

## **Changes in comparison with previous versions of the GGDC Total Economy Database (August 2005)**

This document explains the changes between the January 2006 version of the GGDC Total Economy Database and the previous version of August 2005. The description below refers to the most significant changes. For more detail the source notes can be consulted. Comparisons of earlier versions of the database are described in separate documents downloadable from <http://www.ggdc.net/dseries/tedarchive.html>

### **Differences between August 2005 and January 2006**

#### **General changes:**

The Total Economy Database has been extended with a few countries from the Middle East region. GDP, Population, Labour Force and Productivity figures for Bahrain, Kuwait, Oman and Qatar are available now as well.

Furthermore we have changed our regional classification. A number of countries have been moved to other regions to give a better regional picture. We have split up the OECD block and moved the countries to their regional grouping. This includes Japan (was in OECD, is now in Asia), US and Canada (were OECD, now are North America) and Australia and New Zealand (were OECD, are now Oceania). Some other countries were moved to Western Europe, including Cyprus and Malta (were in previous version included in Small European Countries).

#### **GDP**

New sources:

- Eurostat National Accounts (from New Cronos database)
- OECD National Accounts, Vol. 1, 2005, release 02
- European Economy, Statistical Annex, Autumn 2005, DG ECFIN, EU
- Economic Survey of Europe, United Nations ECE, 2005, no. 2
- OECD Economic Outlook December 2005
- ADB, Key indicators of Developing Asian and Pacific Countries, 2005
- International Monetary Fund, World Economic Outlook Database, September 2005

Other:

-In the previous version of the Total Economy Database the EKS productivity figures were calculated on basis of the 2002 OECD EKS PPPs (OECD, Purchasing Power Parities 2002, Paris, January 2005). As we prefer to express all series the most recent prices (2005 benchmark), we actually need 2005 PPPs. As these are not available yet, the next best thing is to 'update' the 2002 EKS PPPs. We have done this by calculating differences in aggregate inflation rates for each country relative to the United States and applying these trends to the 2002 EKS PPPs.

-A lot of European countries have reallocated FISIM in the latest version of their National Accounts. The August version of the OECD National Accounts does not take into account data for countries that implemented FISIM reallocations after August 2005. Unfortunately, there are quite some countries which have introduced the

new method in the last months of 2005. This is why, if available, we switched to more recent Eurostat National Accounts data for all countries that have distributed FISIM already.

-The Total Economy database contains FISIM adjusted figures based on Eurostat National Accounts for Belgium, Cyprus, Denmark, Finland, Hungary, Estonia, Spain, Ireland, Latvia, Lithuania, Malta, Netherlands, Portugal and Slovenia. Australia, Austria, France, Germany, Korea and the United States did already show FISIM adjusted figures in the August update of the OECD NA (Vol. 1, rel. 2), which is why we stick to OECD measures for these countries.

For Canada, Czech Republic, Greece, Italy, Japan, Luxembourg, Poland, Slovakia, Sweden, Switzerland, Turkey and the United Kingdom FISIM is not distributed yet, so the comparability of these countries with the others is not optimal.

Most notable changes due to new sources and FISIM revisions are the following: Denmark (up to -2.7% for the period 1991-2004), France (up to -2.3% for the 1991-2004 period), Germany (up to -2.2% for the 1994-2004 period), Portugal (up to -1.7% for the 1996-2004 period), Spain (up to -2.3% for the 1999-2004 period), China (Maddison revised his China series, changes vary from -10% to +5.8% in the 1991-2003 period), India (ranging from -2% to +0.7% in the 1991-2003 period), Pakistan (up to -4.8% in the 1991-2003 period), South Korea (up to -1.7% in the 1991-1995 period), Côte d'Ivoire (up to 1.7%, in the period 1999-2003), Kenya (ranging from -3.2% to 3.9% in the 1992-2003 period), Sudan (up to 10.5% in the 1994-2003 period), Estonia (up to -3.3% in 2003-2004), Saudi Arabia (up to -4.7% in the 1991-2003 period), United Arab Emirates (ranging from -4.7% to 5.6% in the 1993-2003 period) and Malta (up to 3.4% in the 2000-2004 period).

### **Employment:**

New sources:

- BLS, Comparative Civilian Labour Force Statistics, Ten countries, 1960-2004
- OECD Economic Outlook 78, December 2005
- Economic Survey of Europe, United Nations ECE, 2005, no. 2
- ILO, Laborsta Database 2005
- WIIW, Handbook of Statistics 2005, CD-ROM
- CEPALHISTAT Historical Database, February 2005 (unpublished)
- OECD National Accounts, Volume 1, release 2
- OECD LFS 2005
- Asian Development Bank, Key Indicators of Developing Asian and Pacific Countries 2005
- Eurostat New Cronos Database 2005
- European Economy, Statistical Annex, Autumn 2005, DG ECFIN, EU

Other:

-After thorough research into the construction of employment figures in the national accounts, the decision has been made to replace data from the Labour Force Survey by employment numbers from the National Accounts for some countries. The main reason for this change is the greater consistency with the GDP figures. Employment from the Labour Force Survey is measured according to the national concept. This means that the inhabitants working abroad are counted in the employment figures,

while foreigners working within the economic territory are not counted. National Accounts employment uses the domestic concept, which is consistent with the measurement of output figures. In most countries the differences between the national and domestic concept doesn't lead to large differences, but especially in smaller countries the effect on productivity can be significant.

We decided to change the employment source only if we are confident about the method used to construct these figures. A number of countries provide employment figures in jobs instead of in persons (Austria, Canada, Greece, Japan, United Kingdom), which makes national accounts employment unsuitable for our database. For the Czech Republic, Hungary, Iceland, Ireland, Korea, New Zealand, Poland, Slovakia, Switzerland and Turkey it is not clear how national accounts employment has been constructed, which is the reason we continue to use Labour Force Survey data for these countries. For some countries we base employment figures on the BLS. This ensures an optimal comparability with the employment figures for the United States. For Australia, Canada, Germany, Sweden, the United Kingdom and the United States the BLS figures are still the main source. For the Netherlands we use Eurostat New Cronos figures for 2001-2004, because these figures are more up to date than BLS or OECD figures.

If the National Accounts employment figures describe a significant period (at least 8 years) and the construction method of the figures is clear and undisputed, we have changed to this source for employment. This is the case for Belgium (up to 4%), Denmark (up to 9%), Finland (up to 8%), France (up to 4%), Italy (for which we already used national accounts data from STAN), Luxembourg (less than 1%), Norway (up to 9%) and Portugal (from -2 up to +3% difference).

For some other countries the Labour Force Survey contained breaks. These breaks have been removed by using the trend of another source in the break year period. For Iceland (8.7% in 90-91, 0.1% in 02-03), New Zealand (22% in 85-86) and Switzerland (6.7% in 90-91) the effect of the breaks is large. For Austria there were even three breaks in the series (3.7% in 93-94, 2.6% in 83-84 and 4.6% in 81-82), which cause a large rise in employment especially before 1981. For other countries (Australia, Ireland, Czech Republic, Hungary, Poland and Turkey) breaks have also been removed, but revisions are much smaller here.

-For Greece and Spain revisions in the Labour Force Survey led to rather large changes, up to 4,5% and 5% respectively.

-Large changes have occurred for the Latin American countries as a result of replacing the Hoffman 1998 data with the more recent CEPALHISTAT Historical Database, February 2005 (unpublished)

-For China we have switched from Maddison data to ADB data, which leads to a big change, especially for the 1991-2003 period. For Vietnam revisions in the ADB lead to significant changes (ranging from -2.5% to 1.9%, in the 2000-2003 period).

-Belarus switched to ILO trend (for pre-1994 series) instead of WDI trend (leads to change of up to 7%), for Georgia switched from WDI trend to Economic Survey of Europe Employment trend, this leads to a very big change in employment (especially

in the 1991-1997 periode, trend before 1991 remains the same), Latvia (up to -9% in the period 1995-2004) and Lithuania (up to 11 % in the period 1990-1993, before 1990 trend is same, level differs through difference in 1990) saw changes due to revisions in Eurostat data, Slovenia saw big changes due to revisions in WIIW, Handbook of Statistics 2005 (especially for the 1990-2003 period, before 1990 trend is the same). Changes for Cyprus (ranging from 6% to 12% for the period 1999-2004) are a result of using Eurostat data instead of European Economy (DG ECFIN), for Malta WDI trend was replaced by European Economy (for 1990-2004 periode this changes employment level with 8% to 11%, before 190 trend is still the same as before).

**Hours:**

New sources:-

Other:-

**Population:**

New sources:-

Other:-