

Documentation of statistics for Manufacturers' Purchases of Goods and Services 2022



# **1** Introduction

The purpose of the statistics is to give detailed information about the input structure of industrial production. The input measured is raw and auxiliary materials used in the processing and production of commodities, packing materials, and purchases of services. The data are divided by detailed industrial groups (NACE-groups).

The main use of the survey is in the National Accounts.

# **2 Statistical presentation**

The survey describes the use of raw materials, semi-manufactured products, intermediary products, purchase of services, and packing costs in the production of industrial commodities.

The statistics are distributed to groups of industries.

### 2.1 Data description

The survey describes the purchase of raw materials, semi-manufactured products, intermediary products, packaging and services in the production of industrial commodities. Hence the statistic provides a more detailed breakdown of the item "cost of goods consumed, cost of subcontractors etc. found in the account statistics. Purchases of machines (capital goods) and energy (electricity, gas, etc.) are not included.

The statistics are distributed to groups of industries.

# 2.2 Classification system

Industrial activity is classified according to <u>Dansk Branchekode 2007</u>, which is the Danish national classification based on NACE rev. 2.

Commodity codes are based on the EU Combined Nomenclature, but in a simplified form. The first 4 digit are the same as in Manufacturers' sales of goods and External Trade in Goods. The commodity codes are available <u>here</u>, in <u>Danish only</u>.

# 2.3 Sector coverage

Mining and quarrying, and manufacturing.

#### 2.4 Statistical concepts and definitions

Services: Services includes services purchased from other enterprises, such as legal assistance, accounting, consultancy, cleaning, security, insurance, transportation etc. Purchase of complete processing (outsourced production) is however not included. Hiring of temporary workers employed by an agency is also excluded.

Goods: Goods are raw materials, components, semi-finished products and materials used during production.



# 2.5 Statistical unit

The observation unit for the statistics is the enterprise. In practice, this is normally also the legal unit defined by the CVR number.

# 2.6 Statistical population

The population for the statistics are all enterprises in manufacturing and mining and quarrying with at least 50 employees or a yearly turn over of at least 100 million DKK.

# 2.7 Reference area

The statistics cover enterprises in Denmark. Their purchases of goods and services are included, regardless of whether they are domestic or imports.

### 2.8 Time coverage

2002-

# 2.9 Base period

Not relevant for this statistics.

# 2.10 Unit of measure

Values of purchases are collected and published as '1000 DKK' in StatBank Denmark.

# 2.11 Reference period

The statistics are reported by enterprises based on their annual accounts and therefore follow the accounting year. For accounting years different from the calendar year, accounting years ending no later than April 30 in the following year are included in the reference year.

# 2.12 Frequency of dissemination

Annual.

# 2.13 Legal acts and other agreements

Subsection 1 of section 8 of the Act on Statistics Denmark.

Necessary owing to estimations in the National Account which are made according to Council Regulation 2223/96.



# 2.14 Cost and burden

The response burden has been estimated to 2.070.000 DKK (2021).

# 2.15 Comment

The statistics have a subject page.

# **3 Statistical processing**

The reported data are validated and aggregated. In addition, imputations are made for non-response. But there is no grossing up, and the published figures cover only the covered enterprises (at least 50 employees or yearly turnover of 100 mio. DKK).

# 3.1 Source data

The statistics are survey-based. Approx. 900 enterprises are surveyed, selected as all enterprises in manufacturing and mining and quarrying, having at least 50 employees or yearly turnover of 100 mio. DKK. These enterprises account for 75-80 per cent of total turnover in manufacturing and mining and quarrying.

# 3.2 Frequency of data collection

Annual.

# 3.3 Data collection

Data collection is conducted by means of electronic upload of an excel-file through Virk.dk. Instructions for respondents are available at <u>Statistics Denmark's information pages for reporters</u> (in Danish only).

# 3.4 Data validation

The reported data are validated and edited, mainly through systematic comparison to reports from the same enterprise in the previous period. Data validation also includes comparison to data from the Accounts Statistics for the same enterprise.

# 3.5 Data compilation

Data from the previous year are imputed for enterprises which have not responded by the time of publication. There is no grossing up procedure. Through combining data with those from the Accounts Statistics, purchases are calculated as shares of turnover.

# 3.6 Adjustment

No corrections.



# 4 Relevance

The most important user of the statistics is the National Accounts, but they are also used in research and for analytical purposes.

# 4.1 User Needs

The statistics are primarily collected on behalf of the National Accounts. However, trade associations and researchers also use the information on inputs used in the industrial production.

# 4.2 User Satisfaction

Important large users of the statistics participate in bi-annual meetings of the <u>Contact Group for</u> <u>Manufacturing Statistics (link in Danish only)</u>. (Danish only)

# 4.3 Data completeness rate

Not relevant for these statistics, as there is no EU regulation or similar.

# 5 Accuracy and reliability

The statistics have a quality concerning the description of purchases by the covered enterprises, i.e. enterprises with at least 50 employees or a yearly turn over of at least 100 million DKK. It can be considered a lack in quality that purchases by smaller enterprises are not included, as these purchases are presumably different from purchases of the largest enterprises.

The statistics do not cover the entire Manufacturing industry, but only enterprises with over 50 employees or an annual turnover of DKK 100 million. DKK and thus cannot say anything about the smaller enterprises' purchases, as their purchases must be assumed to be different. The detailed distribution of the individual commodity codes is subject to some uncertainty, as these are often based on an estimate. The total purchase for the covered enterprises is less uncertain, as only less than 2 per cent of responses are missing and last year's purchases figures are used for these enterprises.

# 5.1 Overall accuracy

The statistics do not cover the entire manufacturing industry, but only enterprises with more than 50 employees or a turnover of more than DKK 100 million. DKK and thus cannot say anything about the smaller enterprises' purchases of goods and services. The most important error source is the detailed distribution of purchases according to commodity codes as this is not always directly available from enterprises' accounting systems. Reports are therefore in many cases based on rough estimations by the respondents.

# 5.2 Sampling error

Not relevant for these statistics.



# 5.3 Non-sampling error

The statistics do not cover the entire manufacturing industry, but only enterprises with more than 50 employees or a turnover of more than DKK 100 million. DKK and thus cannot say anything about the smaller enterprises' purchases of goods and services. The most significant source of uncertainty is the detailed breakdown of commodity codes for the purchase, as this cannot always be retrieved from the enterprises' accounting systems. The reports are therefore in many cases based on estimated distributions of the most important product types. The response rate is 96,6 percent, where it is primarily smaller enterprises that are missing, as the notification procedure concentrates on the largest enterprises. When an enterprise is missing, its purchases will in many cases be imputed by copying their purchases from last year. Any development in purchases for these enterprises will thus not be captured.

# 5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

# 5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

# 5.6 Quality assessment

The statistics have a reasonable quality concerning the description of purchases by the covered enterprises, i.e. enterprises with at least 50 employees or a yearly turn over of at least 100 million DKK. It can be considered a lack in quality that purchases by smaller enterprises are not described, as these purchases are presumably are different from purchases of the largest enterprises.

# 5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the <u>Revision Policy for Statistics</u> <u>Denmark</u>. The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

# 5.8 Data revision practice

Data are final with the first publication.



# 6 Timeliness and punctuality

The statistics are published mid-March, i.e. 10.5 months after the end of the reference period. Punctuality is very high.

# 6.1 Timeliness and time lag - final results

The survey is published annually in March. Data for a reference year are published only once, as the final version.

# 6.2 Punctuality

The statistics are published without delay in relation to the scheduled date.

# 7 Comparability

The statistics are comparable since 2002, as no significant changes have been made since then.

# 7.1 Comparability - geographical

There is no international regulation for these statistics.

# 7.2 Comparability over time

It is possible to compare DB07 industrial groupings back to 2002, as data have been revised backwards in time. Data of previous years are only available according to older industrial groupings.

As the survey was introduced in its present form in 2000, the data from this year are subject to some degree of uncertainty since the companies was not familiar with the statistics.

Historically, the survey was carried out in 1975, 1980, 1986, 1991 and 1997. However, the 1991 survey was never published. See them <u>here</u>. From 2000 the survey has been conducted annually and also contains information concerning industrial service input in addition to commodity input.

In the period 2000-2004 the statistics also covered water consumption.

# 7.3 Coherence - cross domain

The statistics are comparable to the Industrial Accounts Statistics, for the same size class (50+ employees or a yearly turn over of at least 100 million DKK) and activity code of enterprises. The statistics are an important input to the National Accounts, but the data are not the same as the National Accounts make further estimations to cover purchases in smaller enterprises and adjustments to match other sources.

# 7.4 Coherence - internal

Not relevant for these statistics.



# 8 Accessibility and clarity

The statistics are published in StatBank Denmark.

# 8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

### 8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

### 8.2 Release calendar access

The Release Calender can be accessed on our English website: <u>Release Calender</u>.

#### 8.4 News release

There is no specific publication for this statistic.

### 8.5 Publications

No publications.

#### 8.6 On-line database

Tables in <u>StatBank Denmark</u>.

#### 8.7 Micro-data access

Micro-data from the statistics are made available through Statistics Denmark's Research Services.

#### 8.8 Other

Not relevant for these statistics.

# 8.9 Confidentiality - policy

Statistics Denmark's full policy on data confidentiality here (in Danish only) is followed.

### 8.10 Confidentiality - data treatment

The industrial groupings are aggregated to a level where there are no confidentiality issues. For commodity codes that are confidential, the value is omitted from publications.

# 8.11 Documentation on methodology

The variables are documented in here. (Danish only)

# 8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

# 9 Contact

The administrative placement of these statistics is in the division of Short Term Statistics. The contact person is Morten Skovrider Kollerup, tel.: + 45 2452 6168, and e-mail: MSL@dst.dk.