at nominal values.
Net borrowing is gross borrowing minus repayments (excluding the effect of bond revaluations).
A loan is considered to be raised when the creditor makes the proceeds available to the debtor after the latter's acceptance of the loan offer.

Other sources of publication: For more detailed statistics, see *Offentlige finanser* (Statistiske Efterretninger), and for summary results in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

16. Activity status (Labour force survey)

Purpose: The table shows trends in the labour market status of the population - employed, unemployed and the group outside the labour market (e.g. students or persons receiving early retirement pay).

Data sources and method: The statistics are based on quarterly samples comprising about 37,000 persons aged 15-74. During a period of 18 months, the persons who are interviewed participate four times. At first, the persons participate in two consecutive quarters, subsequently there is an interval of two quarters, and then they participate again in two quarters. Interviews are conducted daily throughout the year, and most interviews are conducted by telephone, while a few thousand is conducted by personal calls. To ensure a sufficiently large number of observations among the unemployed population, persons aged 15-66, who in the previous quarter were registered as unemployed, were overrepresented in the sample. Figures are separately calculated and raised for persons aged 15-66, who were previously unemployed, persons aged 15-66 not previously unemployed, and persons aged 67-74.
Similar to other interview-based sample surveys the labour force survey is subject to margins of statistical uncertainty. Although these margins of uncertainty are taken into account by undertaking a post-stratification and a weighting proce-

dure, minor differences or changes should be interpreted with caution. The statistical uncertainty is partly inherent in the sample selection and partly the structure in the non-response. The margins of sampling errors could, e.g., be indicated by a confidence interval and rely on the sample size and the percentage that the group under survey makes up of the total population group in which it is included.

Other sources of publication: The information in this table also appears in *Nyt fra Danmarks Statistik*. Annual figures are given in *Statistisk Årbog* (Statistical Yearbook) and in *Arbejdsmarked* (Statistiske Efterretninger*)*. The surveys can be compared with similar surveys in other EU countries, and the main results are published by Eurostat. Information is also available from Statbank Denmark at www.statbank.dk.

17. Employees with jobs, at full-time equivalence, by industries
Purpose: The purpose of the statistics is to provide rapid indicators on trends in employment, grouped by industry and sector

Data sources and method: The quarterly statistics are compiled on the basis of employers' payments to the Labour Market Supplementary Pension Fund (Arbejdsmarkedets Tillægspension, ATP).
The payments are converted to employment numbers, by setting one employee equal to the amount of ATP contribution payable for one person employed full-time throughout the quarter. The resulting figures can be said to express the number of full-time employees required for performing the amount of work actually performed by full-time employees and part-time employees, some of whom are employed only part of the quarter.
The data on employment are distributed to industry groups and sectors on the basis of information extracted from the Central Business Register concerning employers' payments to the Labour Market Supplementary Pension Fund, ATP.

Other sources of publication: More detailed quarterly statistics are published in a preliminary form in *Nyt fra Danmarks Statistik* some seven weeks after the end of each quarter, and in a final form on www.statbank.dk five months after the end of each quarter. For a methodological description (in Danish) of the statistics, see *Arbejdsmarked* 2002:40. Information is also available from Statbank Denmark at www.statbank.dk.

18. Employees with jobs, at full-time equivalence, by sectors
Purpose: See comments to table 17.

Data sources and method: See table 17.

Other sources of publication: See table 17.

19 Hours worked
Purpose: The purpose of establishing the *Working time accounts* (WTA) is to compile time series on hours worked. Furthermore, it is also intended to compile data on earnings and employment for the national accounts statistics, adopting the definitions of work, earnings and employment as applied in the national accounts.

Data sources and method: The statistics are based on a projection of data on hours worked, adopting the following relational equation:

1. hours worked =
    Average hours worked per job per week over the quarter
    *number of hours over the quarter
    *average number of jobs per day over the quarter

Hours worked are defined as hours paid by employers, including paid overtime and excluding paid hours of absence. Paid hours of overtime are defined as the number of paid hours worked in excess of normal paid hours (i.e. contractual hours) and include extra hours of work for part-time employed without additional overtime pay. Paid meal breaks are regarded as hours of availability and are included in hours worked. Hours worked include hours paid by employers, which have been carried out by persons aged over 14, including the hours in jobs that are not part of the person's main employment and largest secondary job. Unpaid overtime hours and black work are excluded from the estimates of hours worked in the WTA.

Hours worked by employees are immediately estimated on the basis of average weekly hours worked (exclusive of unpaid hours) per quarter from the Labour Force Survey, multiplied by the number of weeks over the quarter and the average number of primary and secondary jobs over the quarter from the WTA. The average number of primary and secondary jobs in the WTA is estimated quarterly by projecting the number of primary and secondary jobs compiled in the statistics on employment in businesses. In projecting the average number of jobs for employees, quarterly figures are based on monthly data reports of a-income (MIA), which is used as data source.. For self-employed persons and assisting spouses, the job trends are only estimated as steady trends from one structural statistic to another. However, rolling year from the Labour Force Survey is applied in projecting figures for the period after the most recent register-based statistics (i.e. as from 4th quarter 2006).
Subsequently, the level of hours worked by employees is raised to the level fixed in the annual WTA on the basis of the structural statistics, which also include hourly data for the jobs which a person has in addition to his/her primary job and most important secondary job. When the provisional quarterly statistics on hours worked by employees are compiled for the period on the basis of the most recent structural statistics, there is no structural level to which the figures can be raised. Instead, the differences calculated in the latest structural year are adopted as basis, implying that the difference for the 1st quarter is also added to future 1st quarters, the difference for the 2nd quarter is also added to future 2nd quarters, etc. These provisional statistics are revised, when new structural figures are available.
The relational equation (1) is also applied for calculating hours worked for self-employed persons and assisting spouses. Unlike the hourly data for employees, which are raised to a level based on detailed structural data reported by business enterprises, the Labour Force Survey is the only existing source, where hourly data are available for self-employed persons and assisting spouses, i.e. weekly hourly data for primary and secondary jobs based on data reported directly by the persons employed. When annual hours worked by self-employed persons and assisting spouses are calculated in the Working time accounts, annual hourly data for employees have been adopted as basis, but adjustments have been made in accordance with the additional hours worked which are stated by the self-employed persons (respectively, assisting spouses) in relation to the employees in the Labour Force Survey. In this way, attempts are made at correcting

differences in the level as the result of different types of data reports, while at the same time data on annual job lengths from the employees are implicitly transferred; these data would otherwise not have been available for self-employed persons and assisting spouses. The quarterly figures are thus raised to the estimated annual hourly data for self-employed persons and assisting spouses. In other words, equation (1) generates some quarterly hours worked, which describe a seasonal pattern, but where the level for the quarterly hours worked is defined against the background of annual hourly data.

The quarterly system will be continuously used in compiling provisional annual values. When new annual values for all variables are estimated some 15 months after the end of the year in the annual WTA, it is essential that the quarterly figures are adjusted to the level of the annual values. This procedure implies that the quarterly figures will be available in other provisional versions, despite the fact that there are no changes in the primary statistical data.

Other sources of publication: Statistics are published quarterly in *Nyt fra Danmarks Statistik*. Detailed descriptions of the quarterly and annual WTA are published in *Arbejdsmarked* (Statistiske Efterretninger) and in the Declaration of Contents under the subject group labour market at: www.dst.dk/documentation. Information is also available from Statbank Denmark at www.statbank.dk.

20. Full-time employees who are not in ordinary employment by type of benefit

Purpose: The purpose of the statistics on persons (aged 16-64) who are not in ordinary employment (replacing the previous statistics on labour market policy measures, AMFORA) is to provide an overall quarterly overview of the registered number of full-time unemployed, full-time participants in different activation schemes and other full-time recipients of income benefits. The data collected at the level of individuals are broken down by dates of commencement and termination and hours per week with regard to each individual scheme.

The advantage of the new statistics on persons who are not in ordinary employment is that all data sources based on individuals are mutually processed with respect to overlaps in terms of time. This implies that a person cannot, in overall terms, be registered with more than 37 hours (corresponding to a participation degree of 100 pct.), when his/her weekly hours/participation degrees are summed up with regard to unemployment, activation, etc. and to claiming passive unemployment benefits.

Data sources and method: The unemployment data are compiled by Statistics Denmark on the basis of partly the files of the Register of Labour Market (RAM) maintained by the Danish Directorate of Labour and partly statistics on the number of unemployed recipients of social assistance (match groups 1-3) compiled by the National Labour Market Authority. The data on policy measures are partly obtained from the so-called stock statistics compiled by the National Labour Market Authority and partly directly from the municipal data reports on persons participating in municipal activation, etc, which are also forwarded to Statistics Denmark by the National Labour Market Authority. Data on persons receiving early retirement pay are obtained from the Register of Labour Market of the Danish Directorate of La-

bour. Finally, the supplementary data by the basis of social maintenance claimed by the persons in the form of "passive unemployment benefits" from the payment registers of the municipalities in KMD AKTIV.

Other sources of publication: Statistics on persons who are not in ordinary employment are published quarterly in *Nyt fra Danmarks Statistik* (News from Statistics Denmark) and at a more detailed level in *Arbejdsmarked* (Labour Market) (Statistiske Efterretninger). Statistics on persons who are not in ordinary employment are published annually in *Arbejdsmarked* (Statistiske Efterretninger), *Statistisk Tiårsoversigt* (Statistical Ten-Year Review) and *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk

21. Full-time unemployed, by sex, age and insurance category

Purpose: The table indicates trends in the registered number of unemployed. Changes in the actual size of the unemployed population are analysed by sex, age and by insurance category.

Data sources and method: The unemployment statistics, which are compiled by Statistics Denmark on the basis of the files of the Register of Labour Market (RAM) and the Central Register of Labour Market Statistics (CRAM), comprise all unemployed persons, who are insured against unemployment and some non-insured persons receiving cash benefits, who are considered to be unemployed. Statistics Denmark aims to comply with the guidelines laid down by UN's International Labour Office (ILO) for compiling statistics of unemployed persons. According to the guidelines to be registered as unemployed a person has to meet 3 requirements. 1. be out of work, 2. be available for work and 3. be actively in search of work. Persons receiving transitional benefits and who at the same time are engaged in job training for more than 18½ hours per week do not, meet ILO's requirements. These persons are included in the statistics of persons who are not in ordinary employment which are compiled by Statistics Denmark.

The number of full-time unemployed persons during the reference period is obtained by multiplying the number of persons having experienced unemployment with the average degree of unemployment, i.e. that part of the period during which the persons were unemployed. The degree of unemployment is calculated as unemployment hours in relation to the number of (potential) working hours for the persons having experienced unemployment at the time of compilation. The number of persons having experienced unemployment, the degree of unemployment and full-time unemployment are correlated as follows:

Number of persons having experienced unemployment x the average degree of unemployment = full-time number of unemployed persons.

This reference period relates to the period in which the person received unemployment benefits, and does not coincide with the calendar year. The month for which unemployment benefit is claimed normally ends the last Sunday but one in the calendar month and begins correspondingly that much earlier. The annual and quarterly figures follows the month of the calendar and are always more updated than the monthly figures

Other sources of publication: Danish unemployment statistics are published both monthly and annually in *Nyt fra Danmarks Statistik* - at the most detailed level - in *Arbejdsmarked*

Comments and references

(Statistiske Efterretninger). Unemployment statistics are also published in *Statistisk Tiårsoversigt* and *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk, and at www.dst.dk/ledighed.

22. Full-time unemployed in per cent of the labour force, by sex, age and insurance category

Purpose: To show trends in rates of unemployment, by sex, age and insurance category.

Data sources and method: The rates of unemployment are calculated by expressing the number of unemployed as a percentage of the labour force in the various groups concerned. The labour force in each group is determined by Statistics Denmark's register-based statistics of the labour force. See comments to table 21.

Other sources of publication: See comments to table 21.

23. Full-time unemployed, by sex, age and insurance category. Seasonally adjusted

Purpose: To reveal trends in the seasonally adjusted number of unemployed, i.e. the actual unemployment figures adjusted for seasonal factors. The seasonally adjusted unemployment figures are analysed by sex, age and insurance category.

Data sources and method: In publishing unemployment percentages the seasonal adjustment is effected by application of Statistics Canada's X12 ARIMA model (multiplicative version). Prior to the seasonal adjustment, an upward adjustment of about 5 per cent of the actual unemployment figures is effected, which corresponds to the usual deficiency in the monthly statistics due to the delay in reporting data. The seasonal adjustment of the monthly figures is effected for the past years after recording of the deficiencies for each year. With the introduction of the X12 ARIMA model in 2002, the seasonally adjusted monthly figures are raised to annual figures. The rates of unemployment are calculated by expressing the number of unemployed as a percentage of the labour force in the various groups concerned. The labour force in each group is determined by Statistics Denmark's register-based statistics of the labour force. See comments to table 21.

Other sources of publication: See comments to table 21.

24. Full-time unemployed, by county. Seasonally adjusted

Purpose: To show trends in the seasonally adjusted number of unemployed and as a percentage of the labour force, by region.

Data sources and method: See comments to tables 21 and 23.

Other sources of publication: See comments to table 21.

25. Full-time recipients of early retirement pay by sex and age

Purpose: The statistics provide a description of full-time recipients of early retirement pay by sex and age.

Data sources and method: The statistics are based on information extracted from the Register of Labour Market (RAM) maintained by the Danish Directorate of Labour.

Other sources of publication: The statistics on early retirement pay are published quarterly in *Nyt fra Danmarks Statistik* and in greater detail included in the statistics on persons who are not in ordinary employment in *Arbejdsmarked* Statistiske Efterrtninger. The statistics on early retirement pay are also published in *Statistisk Tiårsoversigt* (Statistical Ten-Year Review) and in *Statistisk Årbog* (Statistical Yearbook). Finally, statistics are available from Statbank Denmark at www.statbanken.dk,

26. Indices of average earnings in the private and public sector

Purpose: To indicate trends in average earnings in main industry and sector groups.

Data sources and method: For the private sector the statistics are based on information reported by a sample of business establishments employing 10 persons or over and for the public sector by all institutions and public corporations.
The hourly earnings of an activity group or sector are computed as total earnings in proportion to the total number of hours performed.
The concept of wages and salaries is total earnings per hour of work. The earnings cover the employees' and employers' share of any contributions to pension schemes, general overtime allowances and exclusive of holiday allowance, holiday supplements and other irregular payments, e.g. deferred adjustments in connection with the renewal of collective pay agreements. For a more detailed description, see *Løn* (Earnings) (Statistiske Efterretninger) and the Declarations of Contents available at www.dst.dk/documentation under the subject group Earnings.

Other sources of publication: The statistics are published in *Løn* (Statistiske Efterretninger). The detailed annual statistics of earnings and incomes for the private and public sectors as well as the total labour costs for the private sector are also given. Information can also be obtained from Statbank Denmark at www.statbank.dk/17.

27. Aggregate payroll costs

Purpose: To provide up-to-date information concerning trends in aggregate payroll costs by industry.

Data sources and method: The statistics are compiled on the basis of employers' monthly specifications of wage and salary earner labour market contributions withheld (AM contributions).
The specifications are converted to total earnings. The aim of aggregate payroll costs is to estimate total payroll costs for wage and salary earners in employment in Denmark. Changes in the employment level and hours worked are not taken into account, and consequently interpretations of the trends in aggregate payroll costs on the basis of the trends in earnings only should be subject to caution.
The estimated aggregate payroll costs are classified to groups and sectors of industries by means of information from the Central Business Register.

Other sources of publication: The quarterly aggregate wage and salary costs are published in a preliminary version in *Nyt fra Danmarks Statistik* some two months after the end of the quarter. A description of the purpose and contents of

AM contributions is given in *Arbejdsmarked* 2004:36 (Statistiske Efterretninger). Information is also available from Statbank Denmark at www.statbank.dk.

28. Consumer expectations

Purpose: To assess the consumer climate through questions about the economic situation as perceived by consumers at the time of the survey. Changes in the consumer climate may be regarded as an indicator of a future increase or decrease in private consumption.

Data sources and method: The results are based on telephone interviews and for each survey, a representative sample of the population aged 16-74 years is interviewed. Until April 1996 the survey was conducted every month, except for July. The surveys were for 3 months (January, April and October) conducted among a sample of 2,300 persons and for the other 8 months the surveys were conducted among a sample of 1,800 persons.

From April 1996 the surveys are conducted every month. The surveys are conducted among a sample of 1,500 persons, who are interviewed during the first 2 weeks of each month. The response rate is 65-70 per cent.

In order to take any disparities into account as the result of non-response, a subsequent stratification is undertaken on the basis of sex, age, education, family type, socio-economic status, geography, immigrant/non-immigrant, housing and later change of address, marital status, residence and housing.

For each question a balance percentage is calculated, summarizing the responses to each question. A consumer confidence indicator has been constructed in order to amalgamate the responses to the questions concerning the general economic situation in Denmark, the financial situation of the family, and major purchases at the time of the interview.

The balance percentages are calculated as the difference between the number of positive and negative answers. It should be noted that positive answers include answers such as »high« to questions about unemployment rate and price trends. As regards questions with four of five answer options, the most positive/negative answers are given the weight +1/-1 and less positive/negative answers the weight +0.5/-0.5. Neutral answers are not weighted. The balance percentage may vary from -100 to +100.

The survey is conducted for the EU Commission simultaneously with corresponding surveys conducted in the other member states. The survey results are published as seasonally adjusted figures by the Commission.

Other sources of publication: Statistics on the subject are also published in *Nyt fra Danmarks Statistik* and in EU Commission: *European economy. Supplement B.* Information is also available from Statbank Denmark at www.statbank.dk.

29. Consumer price index and net price index

Purpose: The table reveals the trends of the Danish consumer prices and of net prices.

Data sources and method: The *consumer price index* (CPI) shows the trend of the prices charged to consumers for goods and services bought by private households in Denmark. The index also covers consumption expenditure of foreign households in Denmark, whereas consumption expenditure of Danish households abroad is excluded. The index is compiled on the basis of actual consumer prices, i.e. the prices charged to consumers, including indirect taxes and duties minus any subsidies. The index weights are based on total final mone-

tary consumption expenditure of households, according to the national accounts statistics, supplemented by information from the household budget surveys..

The *net price index* (NPI) indicates the trend of prices for the goods and services included in total final monetary expenditure of private households. Indirect taxes and duties are, as far as possible, deducted from the index, while any subsidies intended for reducing prices are included. The coverage with respect to population and geographic location is similar to the CPI, i.e. consumption expenditure of households for goods and services bought in Denmark. The weights are based on total final monetary consumption expenditure of households according to national accounts statistics, supplemented by the results of the household budget survey.

Owner occupied housing is estimated by the rental equivalence in both the CPI and NPI. For the CPI, it is the market rent, i.e. the contractual rent, which is taken into account, exclusive of any housing subsidies. For the NPI, housing subsidies are deducted from the rent.

The NPI is compiled in pursuance of Consolidated Act No. 76 of 3rd February 1999. The index is used for adjustments of the Act on index-adjusted mortgage-credit loans (cf. sections 23 and 24 of Consolidated Act on mortgage credit no. 476 of 2 June 1994) and Act on real interest tax (cf. section 10 of Consolidated Act on real interest tax on pension capital funds no. 702 of 2 September 1993).

Other sources of publication: The CPI and the NPI appear on the 10th or on the first subsequent weekday of the month, following the month in which the data were collected in *Nyt fra Danmarks Statistik* and in Statbank Denmark at www.statbank.dk, where all sub-indices are available. The CPI and the NPI are also available from the web site www.dst.dk/prices. Furthermore, a detailed methodological description and the compilation methods are available from the web site. Subsequently, the indices are published in *Prisstatistik* (Statistikservice). The CPI in its most detailed form appears in the latter publication.

30. Price index for domestic supply

Purpose: The purpose of the price index for domestic supply is to monitor trends in prices relating to the first commercial transaction of each commodity, i.e. producers' selling prices and importers' purchase prices, excluding VAT and excise duties.

Data sources and method: With effect from January 2009 the price index are published with 2005 as base year.

The weights, which are based on the product account of the national accounts for 1998, are equal to the sum of import and production values for the domestic, excluding VAT and excise duties.

The price index for domestic supply is calculated monthly with reference to prices as at the 15th of the month. A Laspeyres-type formula is used for calculating the index numbers, which means that constant weights are used. No adjustment is made for seasonal fluctuations. Data are provided by approximately 6,000 price quotations for almost 900 basic aggregates. Annual averages are calculated as a simple average of the 12 months in the year.

Other sources of publication: Each month, figures are published for about 150 different sub-indices. The indices are published in *Prisstatistik* (Statistikservice) and monthly main figures are published in *Nyt fra Danmarks Statistik*. Annual averages of the main indices are published in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook). Infor-

mation is also available from Statbank Denmark at www.statbank.dk.

31. Sales of real property in ordinary free trade
Purpose: To indicate number of sales and price trends for specified categories of real property.

Data sources and method: Statistics of sales of real property are compiled on the basis of the sales forms that have to be submitted to the municipal authorities, together with the deed, which must be endorsed with the taxable value of the property, before final registration can be completed. For deals concluded after 8 September 2009 where the information from the electronic land registration system. These forms, which state the price and other conditions of sale, are forwarded to the Central Customs and Tax Administration, which registers and processes the information and sends statistical material on tapes to Statistics Denmark.
As the quarterly statistics are compiled prior to all transactions of real property for the quarter in question are received, the number is compiled on the basis of last years pattern of transmission of data, whereas the price calculations are effected on the basis of the material that has been received. This method results in a more complete degree of coverage of the number of transactions, and will provide a more correct picture of developments in the number of transactions throughout the year.
The concept of ordinary sales (also termed ordinary free trade) comprises sales between partners who are not members of the same family and sales which are not considered a gift. Resale of a property acquired at an enforced auction sale by a holder of an unsatisfied mortgage is considered ordinary free trade.

Other sources of publication: More detailed statistics are given in *Nyt fra Danmarks Statistik*, in Total sale of real estate (Statistiske Efterretninger), in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

32. Price index for sales of real property
Purpose: The table shows price indices for sales of property.

Data sources and method: See comments to table 31.

Other sources of publication: See comments to table 31.

33. Announcements of forced sales of real property
Purpose: To monitor trends in the number of forced sales of real property. These trends are considered essential short-term indicators.

Data sources and method: The statistics used for the table have been compiled by Statistics Denmark since the beginning of 1979. The time reference is the date of the first announcement in the *Statstidende* (the Danish Official Gazette).

Other sources of publication: More detailed statistics on these subjects are published in *Nyt fra Danmarks Statistik*. Figures are also given annually in *Statistisk Årbog* (Statistical Yearbook) and summarily for longer time series in *Statistisk Tiårsoversigt*. Statistics are also available from Statbank Denmark at www.statbank.dk.

34. Sales by firms
Purpose: To show the development in turnover in the business sector.

Data sources and method: The statistics on purchases and sales by firms are compiled on the basis of information submitted to the Danish Central Customs and Tax Administration in connection with the payment of VAT. This information is combined with the industrial codes of the businesses extracted from the Central Business Register.
Data are reported monthly by approximately 22,000 businesses to the Central Customs and Tax Administration. These large businesses account for about 80 percent of total sales. To achieve coverage of all VAT-liable businesses in the monthly statistics, it is necessary to estimate figures for the around 380,000. Once the quarterly and half-yearly VAT declarations are received, the reported figures replace the estimated ones.
Sales by firms comprise *domestic sales* and *exports* of goods and services.
The sales figures are calculated exclusive of VAT, but inclusive of customs and excise duties other than motor vehicle registration duty. Domestic sales exclude VAT-exempt services, notably: passenger transport, banking, financing, insurance, medical and dental services and various types of education and training.
The seasonal adjustment is undertaken by means of the method X-12 Arima.

Other sources of publication: Summary statistics are published in *Nyt fra Danmarks Statistik*.The Declarations of Contents are available at www.dst.dk/documentation under the subject group General economic statistics. Information is also available from Statbank Denmark at www.statbank.dk.

35. Declared bankruptcies by industry
Purpose: To show trends in the number of announcements of bankruptcies. These trends are considered an essential economic indicator.

Data sources and method: The statistics used for the table have been compiled by Statistics Denmark since the beginning of 1979. The Danish Official Gazette is the source.

Other sources of publication: More detailed statistics on these subjects are published in *Nyt fra Danmarks Statistik*. Figures are also given annually in *Statistisk Årbog* (Statistical Yearbook). Statistics are also available from Statbank Denmark at www.statbank.dk.

36. Consumption and production of energy
Purpose: To show trends in consumption and production of primary energy types in Denmark and to provide a picture of changes in the composition of total consumption.

Data sources and method: The Danish Energy Authority collects information from the oil companies, private importers of coal and coke, Elsam, Eltra, Elkraft, Association of Danish Energy Companies and DONG Natural gas. The information on renewable energy is partly based on rough estimates and is included for the sake of completeness. The total energy consumption is estimated either directly or in fuel equivalents. In the statistics fuel equivalents both the energy consumption involved in generating electricity, district heating and town gas and the direct consumption of all other energy sources. Adjustments are made for the net imports of already included energy sources.

Data concerning production of crude oil and natural gas are collected by the Danish Energy Agency on the basis of data reported by Dansk Olie og Naturgas. As from 1998 the consumption of renewable energy exceeds the production thereof. The reason is that Denmark has started importing wood pellets. The Danish Meteorological Institute reports data on degree-days, i.e. number of day where the average outdoor temperature is below 17 degrees Celsius, multiplied by the number of degrees it is below 17 degrees Celsius.

Other sources of publication: Figures are published quarterly in *Nyt fra Danmarks Statistik*. Statistics of energy consumption may be found in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

37. Tendency survey for manufacturing industries. Balance figures

Purpose: The tendency survey for manufacturing industries is intended to provide rapid and current data on trends in Danish manufacturing industries, comprising indicative data on economic factors and data on future expectations.

The tendency survey is a supplement to other short-term statistics. To this is added information on economic factors considered difficult to extract from the traditional statistics.

Data sources and method: The survey is based on returns from about 500 major manufacturing enterprises, representing just over 50 per cent of total employment in the sector and covering about 1,000 establishments (local units).

The results from each establishment are being weighted in relation to the size of employment of the establishments. In distributing information over the groups of industries, the results are first aggregated for establishments in the same industry group. Calculations are first made for some 35 industry groups. These are then weighted in relation to total employment for the groups and are then distributed over 14 industry groups, 4 sectors and the total manufacturing industry.

It is a characteristic feature of the method used that the management of the responding enterprises should be able to answer the questions without any elaborate analysis, since they are primarily requested to indicate by a checkmark whether a given economic variable, e.g. production is up, largely unchanged or down for the survey period, compared to the preceding period. The questions concern both future expectations and current seasonal fluctuations over the preceding period.

In answering other questions the responding enterprises are asked to measure, e.g. their stocks of unfilled orders at the end of the period in relation to the normal situation. The respondents are also requested to indicate any reductions in or obstacles to total production activities, and if so, indicate the causes of these.

In order to ascertain the general tendency, net figures are calculated which show the difference between the percentages for up and down.

From January 1998 the tendency survey for manufacturing industries is based on both quarterly and monthly data.

As far as quarterly data are concerned the coverage of the tendency survey is largely similar to that of former surveys. It comprises 23 questions and is enlarged by questions concerning new export orders received and sales prices. The quarterly data relate to January, April, July and October.

As far as monthly data are concerned the coverage of the tendency survey is lower and comprises questions concerning production, sales prices, unfilled orders, export orders and stocks of finished goods. From September 2006 questions concerning employment are included in the survey on a monthly basis.

The monthly data relate to all months. The data for January, April, July and October are part of the quarterly data.

In the tendency survey, future expectations and current seasonal fluctuations are always based on 3-month periods. Data on an economic variable at the end of the period relate to the end of the preceding month.

The respondent enterprises are asked to disregard normal seasonal fluctuations when filling in the questionnaires. For some enterprises, distinguishing between seasonal and cyclical changes is impossible or cause major problems. This implies that seasonal adjustments are occasionally not fully taken into account, and the published results may contain a seasonal element.

On the basis of information on stocks of finished goods and total number of unfilled orders at the end of the preceding month and future production activities of the respondent enterprises during the forthcoming 3 months, Statistics Denmark compiles a composite business indicator showing expectations for the next 3 months. From January 1998 the indicator is compiled monthly.

The values of the business indicator constitute a simple average of the net figures for the indicators mentioned. However, for stocks of finished goods the net figures are included with opposite signs as growing stocks of finished are assumed to have a negative effect on future production activities.

In compiling the combined business indicator, seasonal fluctuations are taken into account. This applies to the quarterly indicator until the end of 1997 and the monthly indicator as from January 1998. The seasonal adjustment is undertaken by means of X-12, prepared by Statistics Canada.

Other sources of publication: Results of the tendency survey for manufacturing industries are published monthly in *Nyt fra Danmarks Statistik*. Survey results are also available from Statbank Denmark at www.statbank.dk.

38. Manufacturers' total turnover by industries

Purpose: To show trends in the Danish industrial production by industries.

Data sources and method: The statistics of manufacturers' sales are based on data reported by about 4,200 business enterprises engaged within mining and quarrying as well as manufacturing and with at least 10 full-time employees. The reporting unit is the so-called kind of activity unit set up by incorporating workplaces with the same activity within a business enterprise into one statistical reporting unit.

Turnover is compiled at current prices as sales or invoiced values, exclusive of VAT and other excise duties, but inclusive of export subsidies, etc.

Other sources of publication: The statistics of manufacturers' sales are published in *Nyt fra Danmarks Statistik* about 2 months after the end of a quarter. More detailed statistics are also available from Statbank Denmark at www.statbank.dk.

39. Production and price indices for sales in sectors of manufacturing industries

Purpose: The main purpose of the monthly statistics on production and orders of the manufacturing industries is to provide up-to date short-term information on the business cycle. In addition to the production and price indices the statistics also include indices of sales (see table 40) indices of orders (see table 41).

Comments and references

Data sources and methods: The primary data on sales and new orders received are collected from a representative sample of enterprises employing at least 20 persons. The information is grossed-up to represent the full-scale population of enterprises employing at least 20 persons. The sample is based on Kind of Activity Units (KAU) as the observation units. A KAU is a group of local units with identical activity code belonging to the same enterprise

The sample is stratified by activity (approximately 70) and size class (4). Enterprises employing at least 200 persons in industry activities, approximately 350, are surveyed exhaustively. A sample is drawn for units employing between 20 and 199 persons. Enterprises employing fewer persons in the size classes 100-199, 50-99 and 20-49 are progressively less likely to be included in the sample, but the percentages for each stratum also depend on the structure of the industrial branch. The percentage varies between 20 and 60. 1300 enterprises are surveyed, which represents a universe of 3000 enterprises with at least 20 persons employed. The sample covers about 85 percent of the turnover in this population.

As from January 2003 the statistics on production and orders have been changed so that the indices are based on values and weights for 2000. Indices in the new base year have been calculated back to January 1985.

Data is published for approximately 30 industry groupings covering manufacturing and mining and quarrying (including extraction of crude petroleum and natural gas as from 2000). For the production- and the price index also figures are available for Energy supply. The industry grouping is based on the harmonised 4-digit classification of economic activities of The European Union (NACE rev.1.1) and is chosen so that the statistics describe the most important sectors in Danish industry. Also data is grouped according to the main use of the output, *capital goods, durable consumers goods, non-durable consumers goods, intermediate goods and energy products*. Furthermore, regarding the production index and the output price index *energy products* exists in an extended version, *energy products and energy supply*. The grouping is defined by the European Union (Main Industrial Groupings).

The *production index* shows the trend in industrial production and provides up-to date short-term information on the industrial activity. It is calculated on the basis of current turnover, taking into account changes in stocks. There are two categories of stocks involved, stocks of finished goods and stocks of work in progress. Both the turnover in current prices and the corresponding stocks values are deflated by the output price index. For shipbuilding the calculation is based on hours worked instead.

For extraction of crude petroleum and natural gas and energy supply, which are included in the statistics from 2000, calculations are not based on turnover figures, but directly on production in volume collected by the Danish Energy Authority. The production indices are calculated simply by comparing the monthly volume to the average monthly volume in the year 2000.

Production indices for the 30 industry groupings and Main Industrial Groupings are calculated including weights based on value added in 2000. The statistics are published very shortly following the reference month, 35-40 days, which implies that the indices for the two preceding months are revised depending on additional information from companies.

The purpose of the *price index* is to show the trend in industrial sales prices. The primary data sources are the price indices derived from producers and importers. Monthly price indices are calculated for each of the about 70 industry groups in order to describe the trend in prices.

The price indices for the about 70 industry groups are not published, but are incorporated in the calculation of price indices for the about 30 main industry groups, the 5 sectors and the entire manufacturing industry, quarrying and mining, and energy supply.

The monthly statistics are also published in the form of seasonally adjusted index series. The purpose of the seasonally adjusted series is to improve the possibilities of analysing trends in the data series. Conducting data comparisons with earlier periods is made easier when the normal seasonal variations in the index series are eliminated. The production indices are also published adjusted for seasonal variation. The method is based on X-12 Arima and the analytical tool Demetra. Price indices are not seasonally adjusted.

Other sources of publication: The monthly statistics are published in *Nyt fra Danmarks Statistik* some 35-40 days after the reference month and after a further 1-2 days in *Industristatistik* (Statistiske Efterretninger). Issue no. 2003:9 contains a detailed methodological description. The detailed results are also available from Statbank Denmark at www.statbank.dk, where the price indices are available about 15 days after the end of the month.

40. Indices for sales in sectors of manufacturing industries

Purpose: The main purpose of the monthly statistics on production and orders of the manufacturing industries is to provide up-to date short-term information on the business cycle. In addition to indices for sales the statistics also include production and price indices (see table 39) and indices of orders (see table 41).

Data sources and method: The primary information is collected from a representative sample of enterprises employing at least 20 persons. The information is grossed-up to represent the full-scale population of enterprises employing at least 20 persons. The sample is based on Kind of Activity Units (KAU) as the observation units. A KAU is a group of local units with identical activity code belonging to the same enterprise

The sample is stratified by activity (approximately 70) and size class (4). Enterprises employing at least 200 persons in industry activities, approximately 350, are surveyed exhaustively. A sample is drawn for units employing between 20 and 199 persons. Enterprises employing fewer persons in the size classes 100-199, 50-99 and 20-49 are progressively less likely to be included in the sample, but the percentages for each stratum also depend on the structure of the industrial branch. The percentage varies between 20 and 60. 1300 enterprises are surveyed, which represents a universe of 3000 enterprises with at least 20 persons employed. The sample covers about 85 per cent of the turnover in this population.

As from January 2003 the statistics have been changed so that the indices are based on values and weights for 2000. Indices in the new base year have been calculated back to January 1985.

Data is published for approximately 30 industry groupings covering manufacturing and mining and quarrying (including extraction of crude petroleum and natural gas as from 2000). For the production- and the price index also figures are available for Energy supply. The industry grouping is based on the harmonised 4-digit classification of economic

activities of The European Union (NACE rev.1.1) and is chosen so that the statistics describe the most important sectors in Danish industry. Also data is grouped according to the main use of the output, *capital goods, durable consumer goods, non-durable consumer goods, intermediate goods and energy products*.

Turnover includes sales of manufactured goods, hours worked to third parties and mounting, installations and repairs. Sales of goods purchased for resale in the same condition as received is not included. Neither is secondary income such as e.g. sales of know-how and leases for own production units and machines if used by third parties.

Domestic turnover is defined as deliveries to recipients in Danish Customs area and the drilling platforms in the North Sea. Export turnover is defined as deliveries to recipients outside the Danish Customs area and the Faroe Islands and Greenland

The statistics are published very shortly following the reference month, 35-40 days, which implies that the indices for the two preceding months are revised depending on additional information from companies.

The monthly statistics are also published in the form of seasonally adjusted index series. The purpose of the seasonally adjusted monthly figure is to improve the possibilities of analysing trends in the data series. The indices are also published adjusted for seasonal variation. The method is based on X-12 Arima and the analytical tool Demetra.

Other sources of publication: The monthly statistics are published in *Nyt fra Danmarks Statistik* some 35-40 days after the reference month and after a further 1-2 days in *Industristatistik* (Statistiske Efterretninger). Issue no. 2003:9 contains a detailed methodological description. The detailed results are also available from Statbank Denmark at www.statbank.dk.

41. Index for orders in sectors of manufacturing industries

Purpose: The main purpose of the monthly statistics on production and orders of the manufacturing industries is to provide up-to date short-term information on the business cycle. In addition to indices for orders the statistics also include production and price indices (see table 39) and indices for sales (see table 40).

Data sources and methods: The primary data on sales and new orders received are collected from a representative sample of enterprises employing at least 20 persons. The information is grossed-up to represent the full-scale population of enterprises employing at least 20 persons. The sample is based on Kind of Activity Units (KAU) as the observation units. A KAU is a group of local units with identical activity code belonging to the same enterprise

The sample is stratified by activity (approximately 70) and size class (4). Enterprises employing at least 200 persons in industry activities, approximately 350, are surveyed exhaustively. A sample is drawn for units employing between 20 and 199 persons. Enterprises employing fewer persons in the size classes 100-199, 50-99 and 20-49 are progressively less likely to be included in the sample, but the percentages for each stratum also depends on the structure of the industrial branch. The percentage varies between 20 and 60. 1300 enterprises are surveyed, which represents a universe of 3000 enterprises with at least 20 persons employed. The sample covers about 85 percent of the turnover in this universe.

As from January 2003 the statistics have been changed so that the indices are based on values and weights for 2000. Indices in the new base year have been calculated back to January 1985.

From January 2007, the coverage of the statistics on new orders received has been changed from covering all industries to only covering those industries, which are defined by the EU as industries producing orders. These industries concern:

17. Manufacture of textiles
18. Manufacture of wearing apparel
21. Manufacture of pulp, paper and paper products
24. Manufacture of chemicals and man-made fibres etc.
27. Manufacture of basic metals
28. Mfr. of basic metals and fabricated metal products
29. Manufacture of machinery and equipment
30. Manufacture of office machinery and computers
31. Mfr. of other electrical machinery and apparatus
32. Mfr. of radio and communication equipment33. Mfr. of medical and optical instruments
34. Manufacture of motor vehicles
35. Manufacture of other transport equipment

As data for the statistics on new orders received are not collected for the entire manufacturing industry, the statistics are published nationally for 14 industry groups. The industrial classification is based on *Dansk Branchekode 2003* (Danish Classification of industries), which builds on the harmonized 4-digit classification of economic activities of The European Union (NACE Revision 1.1) and is chosen so that the statistics describe the most important sectors in Danish industry. Also data is grouped according to the main use of the output, *capital goods, durable consumer goods, non-durable consumer goods, intermediate goods and energy products*.

The statistics on new orders received do not cover all industries, which are included in the sector grouping (see the above list for information about the industries for which data on new orders received are collected.

New orders received are the total of the sales or invoice values calculated in advance by the enterprises for orders, which have come in during the month, including incoming orders, which are filled immediately. If enterprises fill all orders directly from stock, or where production is on a day-to-day basis, turnover and new orders received follow each other in terms of time and thus also in terms of amounts. From January 2007, this is compiled as gross order intake. This implies, in practice, that any cancelled orders, unlike previously, are deducted from the original data reported on new orders received.

The statistics are published very shortly following the reference month, 35-40 days, which implies that the indices for the two preceding months are revised depending on additional information from companies

The monthly statistics are also published in the form of seasonally adjusted index series. The purpose of the seasonally adjusted monthly figure is to improve the possibilities of analysing trends in the data series. The indices are also published adjusted for seasonal variation. The method is based on X-12 Arima and the analytical tool Demetra.

Other sources of publication: The monthly statistics are published in *Nyt fra Danmarks Statistik* some 35-40 days after the reference month and after a further 1-2 days in *Industri* (Statistiske Efterretninger). Issue no. 2003:9 contains a detailed methodological description. The detailed results (14

industries and sectors) are also available from Statbank Denmark at www.statbank.dk.

42. Stock changes in the manufacturing industries and wholesale trade, by kind of activity, current prices

Purpose: To show stock changes for the manufacturing industry and wholesale trade during the year.

Data sources and method: The survey is based on about 300 questionnaires mailed to the major manufacturing enterprises. These enterprises make up about 55 per cent of total stocks in the annual accounts statistics. For the wholesale trade the survey is based on about 325 questionnaires mailed to the major wholesale firms. These firms make up about 38 per cent of total stocks.

In the questionnaires stocks are calculated in current prices at the beginning and end of the quarter. When using price indices for conversions, opening and closing stocks are calculated in 2000 prices. Stock changes (quantity changes) during the quarter calculated in current prices are derived by effecting another conversion, but this time using indices for average prices of the quarter.

This figure should not be confused with the stock changes derived by comparing opening and closing stocks in current prices. The latter size also contains, in addition to the above-mentioned »quantity changes during the quarter calculated in current prices«, price changes for opening and closing stocks.

The values reported are *raised* to the level of the annual accounts statistics. Different wholesale price series are used for the calculation of values in 2000 prices dependent on the type of stock. Raw material price indexes are calculated on the basis of national accounts data on consumption of raw materials in each group of industry. Price indices of industrial production are used for the other types of stocks in the manufacturing industry. For the wholesale trade price indices of wholesale are used.

Other sources of publication: Extracts from the statistics are published quarterly in *Nyt fra Danmarks Statistik* and summary results are available from Statbank Denmark at www.statbank.dk.

43. Construction industry: tendency survey

Purpose: The purpose of the tendency survey for the construction industry is to provide data on some essential economic factors and the tendency survey is thus a qualitative assessment of both actual conditions and expectations of the forthcoming 3-month period. From January 1998 the tendency survey is conducted monthly.

Data sources and method: The data of the tendency survey are collected from some 750 establishments representing about 1/3 of total employment in the construction industry.

The survey method used is developed by the IFO institute in Munich. A characteristic feature of the method is that the respondents should be able to answer the questions without any elaborate analysis. In order to ascertain the general tendency, the respondents are, e.g. asked to indicate whether turnover was lower, almost unchanged or higher during the survey period, compared to the previous period. The information collected contains questions regarding expectations of the near future and the actual conditions in relation to the previous period.

Other questions concern, e.g. the volume of orders at the end of a period in relation to the normal situation. The respondents are also asked to indicate if there are any reductions in the production.

The tendency survey always covers 3-month periods in assessing expected and actual conditions. Conditions, which relate to the assessment of an economic factor at the end of a given period, are monitored at the end of the preceding month.

Net figures are calculated as the difference between percentage figures for "larger" and "smaller" and must be interpreted as the tendency. A net figure of e.g. +20 per cent does *not* indicate an expected growth of 20 per cent Instead the figure indicates that an increase in turnover (net) is expected in establishment representing 20 per cent of total employment in the construction industry.

The composite short-term indicator indicates an average of respondents' employment expectations of the quarter to come and actual order books at the end of the quarter concerned

The seasonally adjusted indicator is published as a supplement to the non-seasonally adjusted short-term indicator. The seasonal adjustment is effected by means of the method X-12-ARIMA from Statistics Canada.

Other sources of publication: *The tendency survey for the construction industry* is published monthly in *Nyt fra Danmarks Statistik.* Information is also available from Statbank Denmark at www.statbank.dk.

44. Construction employment

Purpose: To show trends in actual employment figures in the construction industry by kind of activity and type of work.

Data sources and method: The statistics on employment in workplaces engaged in construction activities are compiled on the basis of a sample survey. A new sample of private enterprises engaged in construction activities forms the basis for compiling statistics from May 2010. This sample is drawn on the basis of data extracts from the Central Business Register, where employment information is obtained relating to the workplaces. The sample size is about 2,500 enterprises.

The statistics relate to a particular day in the middle of the quarter, and the sample results are raised so as to show the total number of wage earners and working masters employed in the trades represented in the sample.

The sample survey covers the following trades: General contractors, bricklayers, electricians, plumbers, carpenters, joiners, painters, glaziers and other construction activities.

The statistics of employment in the construction industry are seasonally adjusted by means of the method X12 ARIMA from Statistics Canada.

Other sources of publication: A detailed methodological description of the construction employment survey is given in the publication *Byggeri og boligforhold 2003:34*. The latest figures on construction employment are published quarterly in *Nyt fra Danmarks Statistik.* Time series for a longer period of years are published in *Statistisk Tiårsoversigt* and *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

45. Construction cost indices for residential buildings

Purpose: To show cost trends for new residential buildings. The construction cost index is also divided into an index for one-family houses and for multi-family houses. All indices are further more broken down into sub-indices by profession

and by building parts. Both the total indices and the sub-indices are divided into material and labour costs.

Data sources and method: The index is based on 8 building activities, which comprise 3 one-family houses, 1 terraced house, 1 two-family houses and 3 multi-family buildings. The index numbers are weighted and the base period is 1st quarter 2003=100.

Prices of materials are primarily collected from the price index of domestic supplies. Until April 2004, the price concept for all commodities is constituted by the actual producer's/importer's prices, exclusive of VAT. This implies that in addition to the general discounts, the actual discounts are, in principle, also offset in the prices. With respect to imported goods, a change has been made as from April 2004, implying that importers' purchase prices are collected, instead of the previous sales prices. Consequently, the price concept of imported commodities is constituted by the actual purchase prices c.i.f., excluding all taxes and duties.

Labour costs are primarily collected from the indices of average earnings for the private sector. The price concept is total labour costs comprising the employee's earnings to which is added other labour costs. Earnings comprise total income of the employee related to the job, inclusive of any pension contributions paid by both the employer and the employee. Other labour costs comprise that part of the labour costs of the business enterprises, which cannot be characterized as earnings for the employee, e.g. contributions to public funds, education costs, voluntary staff costs, etc.

Other sources of publication: For a methodological description, see www.dst.dk/varedeklaration/95119. Further information on the index can be accessed from www.dst.dk/byggeindeks.

The construction cost indices for residential buildings are published in *Nyt fra Danmarks Statistik* and in *Statistisk Årbog* (Statistical Yearbook). Figures for a longer period of years may be found in *Statistisk Tiårsoversigt.* Through Statistics Denmark's Postcard Service scheme, subscribers may obtain the latest index numbers on printed postcards.

Information is also available from Statbank Denmark at www.statbank.dk.

46. Construction cost indices for civil engineering projects

Purpose: To show trends in costs related to construction works: earthwork, etc., asphalt work, concrete structures, iron and steel structures and sub-indices for machinery and equipment. The indices also include trends in construction costs for roads.

Data sources and method: The compilation of construction cost indices is based on prices of materials and labour costs.
Prices of materials are calculated on the basis of information collected for compilation of the price index for domestic supply and prices for haulage. Calculation of *labour costs* is based on collective agreements between the Danish Association of Builders and 3F.

All indices are published both with and without the inclusion of unemployment benefits.

The weighting for the *Construction cost index for roads* is prepared in collaboration with the Roads Directorate on the basis of an analysis of a number of completed projects. The indices for earth work, asphalt work and concrete structures are used directly in calculating indices for the construction of roads.

The weighting for earthwork and asphalt work and concrete and iron structures is prepared on the basis of an analysis of completed and ongoing construction works and determined finally upon discussion between the Roads Directorate, the Danish State Railways and the Danish Association of Builders. The indices are of the Laspeyres' type, i.e. indices with constant weights. Compilation of the indices is based on index values for labour costs and for each representative commodity. These indices are weighted and a composite index is thus obtained, the shares of costs related to labour costs and representative commodities are included as weights.

As from 1 January 2001 the former construction cost indices for regulation of tenders for civil engineering projects will be called construction costs indices.

Other sources of publication: The construction indices are published quarterly in *Nyt fra Danmarks Statistik*. The indices are also published in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

47. Building activity
Purpose: To indicate total construction activity and its breakdown by type of buildings.

Data sources and method: Since 1 January 1979, the local authorities have reported their new building projects to the BBR (Register of Buildings and Dwellings), from which Statistics Denmark receives monthly data, which is used for the compilation of the current short-term statistics of building activity.

From January 1980, the statistics are based entirely on the BBR system. For a more detailed description of the methods and definitions used, see www.dst.dk/varedeklaration/924 .

The introduction of the BBR system has brought about some changes in definitions, and thus impaired comparability with figures for 1979 and earlier years, cf. *Statistiske Efterretninger* 1982. A 34.

Experience shows that there are frequent delays in the reporting of data to the BBR by the municipalities. The estimated figures are therefore an estimate of building activities. The method of raising figures is based on analyses of the pattern of delays among the various types of building activities, which vary greatly throughout the year and year by year. The estimate of building activities in a given month is continuously revised, concurrently with data on delayed building projects are reported.

Residential buildings are buildings in which more than half of the floor space is used for dwelling purposes. *Industrial and administrative buildings* are farm buildings, factories, workshops, office and shop buildings and government production buildings, such as power stations, gas- and waterworks, public transport depots, etc. *Other buildings* are schools, hospitals, etc., and (from the beginning of 1980) week-end cabins.

Other sources of publication: Quarterly building construction statistics are published in *Nyt fra Danmarks Statistik* about 6 weeks after the end of the month. More detailed statistics are published quarterly in *Byggeri og boligforhold* (Statistiske Efterretninger). Annual figures are also given in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

Comments and references

48. Residential construction

Purpose: To indicate total residential construction activity and its breakdown by types of buildings.

Data sources and method: Concerning primary data, etc., for the statistics on residential construction, see comments to table 47.
Building permits issued refer to building projects approved by municipal authorities during the month.
One-family houses, etc. comprises one- and two-family houses, farmhouses, terraced and semi-detached houses and similar houses.

Other sources of publication: See comments to table 47.

49. Tendency survey for services sector. Net figures

Purpose: The tendency survey for service industries provides a quick and current overview of the actual conditions and expectations within selected activities in the service industries. Statistics Denmark has established the tendency survey for service industries as from April 2000. The survey is conducted monthly and presented in accordance with corresponding surveys in the other EU Member States. The tendency survey follows the corresponding surveys for industry and building and construction activities.

Data sources and method: The tendency survey is based on questionnaires and includes partly a question about the assessment of the current business climate, partly an assessment of the actual conditions of the previous three months and expectations of the coming three months regarding turnover and employment. The sample is taken on the basis of information about the individual enterprises in the Central Business Register (CVR), from which the employment data used for weighting are also retrieved. The sample units are enterprises in the form of legal units. In January 2009 the sample was supplemented and includes about 2,200 enterprises. Enterprises with up to nine full-time employees are excluded from the survey, while enterprises with 10-99 full-time employees are selected proportionally according to the average number of full-time employees during the latest four quarters. All enterprises with 100 full-time employees or more are included in the survey. The survey is voluntary and has an response rate of approximately 60 percent. The enterprises' responses are weighted according to the number of employees.

Other sources of publication: Statistics are published in *Nyt fra Danmarks Statistik* and are also available from Statbank Denmark at www.statbank.dk.

50. Indices of retail trade

Purpose: The purpose of the Retail Trade Index is to provide a fast measure of the development within an important part of private consumption in Denmark.

Data sources and method: The value indices are calculated on the basis of data reports from a sample of retail businesses. From January 2010, the sample size covers some 3,500 businesses out of a total of some 30,000. The approximately 3,500 businesses included in the sample survey cover about 35 pct. of the total number and account for about 75 pct. of the total retail turnover from businesses with an annual turnover exceeding DKK 2.5 mio. in industries covered by the indices of retail trade.
The indices are calculated for three industrial main groups: Industrial groups primarily dealing in »Food, beverages and

tobacco«, groups dealing in »Clothing, etc.« and groups dealing in »Other consumption goods«. Within each of these industrial main groups, indices are calculated for special groups. The base period is 2005 from January 2009.
Value indices at constant prices (quantities) are converted to indices at current prices. The conversion is based on the data collected for the weighted consumer price indices. The constant-price index is an approximate measure of quantities sold and is therefore called quantity index. The quantity indices are only calculated for the three industrial main groups and for the total retail trade.
The quantity indices are seasonally adjusted by means of Demetra (version 2.1). Tramo/Seats with Airline model (0,1,1) are used.
A more thorough description of the Retail Trade Index can be found in the Declarations of Contents on our website at www.dst.dk/documentation under the subject group Services Sector.

Other sources of publication: Preliminary index figures for retail trade (seasonally adjusted, at current values and in quantities) are published every second month for the three industrial main groups and for the total retail trade in *Nyt fra Danmarks Statistik*. The final index numbers for earlier months are also given.
The publication *Serviceerhverv* (Statistiske Efterretninger) contains value indices every second month for all special groups. Information is also available from Statbank Denmark at www.statbank.dk.

51. New registrations of motor vehicles

Purpose: To show trends in sales of motor vehicles.

Data sources and method: *New registrations of motor vehicles* comprise all new vehicles registered for the first time in Denmark. New registrations are compiled on the basis of the Central Register of Motor Vehicles and are revised 25 months backwards in time in connection with each publication of the statistics. Imported used vehicles are excluded.

Other sources of publication: More detailed statistics are published in *Transport* (Statistiske Efterretninger). Preliminary figures are published monthly in *Nyt fra Danmarks Statistik*. Summary results are given annually in *Statistisk Årbog* (Statistical Yearbook) and in *Statistisk Tiårsoversigt*. Information is available from Statbank Denmark at www.statbank.dk. Further information on motor vehicles statistics is available from Statistics Denmark's quality declarations at www.dst.dk.

52. Agricultural sales of livestock products ex farm

Purpose: The table is intended to indicate trends in the values of farmers' sales of animal products and to indicate whether these trends are caused by quantity changes or changes in producer prices. The figures of values and indices cover some 90 per cent of the total animal products, as e.g. furred animals and games are not included.

Data sources and method: *The sales values* are calculated on the basis of quantities sold (including producers' consumption of own production) and average selling prices ex farm. The product subsidies (excluding various premium schemes) for each product are included in the values according to the EU's agricultural schemes, and similarly, the product levies have been deducted according to the above mentioned schemes. *Total sales values* comprise (in addition to natural milk, beef and veal and pig meat mentioned in the table)

values of eggs, meat of poultry and sheep, and breeding stock sold for exporting. Natural milk values refer to the total amount, which the producers have received for the quantity of milk sold. Beef and veal and pig meat values refer to sales of animals for slaughtering in Denmark and exports of live animals for slaughtering.

The quantity and price indices are of the Laspeyres type, the weights relating to the base year 2005. The quantity indices are based on detailed computations concerning total quantities sold, including producers' consumption of own production. The price indices are based on a selected number of quotations or producer prices. *The total quantity and price indices* comprise the same products as the total sales values mentioned above.

Other sources of publication: The publication Changes in prices and quantities in agriculture (Statistiske Efterretninger, Landbrug) gives quaterly a more detailed breakdown of the values and indices shown in the table, and in the annual publication *Landbrug* (Agricultural statistics) there is a detailed methodological description (in Danish). Time series covering the latest annual figures are also published in *Statistisk Årbog* (Statistical Yearbook) and time series covering longer periods of years are published in *Statistisk Tiårsoversigt*. Information is also available from Statbank Denmark at www.statbank.dk.

53. Merchandise imports analysed by end-use

Purpose: The table shows trends in imports into Denmark, analysed by commodities grouped according to end-use, e.g. agriculture, non-agricultural industries, direct consumption, etc.

Data sources and method: Compilation of the basic data for the external trade statistics is a bipartite process that may to a wide extent be regarded as two separate statistical systems:

1. Extrastat comprising trade with non-EU countries (third countries).
2. Intrastat comprising trade with EU countries.

This division was introduced as from 1 January 1993 when the single market of the European Union entered into force. Previously, a system corresponding to the Extrastat system had been used to compile the external trade statistics as a whole.

In Extrastat the compilation of external trade data is integrated with the compilation of data by the Central Customs and Tax Administration for customs collection and export control purposes. The principal role of Statistics Denmark is to conduct probability checks of the compiled data, while error correction is performed by the Central Customs and Tax Administration.

In respect of the quality of the external trade statistics, the major strength of Extrastat is that the compiled data serve both statistical and fiscal purposes - the latter ensures a high degree of control and reporting discipline. Furthermore the statistics cover all transactions across the Danish border, although a simplification is made of commodity transactions with a **transaction threshold** of DKK 7,500 and 1,000 kg or less. From 2003 an oral statement of the commodity transaction under the threshold related to exports is introduced. The value of this trade is imputed on the basis of accessible figures and historic knowledge on the trade.

A weakness of Extrastat is that the most intensive control of the reported data at the Central Customs and Tax Administration is carried out for transactions where considerable

fiscal considerations must be taken into account. This must be presumed to cause a bias towards the quality of the import figures being higher than that of the export figures.

The compilation of external trade data concerning trade within the European Union, Intrastat, serves statistical purposes only, but is for practical reasons also made by the Central Customs and Tax Administration. Statistics Denmark handles both error detection and error correction in relation to all data - the latter through direct contact with the enterprises. Information to Intrastat may be submitted as summary data on a monthly basis for each uniform combination of commodity, country, flow and type of transaction - reporting need not identify the movement of each individual commodity, but in practice many enterprises choose to report single transactions, just as in Extrastat.

One weakness of Intrastat is that the compiled data serve statistical purposes only and are not used for fiscal purposes, as is the case with Extrastat, which must be presumed to reduce the reporting discipline. Moreover, the Intrastat statistics do not provide total coverage: Enterprises with annual EU imports of less than DKK 4,2 million and/or EU exports of less than DKK 5.5 million in 2009. i.e., with trade transactions below the **exemption thresholds,** are not required to submit detailed information to Intrastat. As Extrastat, Intrastat also includes a **transaction threshold** that may be applied if the sum of uniform transactions amounts to a maximum value and weight of DKK 3,000 and 1,000 kg, respectively - in that case the transactions can be reported in aggregate under a special commodity code.

The population required to report data to Intrastat is determined on the basis of the information to be stated on the VAT statement (box A/B), as from 1 January 1993, by all enterprises with EU trade transactions. In this way, an alternative source of control of the Intrastat data is established, which must be considered a strength of the system. This advantage should not be overrated, however, as reporting incorrect information about EU commodity transactions on the VAT statement has no fiscal consequences.

As the basic data of the external trade statistics no longer provide complete coverage, estimates are added, which are made by using the information given in boxes A and B on the VAT statement. The external trade statistics are published at CIF and f.o.b. prices for imports and exports, respectively, i.e., values including freight and insurance costs to the Danish border, but excluding duties.

Commodity classification: In the Danish external trade statistics detailed commodity categories are published on the basis of the 8-digit commodity code numbers from the EU's combined nomenclature, CN, which also forms the basis of the Customs Tariff.

In classifying commodities the following international classifications are used:

- UN's *Standard International Trade Classification* (SITC). From and including 2007 SITC, rev. 4. is used. At the most detailed level SITC consists of a 5-digit commodity item, but can also be aggregated to form a smaller number of digits.
- UN's *Broad Economic Categories*. BEC is largely used in classifying imports by end-use.
- Exports analysed by industrial origin is a classification prepared by Denmark (KONJ).

Country distribution: In the case of imported goods in connection with EU trade, the EU country from where the goods were dispatched is used. For goods imported from non-EU

countries, the country of origin is used. For exported commodities the country of destination is used.

Corrections: All published statistics are provisional until they appear in the annual statistics, which contain the final figures.

Other sources of publication: For a detailed description (in both Danish and English) of the methodology, concepts and dissemination of the Danish external trade statistics, see *Udenrigshandel varer og tjenester* (External trade – goods and services).
The index calculations are described in *Indeksberegninger i Danmarks Statistik* (Copenhagen 1985). A description of the calculation of seasonal adjustments is available from Statistics Denmark, External Trade.
Summary statistics of external trade are published monthly in *Nyt fra Danmarks Statistik*. Furthermore, current statistics are published in *Udenrigshandel* (Statistiske Efterretninger), and in *Udenrigshandelen fordelt på varer og lande* (External trade by commodities and countries) in the series Statistikservice. Moreover, external trade statistics are published annually in *Statistisk Årbog* (Statistical Yearbook) and in *Statistisk Tiårsoversigt*. Information is also available from Statbank Denmark at www.statbank.dk.

54. Merchandise exports analysed by industrial origin
Purpose: The table shows trends in exports from Denmark, analysed by industrial origin e.g. agricultural products of animal origin, manufactured goods, fish etc.

Data sources and method: See comments to table 53.

Other sources of publication: See comments to table 53.

55. Imports by countries
Purpose: To show trends in Danish imports analysed by countries.

Data sources and method: See comments to table 53.
The import statistics analysed by countries use *country of consignment* for EU countries and *country of origin* for other countries.
Country of origin means the country in which the commodity was produced or - if the production stage involves more than one country - the country where the last actual manufacturing took place. Re-packing, sorting and mixing are not considered manufacturing, unless the commodity after treatment can no longer be traced to any country of origin other than that in which the treatment took place.
Country of consignment means the country where the commodity was dispatched with Denmark as the destination.
Other sources of publication: See comments to table 53.

56. Exports by countries
Purpose: To show trends in Danish exports analysed by countries.

Data sources and method: See comments to table 53.
The *country of destination* is used in the exports statistics analysed by countries.
The *country of destination* is the country of the ultimate consignee, according to the information available at the time of exporting.

Other sources of publication: See comments to table 53.

57. Unit value indices for external trade and the terms of trade
Purpose: The table shows trends in unit values of imports and exports, analysed by commodity groups; the aim being to give an impression of price trends in the external trade of Denmark.

Data sources and method: See comments to table 53.
The indices of quantities and unit values in external trade are based on the registered quantities and values of all merchandise imported and exported for some 10,000 commodity items. The unit value is the value per unit - normally expressed in kg - imported or exported in each commodity category. Consequently, the unit value indicates an average price.
Ships, etc. and Confidential shipments (defence equipment and the F 16 program) and commodities that are not broken down by type are excluded from the index calculation.
The index numbers are those of Fisher's "ideal" index, which is the geometric mean of Laspeyres´ index and Paasche´s index. The index numbers are first compiled by comparison with the previous year and then converted by chain index computation to a common base (1/12 of the year for the monthly index), which is at present 1995 (i.e. 1995=100).
From August 2001 monthly indices are compiled. Comparable indices back to January 1995 have been compiled. In connection with this compilation the base year was changed to 1995. The indices of quantities are compiled on the basis of the method of deflation.
The monthly index numbers are revised in case of subsequent corrections of imported and exported quantities and values.
The terms of trade are estimated as the relationship between the unit value index for exports and the unit value index for imports multiplied by 100.

Other sources of publication: See comments to table 53.

58. Quantity indices for external trade
Purpose: The table shows trends in import and export volumes analysed by commodity groups.

Data sources and method: See comments to tables 53 and 57.

Other sources of publication: See comments to table 53.

59. Interest and share price indices
Purpose: The table shows trends in interest levels and share prices.

Data sources and method: Interest is calculated on the basis of information supplied by the Copenhagen Stock Exchange, the Danish Financial Supervisory Authority, the Danish central bank and the Danish Bankers' Association. The share price indices are based on official quotations.
The redemption yields on bonds quoted on the Stock Exchange relate to quotations on the last business day of each month for open series of bonds of the new comprehensive type issued by mortgage credit institutions. Redemption yields on government bonds, etc. indicate the average redemption yields at end of the month for government bonds and treasury bonds, bonds issued by *Fiskeribanken* (Fishery Bank of the Kingdom of Denmark) and bonds issued by the Faroese mortgage credit institute. The yields for the average of *all bonds* also relate to quotations on the last business day of each month for all government bonds and selected open and

closed series of other mortgage bonds as well as unitary mortgage bonds. Different weights are attached to these series in relation to their size.

The *redemption yield on other mortgage bonds* (not officially quoted) refers to creditors' yields, which are calculated by the Danish Bankers' Association. As from December 1999, circulating mortgage bonds are used, without bank guarantee, with a remaining life of 15 years, within 80 per cent of the current market value of the mortgaged property, nominal rate of interest of 8 per cent p.a. and an annual yield of 10.87 per cent of the principal are applied. From 2003 circulating mortgage bonds with a remaining life of 20 years within 80 per cent of the current market value of the mortgaged property, nominal rate of interest of 7 per cent p.a. and an annual yield of 8.87 per cent of the principal are applied.

The average yields on bank credits are calculated as accrued, quarterly real interest received (exclusive of service charges) in relation to average balances on credit accounts with banks. Only credits in DKK are included.

The average yields on bank deposits are calculated as accrued, quarterly real interest paid in relation to the quarterly average balances on deposit accounts with banks. The statistics only cover deposits in DKK.

Banks are defined as branches located in Denmark of Danish and foreign banks and savings banks. As from the 1st quarter 2002, the statistics are compiled on the basis of information from the Danish central bank, where interest statistics were previously based on information supplied by the Danish Financial Supervisory Authority. Accounts with other banks and mortgage credit institutes are not included in the calculation of average yields on bank credits and deposits.

A detailed description of the computation method of average yields on bank credits and deposits is given in *Penge- og kapitalmarked* 2004:26 (Statistiske Efterretninger).

OMXC is the Copenhagen Stock Exchange All-Share Index (KAX) and includes all shares. On 15 June 2001, the OMXC replaced the former all-share index. The transition to the KAX took place simultaneously with the transition to the GICS model (Global Industry Classification Standard) distributing companies quoted on the stock exchange. The GICS model is prepared by Morgan Stanley and Standard & Poor's. Base value is 100 on 31 December 1995.

Other sources of publication: More detailed statistics on these subjects are published in *Penge- og kapitalmarked* (Statistiske Efterretninger), in *Statistisk Tiårsoversigt,* and in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

60.   Credits and deposits of banks and mortgage credit institutions

Purpose: To show developments in credits and deposits of banks and loans of mortgage credit institutions analysed by sectors.

Data sources and method: The statistics are compiled on the basis of monthly data reports to the Danish Central Bank by all Danish mortgage credit institutions and by banks with a balance sheet total exceeding DKK 300 mio. and quarterly data reports by banks with a balance sheet total below DKK 300 mio. During the months between the quarterly months, the Danish Central Bank raises the figures on real balances reported by banks, from over 99 per cent of the balance sheet total to achieve complete coverage of 100 per cent

Banks are defined as branches located in Denmark of Danish and foreign banks and savings banks.

The statistics cover accounts between residents in DKK as well as in foreign exchange.

The classification of sectors complies with the guidelines in the Regulation on the *European National System of Accounts* (ESA95).

Other sources of publication: Statistics on credits and deposits are, with different reference periods, also published by Statistics Denmark in *Penge- og kapitalmarked* (Statistiske Efterretninger), in *Nyt fra Danmarks Statistik,* and in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

61.   New loans issued by mortgage credit institutions

Purpose: The statistics show trends in loans financed by means of bond issues.

Data sources and method: The statistics are compiled on the basis of data reported by the Danish mortgage credit institutions to Danmarks Nationalbank. The table shows new loans issued by the following mortgage credit institutions: Realkredit Danmark A/S, Nykredit A/S, BRF Kredit A/S, Dansk Landbrugs Realkreditfond, Totalkredit, Nordea Kredit A/S, Landsbankernes Reallånefond og FIH Realkredit.

New loans, net, are compiled as new loans, gross, including deductions for transfer of payments, redemptions and ordinary instalments.

The distribution of new loans by type of mortgaged property is based on the character of the property.

Other sources of publication: For more detailed statistics on the subject, see the quarterly article on activity of the bond issuing institutions in *Penge- og kapitalmarked* (Statistiske Efterretninger). Annual figures are published in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

62.   Consumer credit. (end of period)

Purpose: To analyse the volume of consumer credit and account card services supplied by institutions outside the MFI sector, i.e. business enterprises, which are neither banks nor mortgage banks.

Data sources and method: The statistics are based on questionnaires reported quarterly to Statistics Denmark by the major suppliers of consumer credit and payment card services outside the MFI sector. The statistics contribute to the general lending statistics in Denmark.

Other sources of publication: Quarterly figures are published in *Nyt fra Danmarks Statistik*, in *Penge- og kapitalmarked* (Statistiske Efterretninger). Annual figures are published in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

63.   Quoted bonds in circulation

Purpose: The statistics have a dual Purpose: First, the statistics show the nominal value of the bonds in circulation, distributed by main groups of borrowers and second, they show which main groups of bondholders hold the bonds issued.

Data sources and method: The statistics are compiled from data reported to Statistics Denmark by the Danish Securities Centre (VP), supplemented by information from the Copenhagen Stock Exchange. From 2 quarter 2003 the statistics are compiled from data supplied by the Danish Central Bank.

Comments and references

The statistics cover bonds quoted on the Copenhagen Stock Exchange and registered with the Danish Securities Centre.
Government bonds, etc. cover government bonds, Treasury notes and Treasury bills. *Mortgage credit bonds* cover bonds issued by Realkredit Danmark, Nykredit, BRF Kredit, Totalkredit, Landsbankernes Reallånefond, Dansk Landbrugs Realkreditfond Nordea Kredit, FIH Realkredit or one of the mortgage credit institutions founded through mergers and amalgamations of the credit institutions mentioned.
Other bond issuing institutions cover, e.g., bonds issued by KommuneKredit, Danmarks Skibskreditfond and the CMO/CBO institute.
Finally *Other bonds* cover all other quoted bonds and VP-registered bonds, including debenture bonds and certain foreign bonds.
The distribution of bonds in circulation by main group of owners is based on information from the Danish Securities Centre, with respect to the distinction between domestic and foreign owners, while the distribution by domestic industries and employees, pensioners, etc. is based on information from the Central Business Register (CVR). In the statistics, business owners of bonds are owners who are assigned with a CVR number, whereas employees, pensioners, etc. are bondholders who are not assigned with a CVR number.

Other sources of publication: Detailed statistics of bonds in circulation and the distribution by issuing institutions and owner groups are published in *Nyt fra Danmarks Statistik*, in *Penge- og kapitalmarked* (Statistiske Efterretninger) and in *Statistisk Årbog* (Statistical Yearbook). Information is also available from Statbank Denmark at www.statbank.dk.

64. Gross domestic product at 2000 prices
Purpose: The quarterly GDP data are primarily intended to provide a coherent and comparable picture of short-term economic trends in selected countries. The statistics cover a number of essential factors, including gross domestic product, private final consumption, general government final consumption and gross fixed capital formation.

Data sources and method: The compilation method is based on UN's System of National Accounts. The figures are obtained from Eurostat's data bank, *New Cronos.* The statistics are compiled at 2000 prices and calculated into the national currencies for all countries covered.

Other sources of publication: Essential economic factors from the quarterly national accounts are published in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook). Detailed figures for Denmark are given in tables 2-10 in the present publication.

65. Private final consumption at 2000 prices
Purpose: See table 64.

Data sources and method: See table 64.

Other sources of publication: See table 64.

66. General government final consumption at 2000 prices
Purpose: See table 64.

Data sources and method: See table 64.

Other sources of publication: See table 64.

67. Gross fixed capital formation at 2000 prices
Purpose: See table 64.

Data sources and method: See table 64.

Other sources of publication: See table 64.

68. Balance of payments. Current account (net)
Purpose: to indicate trends in the balance of payments position of selected countries.

Data sources and method: The source is OECD *Main economic indicators*. The procedures and concepts for compiling the balance of payments data are essentially the same as those described in the comments to table 10. Consequently, international comparisons on the basis of the table should be subject to caution.

Other sources of publication: Annual statistics on the subject are published by Statistics Denmark in *Statistisk Årbog* (Statistical Yearbook). An annual table on the current account of the balance of payments as a percentage of the gross domestic product is published in *Statistisk Tiårsoversigt*.

69. EU-harmonized unemployment rates
Purpose: To indicate comparable unemployment trends in selected countries.

Data sources and method: The statistics are compiled by the Statistical Office of the European Communities (Eurostat) according to guidelines established by the International Labour Office (ILO).
Unemployed persons are those persons aged 15 years and over who
- *are without work*
- *are available to start work within the next two weeks*
- *and have actively sought employment at some time during the previous four weeks.*

Eurostat prepares estimates from data reported by each country.

Other sources of publication: Harmonized unemployment rates are also published in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook).

70. Earnings of employees. Annual percentage increase
Purpose: Provides a current indicator for earnings of employees in 11 countries.

Data sources and method: The statistics are compiled by the Danish Employers' Confederation and are obtained from the publication *DA Lønstatistik*. The data are continuously updated. The Danish figures are calculated in accordance with international guidelines thus implying that the figures are comparable among countries.
The concept of earnings is earnings per hour of work (wage). The concept comprises, e.g. hourly and piecework wages, nuisance bonuses, remuneration and commission. Irregular payments, which are frequently made with a greater or lesser time lag, are as far as possible related to the quarter in which they were earned.

Other sources of publication: The figures are only published in the present publication.

71. EU-harmonized indices of consumer prices

Purpose: EU-harmonized indices of consumer prices (HICP) are compiled with a view to enabling comparisons of price trends in EU member states. The HICP are, e.g. used by the European Central Bank in formulating monetary policies.

Data sources and method: Eurostat is the data source. The HICP are compiled in accordance with Council and Commission regulations setting up common standards for compilation and coverage of goods and services.

Other sources of publication: The HICP are published in I*ndkomst, forbrug og priser* (Statistiske Efterretninger) and in *Nyt fra Danmarks Statistik.*

72. International commodity prices

Purpose: to indicate price levels and price trends for a number of commodities which are important raw materials in Denmark.

Data sources and method: All prices, except for crude oil, and petroleum products, are based on quotations obtained from the daily newspapers.
The information used for the series concerning cruel oil and petrol is collected from the International Energy Agency's web site at: www.iea.org, which calculates average prices (arithmetic means expressed in DKK per tonne) on the basis of daily spot market quotations relating to Northern and Western Europe.
For the sake of comparability, currencies and quantity units have been converted to DKK per metric tonne, apart from gold prices, which are stated in DKK per troy ounce (=31.1 grams). The annual prices are averages of the monthly quotations used for the table.

Other sources of publication: International commodity prices are only published by Statistics Denmark in the present publication.

73. Industrial production index

Purpose: The indices, which relate to physical industrial production in the countries mentioned, indicate developments caused by changes in factors of production or productivity.
Data sources and method: The data are collected by the OECD from the national statistical institutes and appear in the publication *Main economic indicators*. Generally speaking, the indices comprise enterprises classified to major divisions C, D or E of the *International Standard Industrial Classification* (ISIC), i.e. mining and quarrying, manufacturing, including public utilities. Unlike other indices, the Danish index excludes public utilities and the Danish index is a quantity index of total sales. A quantity index differs from an output in excluding adjustments for any stock changes.
Apart from the index for Japan, all indices are adjusted for the number of days of the month, and in some instances also for public holidays.
Index numbers for whole years are not necessarily averages of the corresponding monthly figures shown, since annual indu-strial statistics in most countries refer to a separate, often very comprehensive, data base.

Other sources of publication: Index numbers for industrial production are also published in *Statistisk Tiårsoversigt.*

74. Volume indices of retail sales

Purpose: to provide timely statistics on developments in essential parts of final consumption expenditure by households.

Data sources and method: The data are collected by the OECD from the national statistical institutes and appear in the publication *Main economic indicators*. The method used varies among the countries, see *Main economic indicators. Sources and definitions,* June 2000. Comparison should be subject to caution.

Other sources of publication: Statistics Denmark only issues volume indices of retail prices for selected countries in the present publication. For further information on Danish figures, see table 50.

75. External trade. Merchandise imports (c.i.f.)

Purpose: The table shows trends in imports into a number of countries.

Data sources and method: The data are collected by the OECD from the national statistical institutes and appear in the publication *Main economic indicators*. External trade figures are compiled according to the general trade system for Denmark, Sweden, Finland, United Kingdom, United States and Japan. For other countries the figures are based on the special trade system. For all countries exports are valued f.o.b. (free on board) and imports c.i.f. (cost, insurance and freight), apart from France and United States.
For further information concerning Denmark's external trade, see comments to table 53.
The figures for United States exclude transactions between United States and US armed forces abroad.

Other sources of publication: International table on external trade are also published in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook).

76. External trade. Merchandise exports (f.o.b.)

Purpose: The table shows trends in exports from a number of countries.

Data sources and method: See comments to table 75.

Other sources of publication: International tables on external trade are also published in *Statistisk Tiårsoversigt* and in *Statistisk Årbog* (Statistical Yearbook).

77. Exchange rates

Purpose: The table shows changes in selected exchange rates.

Data sources and method: Danmarks Nationalbank estimates annual and monthly averages for the exchange rates quoted daily at 11.30 a.m. The index for the effective rate of the Danish krone is a weighting of changes in the exchange rates of Denmark's most important trading partners vis-á-vis the Danish krone

Other sources of publication: Exchanges rates are also published in *Statistisk Tiårsoversigt.*

78. Effective exchange rates

Purpose: Effective exchange rates indicate the competitiveness. A fall signifies an improvement in the competitiveness.

Data sources and method: The data are collected by the OECD from the national statistical institute, and appear in the publication *Main economic indicators.* The estimates include 28 OECD countries, 12 other countries and four zones outside the OECD, and are based on the principle of double weighting. This implies for each country that the importance of each individual market is taken into account, as well as market shares of the competitors on these markets, including the domestic market.

Other sources of publication: Effective exchange rates only appear in the present publication.

79.   3-months euro-deposit rates in selected countries
Purpose: to compare short-term rates in selected countries.

Data sources and method: The euro-deposit rates are recorded by Danmarks Nationalbank at 11.00 a.m. daily. However, the 3-months rate for Denmark is a domestic 3-months money market rate, as the euro-market for DKK is only of a modest size.

Other sources of publication: 3-months euro-deposit rates only appear in the present publication issued by Statistics Denmark.

80.   Yields on 10-year central government bonds in selected countries
Purpose: to compare yields on long-term bonds in selected countries.

Data sources and method: The table show the effective bond rate based on the most essential bond in the 10-year segment. The figures are collected by Danmarks Nationalbank.

Other sources of publication: Effective yields on long-term bonds are also published in *Statistisk Årbog* (Statistical Yearbook) and in *Statistisk Tiårsoversigt.*

81.   Indices of share prices
Purpose: The table shows developments in share price indices compiled by the individual countries on the basis of national stock exchange quotations.

Data sources and method: Due to differences in scope and nature of these quotations, international comparisons should be subject to caution.
Information is obtained from Danmarks Nationalbank and is based on daily quotations in *The Financial Times*.
For further information concerning the Danish index, see comments to table 59.

Other sources of publication: Share price indices are also published in *Statistisk Årbog* (Statistical Yearbook).