

## EXPLANATORY NOTES

### LAND AND CLIMATE

This chapter is concerned with the land and climate in Taiwan Area. The information on land is obtained from data compiled by the Department of Land Administration, the Ministry of the Interior and the Council of Agriculture, Executive Yuan. Please refer to the *Statistical Yearbook of Interior* and the *Agricultural Statistics Yearbook* for details. The information on climate is obtained from data collected by the weather observatories of the Central Weather Bureau located all over Taiwan Area and published in the *Statistical Abstract of Transportation and Communications* by the Department of Statistics Ministry of Transportation and Communications are the same as those reported by the Central Weather Bureau .

The size of territory of the Republic of China (Taiwan) is approximately 36,000 square kilometers. It comprises the main island of Taiwan (Taiwan Proper), the archipelagoes of Penghu, Kinmen and Matsu, as well as a number of other islands.

Taiwan proper is part of the arc that lies closest to the continent and marks the edge of the Asiatic continental shelf. Measuring nearly 400 kilometers from north to south and around 145 kilometers from east to west at its widest. The Central Mountain Range slopes gently to a broad and fertile plain in the west. In the east, the mountains descend precipitously to the Pacific. The island's uplands are so extensive that only about one-fifth of Taiwan is arable. Shorelines are fairly straight and there are few good natural harbors. Rivers are short and useful for power generation, but not for navigation. Taiwan proper can be divided into five major physiographical regions: mountain ranges, volcanic mountains, foothills, tablelands, and coastal plains and basins.

The cultivated land refers to land under temporary and permanent crops, and can be classified into paddy field, and upland field of registered land, non-registered land, river alluvial land, tidal land, slope land, and virgin field. Before 1995, data of forest land area is obtained from an aerial survey from 1973 to 1977 while data of 1995 was from survey from 1984 to 1993.

The Central Weather Bureau distinctively takes the responsibility for meteorological, seismological, and related marine and astronomical operations of the nation. Taiwan's climate is subtropical but pleasant. Recently, the average temperature is between 11°C (51.8°F) and 26°C (78.8°F). Summer runs from May to October, and a mild winter from December to February. Local and seasonal variations are numerous. The north is often rainy in the winter and the south in the summer. Snow is rare and falls only on the higher mountains.

## POPULATION AND HOUSING

This chapter is concerned with population and housing. On the front of population, it contains information on population growth as well as the current status of population. Other population statistics come from the Demographic Fact Book, the *Monthly Bulletin of Interior Statistics*, and the *Statistical Yearbook of Interior*, published by the Ministry of the Interior.

The population statistics mainly come from the household registration. According to the provisions of laws and regulations, the registered population refers to all of the R.O.C. nationals maintaining household registration in Taiwan-Fukien Area. The demographic data can be divided into two kinds, i.e., year-end static population data and year-round dynamic population data. The static data are defined as those collected during a particular reference period of time; those collected by continuous registration are called dynamic data. Thus, the former includes such population data as household, age-sex composition, education, marital status, and population density; the latter comprises data of birth, death, marriage, divorce and migration. All of the static population data are conducted from the outcome of household registration. The standard day of the statistics is on December 31. All of the dynamic data are calculated in accordance with the records of the application forms of those vital events. The standard period of the statistics is from January 1 to December 31 in the year.

Fertility Rates -- Two kinds of fertility rates are presented in this section, i.e., general fertility rate and total fertility rate. The general fertility rate refers to the number of live births per thousand of mid-year childbearing age women (aged 15 to 49). The total fertility rate refers to the birth rate derived from the total number of births likely to come out from the current generation of childbearing age women during their childbearing period without death.

## MANPOWER

This chapter is concerned with labor force, employment, and unemployment. The data are mainly obtained from the results produced by the manpower resource survey and the employees' earnings survey regularly conducted by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, which are incorporated in the *Yearbook of Manpower Survey Statistics*, the *Monthly Bulletin of Manpower Statistics*, the *Yearbook of Earnings and Productivity Statistics*, and the *Monthly Bulletin of Earnings and Productivity Statistics*.

The manpower resource survey, conducted once a month, and the week containing the fifteenth day of a month is set as the reference week. The survey covers all the population of age 15 or over who are engaged in economic activities in Taiwan Area (Kinmen County and Lienchiang County excluded), but excludes those in active military services and in prison. Everyone is classified into only one of the following three slots; employment, unemployment, or not in labor force. Where a person in employment has more than one job, the job occupying the longest working time in the reference week is counted as his job. The survey adopts the two-stage stratified sampling method with the basic administration unit of Tsun or Li as the first stage sampling unit and the household as the second stage sampling unit.

In the employees' earnings survey, unless otherwise specified, the number of employees on payroll at the end of a month is collected while earning, working hours and turnover of employees at the end of each month during a year. The employees' earnings, working hours, accession and separation are monthly data multiply the number of employees of the month. Then calculate the 12-month weighted average. The object of this survey are public and private firms and their employees in Taiwan Area (Kinmen County and Lienchiang County excluded), excluding the factories owned by the Ministry of National Defense, consumers cooperatives, workshops of schools, relief institutions and prisons. In the survey period, if a surveyed worker has two jobs, these two jobs will both be counted, a way different from that for the manpower resource survey. The survey adopts both of the complete investigation approach and the cut-off stratified random sampling approach which uses the Dalenius-Hodges approximate optimum method for stratum division and the Neyman optimum Allocation for allocation of samples in each stratum. The survey is conducted in accordance with the 9th revision of Standard Industrial Classification of the Republic of China.

Labor force -- It is defined as those civilians who, during the reference week, are 15 years of age or over and who are available to work, including both the employed and the unemployed. The employed population comprise all the persons who, during the reference week, work for pay or work for 15 hours or more as unpaid family workers. The unemployed population comprise all the persons who, during the reference week, are 15 years of age or over and under the following conditions: (1) jobless, (2) available to work, (3) seeking a job or waiting for results after job seeking. Besides, the

unemployed population also includes the persons who are waiting to recall or start a new job but not working and paid yet.

Not in Labor Force -- The category comprises those civilians who during the reference week are 15 years or over and not in labor force, including the persons who intend to work but not seeking for , attending schools, being engaged in housekeeping, aged, disabled, or with some other reasons so that unemployed and not seeking for a job.--

Earnings of Employees -- The earnings of an employee are composed of the following three categories: (1) Regular earnings: It refers to regular rewards paid to employees every month. Included in the regular earnings are basic pay, regular allowance and awards such as housing allowance, transportation allowance, free meals, free water and electricity, regularly (production, good job-rating, good sales, etc.) performance awards, full attendance award, etc. Pay in kind should be converted into value at the current prices. The regular earnings should include payable income tax, insurance premium and labor union fees. (2) Over time pay: it refers to the rewards paid for employees working overtime. (3) Other irregular earnings: Included are performance awards, full attendance award, year-end bonus, bonus for Dragon Festival and/or other festivals, official trip per diems, and job transfer allowance.

## **EDUCATION, SCIENCE AND TECHNOLOGY, CULTURE AND MASS COMMUNICATION**

This chapter is concerned with information on education, science & technology, culture, and mass communication in our country. On the front of education, it contains data on the education situation and educational expenditure. All of the educational statistics are obtained from the *Education Statistics* and the *Education Statistical Indicators*, both compiled by the Ministry of Education based on statistical reports regularly submitted by all of the public and private schools, except for information on educational attainments which come from the official statistics of the Ministry of the Interior. On the front of science and technology, this chapter contains data on national research and development (R&D) expenditures, and number of patents granted. Information on R&D expenditures is obtained from the *Indicators of Science and Technology*, compiled from results of the Survey of National Science and Technology Activity annually conducted by the Ministry of Science and Technology. On the front of culture, this chapter contains data on the status of libraries and the status of historic relics. Information on culture is obtained from official statistics compiled by the Ministry of Education and the Ministry of Culture, respectively. On the front of mass communication, this chapter introduces the status of mass communication enterprises and the saturation rates for newspapers and magazines. The information on mass communication enterprises come from official statistics produced by the Ministry of Finance while that on newspapers and magazines, from the *Report on the Survey of Family Income and Expenditure* published by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan.

The National Science and Technology Survey takes place once a year. Objects of the survey are all of the organizations engaging in research in the fields of natural sciences, engineering, medical sciences, agricultural sciences, humanities and social sciences, including departments and institutes of all public and private colleges and universities, independent research institutes, and public and private industries. For investigation, private industries are drawn by the stratified sampling method, and the data are used as a base to estimate the population of each related parameter by ratio estimation. For all other kinds, every object is investigated in the survey, and the data obtained from this part are directly compiled and tabulated in the statistical tables without going through any estimation process. The survey adopts the calendar year as the survey period.

School Year -- A school year begins August 1 of a year to July 31 of the next year. Each school year is divided into two semesters, with the first semester being from August 1 of a year to January 31 of the next year and the second semester, from February 1 to July 31 of the next year.

To facilitate comparison with international statistics, the indicators have presented R&D expenditures and personnel since 2001, which are classified according to the definitions in the newest edition of the OECD's R&D manual "Frascati Manual". In the OECD criterion, only persons with university degree or above are counted as "researchers". Those with lower formal qualifications are counted as "technicians."

## HEALTH

This chapter is concerned with information on public health in our country. It contains data on medical care facilities, health personnel, causes of death and nutrient consumption. Data on medical care facilities, health personnel and death rates of the leading causes, infant and maternity are obtained from the website of the Ministry of Health and Welfare. Data on nutrient supply are obtained from the *Food Supply & Utilization Yearbook* published by the Council of Agriculture, Executive Yuan.

The scope of data on medical care facilities covered public and private medical care institutions.

The classification standards of major causes of death are based on the tenth revision of the *International Statistical Classification of Diseases and Related Health Problems* (ICD) by the World Health Organization.

The nutrient supply is derived from the nutrients contained in the foods taken each day by each person.

## ENVIRONMENT

This chapter includes information on air pollution. Data on environment come from the official statistics contained in the *Yearbook of Environmental Protection Statistics* published by the Environmental Protection Administration, Executive Yuan.

Pollutants Standard Index (PSI) -- The procedure to calculate the PSI is as follows: First, each of the air pollutants( including suspended particulate with a diameter of 10 microns or less fine particles, sulfur dioxide(SO<sub>2</sub>), nitrogen dioxide(NO<sub>2</sub>), carbon monoxide(CO), and ozone(O<sub>3</sub>)) is monitored in the air by the monitoring stations increased to 60 stations from 2012 and scattered in Taiwan Island and Outer Islands, and the monitoring data is converted to the PSI sub-index value. Second, the largest one picked from the 5 PSI sub-index values calculated by the stations for a day is to serve as the PSI for the station on the specific day.

**PSI value cross reference table**

PSI value	PM <sub>10</sub> 24-hr. Average	SO <sub>2</sub> 24-hr. Average	CO 24-hr. Maximum 8-hour average	O <sub>3</sub> 24-hr. Maximum value of the hour	NO <sub>2</sub> 24-hr. Maximum value of the hour
	µg/m <sup>3</sup>	ppb	ppm	ppb	ppb
50	50	30	4.5	60	-
100	150	140	9	120	-
200	350	300	15	200	600
300	420	600	30	400	1200
400	500	800	40	500	1600
500	600	1000	50	600	2000

The comprehensive index of measurement for air quality was PSI before 2017, and it was changed into AQI beginning 2017.

Air quality index based on monitoring data will be on the same day in the air ozone(O<sub>3</sub>), suspended fine particles(PM<sub>2.5</sub>), suspended particles(PM<sub>10</sub>), carbon monoxide(CO), sulfur dioxide(SO<sub>2</sub>) and II Nitric oxide(NO<sub>2</sub>) such as the concentration of value, its impact on human health, were converted into different pollutants The vice-value targets, indicators, deputy to the day of the maximum value of the stations on the day of the air quality index (AQI).

## The concentration of pollutants and air quality index value deputy table

Air Quality Index(AQI)							
AQI	O <sub>3</sub> (ppm) 8hr	O <sub>3</sub> (ppm) 1-hr <sup>(1)</sup>	PM <sub>2.5</sub> (μg/m <sup>3</sup> ) 24-hr	PM <sub>10</sub> (μg/m <sup>3</sup> ) 24-hr	CO (ppm) 8-hr	SO <sub>2</sub> (ppb) 1-hr	NO <sub>2</sub> (ppb) 1-hr
Good 0~50	0.000 - 0.054	-	0.0 - 15.4	0 - 54	0 - 4.4	0 - 35	0 - 53
Moderate 51~100	0.055 - 0.070	-	15.5 - 35.4	55 - 125	4.5 - 9.4	36 - 75	54 - 100
Unhealthy for Sensitive Groups 101~150	0.071 - 0.085	0.125 - 0.164	35.5 - 54.4	126 - 254	9.5 - 12.4	76 - 185	101 - 360
Unhealthy 151~200	0.086 - 0.105	0.165 - 0.204	54.5 - 150.4	255 - 354	12.5 - 15.4	186 - 304 <sup>(3)</sup>	361 - 649
Very Unhealthy 201~300	0.106 - 0.200	0.205 - 0.404	150.5 - 250.4	355 - 424	15.5 - 30.4	305 - 604 <sup>(3)</sup>	650 - 1249
Hazardous 301~400	<sup>(2)</sup>	0.405 - 0.504	250.5 - 350.4	425 - 504	30.5 - 40.4	605 - 804 <sup>(3)</sup>	1250 - 1649
Hazardous 401~500	<sup>(2)</sup>	0.505 - 0.604	350.5 - 500.4	505 - 604	40.5 - 50.4	805 - 1004 <sup>(3)</sup>	1650 - 2049

(1) Areas are generally required to report the AQI based on 8-hour ozone values. However, there are a small number of areas where an AQI based on 1-hour ozone values would be more precautionary. In these cases, in addition to calculating the 8-hour ozone index value, the 1-hour ozone value may be calculated, and the maximum of the two values reported.

(2) 8-hour O<sub>3</sub> values do not define higher AQI values ( $\geq 301$ ). AQI values of 301 or higher are calculated with 1-hour O<sub>3</sub> concentrations.

(3) 1-hour SO<sub>2</sub> values do not define higher AQI values ( $\geq 200$ ). AQI values of 200 or greater are calculated with 24-hour SO<sub>2</sub> concentrations.

## JUSTICE AND PUBLIC SAFETY

This chapter is concerned with information on status and treatment of crimes, and fire accidents. Data on status of crimes is obtained from the official statistics contained in the *Statistics Annual Report of Police Affairs*, an annual report published by the National Police Agency, Ministry of the Interior. Data on fire accidents come from the National Fire Agency, Ministry of the Interior. Data on treatment of crimes mainly come from the official statistics compiled by the Ministry of Justice and the Judicial Yuan, contained in the *Statistical Yearbook*, an annual report published by the Statistical Department, Ministry of Justice.

Data on the status of crimes include criminal cases, cleared cases, and the number of offenders. A criminal case refers to a case in which one is found offending against the criminal codes, indicted and punished according to the Criminal Suit Law. Statistics on criminal cases are reported by the police agencies regarding complaints or accusations filed by ordinary persons or crimes found by policemen while on duty, with the figure for a specific period. The number of cleared cases refers to the criminal cases which, after investigation, are cleared by police in a specific period. Statistics on offenders refer to the number of criminal suspects who are implicated and after being revised, the monthly statistics are compiled into an annual report at the end of a year.

Violent Crime -- It principally refers to murder and nonnegligent manslaughter, serious intimidation, robbery and forceful taking, kidnapping, serious injury and forcible rape (gang rape).

Theft -- It refers to stealing of automobiles, motorcycles and other properties.

Offender Rate -- It refers to the number of offenders per 100 000 of mid-year population. Offenders are divided to 4 categories according to their age:

1. An adult offender -- refers to the offender who is of age 24 or more.
2. An adolescent offender -- refers to the offender who is of age 18 - 23.
3. A juvenile offender -- refers to the offender who is of age 12 - 17.
4. A child offender -- refers to the offender who is of age less than 12.

## SOCIAL WELFARE

This chapter is concerned with statistics on social insurance, social assistance and relief, low income households, social welfare services, and social welfare expenditure. For social insurance, the data of Government Employees' and School Staffs' Insurance, and Retired Government Employees' Insurance are obtained from the *Statistical Data for Government Employee and School Staff Insurance*, published by Bank of Taiwan. Data on Labor Insurance and Farmers' Health Insurance come from the *Statistical Yearbooks*, published by the Bureau of Labor Insurance. Statistics on National Health Insurance are obtained from the *National Health Insurance Annual Statistical Report*, published by the National Health Insurance Administration Ministry of Health and Welfare. Statistics on social welfare expenditure are obtained from the *Yearbook of Financial Statistics*, published by the Department of Statistics, Ministry of Finance. All other information comes from the *Monthly Social Welfare Statistics*, and the *Statistical Yearbook of Social Welfare*, published by the Department of Statistics, Ministry of Health and Welfare.

Social welfare statistics are compiled by the Ministry of Health and Welfare from monthly and quarterly reports regularly submitted by Municipal Governments. As it is hard to secure data concerning private social relief institutions, readers shall pay attention to revisions to data of the previous year.

Social Insurance -- It shall cover National Health Insurance, Government Employees' and School Staffs' Insurance, Retired Government Employees' Insurance, Labor Insurance, Farmers' Health Insurance and Employment Insurance.

Low Income Household -- The low-income households shall qualify under the following conditions: they are approved by their local municipality competent authority via application; their average divided monthly income among each person in the household falls below the lowest living index; and their total household assets do not exceed the specific amount announced by the central and municipality competent authorities in the year of application. The aforementioned lowest living index is based on the standard announced by the central department of budget, accounting and statistics, and is defined by the central and municipality competent authorities as 60% of the median rate of the expenditure per person in the past year in the household's local area.

Net Expenditure for Social Welfare -- The expenditure is compiled on a basis of fiscal year and it is net of the double counting arising from inter-governmental transfers. The social welfare expenditure covered social insurance (including expenditures for pension and survivors' benefits), social relief, benefit service, nationwide employment service, medical care and community development, and environmental protection before FY1989. Since FY1990, it excluded expenditure on community development, environmental protection and expenditures for pension and survivors' benefits. Data from FY1981 to 1989 are recalculated by the definition of the social welfare expenditure made in 1990.

## **NATIONAL ECONOMICS AND BUSINESS ACTIVITIES**

This chapter is concerned with information on national income, family income and expenditure and industrial inter-relations, all coming from the Directorate-General of Budget, Accounting and Statistics, Executive Yuan(DGBAS). Data on family income and expenditure, which are derived from the family income and expenditure survey, are contained in the Report on the Survey of Family Income and Expenditure. Besides, this chapter is concerned with statistical information on business activities, and the information is from Investment Commission, MOEA.

In 1953, our country began compiling annual national income statistics in Taiwan area, based on the system of national accounts by the United Nations. Preliminary Compilation of quarterly national product and income statistics started in 1970. Beginning in 1978, a macro-econometric model has been used to forecast economic conditions for the current quarter. In 1986, the prediction was extended to cover a quarter beyond the current one, an additional quarter in 1987, and four quarters to come in 1988. Data have been revised in accordance with system of national accounts 2008, and incorporated with nearly available sources such as Industrial and Commercial Census,etc. Estimates by kinds of activities have been revised, according to the ninth edition of “Standard Industrial Classification of the Republic of China”, and traced back to 2007. Data have been revised and released every 5 years, for years ending in “3” and “8”.

This country started preparation of statistics on personal income distribution in 1964, a sampling survey on household income and expenditure in the Taiwan area conducted by the DGBAS. This survey adopts a stratified two-stage sampling method with counties and cities as subpopulations. The Ts'un and Li, a basic administrative unit, is designated as the primary sampling unit (PSU), and the household in the PSU is the secondary sampling unit (SSU).

## **EXTERNAL TRADE**

External trade, covering imports and exports in value, trade composition, and trade indices are compiled from the import and export declaration documents on a monthly basis, with the results incorporated in the Monthly Statistics of Exports and Imports published by the Department of Statistics, Ministry of Finance.

Imports and exports statistics cover only cargoes exported to and imported from foreign countries; fish sales and bunker oil receipts at local ports have also been included in exports since 1970. Values of exports are priced on a free-on-board (F.O.B.) basis, and values of imports are priced on a cost-insurance-freight (C.I.F.) basis. Exported goods are classified according to the country of destination which was declared by the exporter. If there are more than one destination, the final destination shall be applied.

## **AGRICULTURE, FORESTRY AND FISHING**

This chapter is concerned with information on agriculture, forestry, fisheries, and livestock husbandry. All data on agriculture, forestry and fishing are obtained from the Agricultural Statistics Yearbook, the Fisheries Statistical Yearbook, and the Food Supply and Utilization Yearbook all published by Council of Agriculture, Executive Yuan.

The scope of agricultural production reporting system cover all agricultural products produced in Taiwan Area except sheep, horses and deer. Production does not include intermediate inputs, consumption or waste. The productions of principal products are all reported. For by-products only productions of forestry are reported. From the reported data, the Council of Agriculture picks out a number of representative products for calculation of the agricultural production index which adopts the Laspeyres fixed base weighted formula, with the weights being the prices of farm products prevailing in the base year. In shifting the base year, the Fisher Ideal formula is used to splice the new and old indices. To avoid double counting the agricultural output, seeds are deducted from the output of a crop in calculation of the output index for the crop. In calculation of the general agricultural production index, crop products used as animal feed are further deducted in order to avoid double counting of the animal feed in the crop sector. Animal feed is included in the livestock and fisheries production.

Fisheries -- This line of business can be divided into six categories, i.e., deep sea fisheries, offshore fisheries, coastal fisheries, marine aquaculture, inland water fisheries and inland water aquaculture. The deep sea fisheries refer to fishing on waters beyond the economic zones of our country by means of powered vessels. The offshore fisheries refer to fishing on the waters within the economic zones of our country, i.e., 12 nautical miles to 200 nautical miles from the coast by means of powered vessels. The coastal fisheries refer to fishing on the territorial waters, i.e., 12 nautical miles from the coast by fishing raft or other means. The marine aquaculture refers to raising aquatic animals or plants in the waters along the coast. The inland water fisheries refer to fishing or harvesting of aquatic animals or plants in inland waters. The inland water aquaculture refers to raising aquatic animals or plants in inland waters.

## INDUSTRY

This chapter is concerned with statistical data on industries and energy. Data on industrial production and industrial production indices are obtained from statistical results of the monthly industrial production, shipment and inventory survey issued in the Yearbook of Industrial Production Statistics published by the Department of Statistics, Ministry of Economic Affairs. Statistics on energy demand and supply mainly come from the official statistics printed in the yearbook of Taiwan Energy Statistics published by the Bureau of Energy, Ministry of Economic Affairs.

The industrial production, shipment and inventory survey is conducted once a month, and its scope covers the five industrial sectors in Taiwan-Fukien area, i.e. mining and quarrying, manufacturing, electricity & gas supply, water supply and building construction industries. Objects of the survey are enterprises selected from the Factory Registration Update Survey. Different sampling sizes are applied to different industries. Mining and quarrying, electricity & gas, water supply, building construction and public enterprises sectors are all subject to survey. Other sectors are partly selected as samples for survey by way of “cut-off sampling”. Different objects are subject to different survey methods. The data source of mining and quarrying major division is from the Bureau of Mines, Ministry of Economic Affairs. Public and private enterprises as well as business operators of electricity & gas supply and water supply are required to fill out the survey questionnaires by themselves. The industrial production index is calculated by Laspeyres’s formula and from the production weighted by unit net value of selected products.

On the front of energy statistics, the data has been compiled according to the new format Energy Balances.

## **TRANSPORTATION, STORAGE, COMMUNICATIONS AND TOURISM**

This chapter is concerned with statistical data on sea transportation, inland transportation, air transportation, postal services, communications, and tourism. All of the information except for tourism and communications is obtained from official registration data which are incorporated in the Statistical Abstract of Transportation and Communications published by the Ministry of Transportation and Communications. On the front of tourism, the information is contained in the relative report on tourism statistics published by the Tourism Bureau. Visitor arrivals by length of stay and visitor expenditure in Taiwan are from the Survey Report on Visitors Expenditure and Trends in Taiwan published by the Tourism Bureau, M.O.T.C. Besides, data of communications except for the rate of individual internet usage obtained from National Development Council come from National Communications Commission.

The survey of visitors expenditure and trends in Taiwan is conducted once a year. The objects of this survey are the foreign and overseas Chinese inbound visitors(excluding the foreign and overseas Chinese transit visitors).

Passenger-kilometers (or Ton-Kilometer) -- The passenger-kilometers, a unit used to measure the passenger transportation volume, refers to carrying a passenger for a distance of one kilometer. The number of passengers refer to the number of persons buying tickets, excluding the passengers exempt from transportation service charges. The distance of transportation is the one stated on the ticket. Therefore, the passenger transportation volume can be derived from the number of passengers multiplied by the distance of transportation. The ton-kilometer, a unit used to measure the volume of freight transportation, refers to carrying a ton of freight for a distance of one kilometer. The freight excludes mail, personal luggage, and fuel. The volume of freight is based on the amount and the distance stated on the invoice, and the volume of freight transportation can be derived from the weight of freight multiplied by the distance of transportation.

Number of Motor Vehicles -- The motor vehicles refer to those registered with and licensed by the vehicle administration agencies, excluding military vehicles, tricars, and motor vehicles without license plate or with temporary license plate. In March 1987, the motor vehicles further excluded those license plates having expired. Commercial vehicles include buses, trucks, pick-up truck. Specially constructed vehicles, which are installed with special equipment to serve special purposes, include towing vehicles, ambulances, fire engines, armored police vehicles, and police patrol cars.

## FINANCE AND INSURANCE

This chapter is concerned with statistical data on financial statistics, balance of payments and insurance. All of the information except for insurance is obtained from the Financial Statistics Monthly, published by the Central Bank.

The domestic financial institutions refer to financial service institutions organized and registered in accordance with the Banking Act or other decrees. The financial statistics at present classify financial institutions as monetary financial institutions, trust and investment companies, and life insurance companies. The monetary financial institutions are grouped according to whether they are able to create money, and they include the Central Bank, domestic banks (including medium business banks), local branches of foreign and Mainland Chinese banks, credit cooperative associations, Credit Departments of Farmers' and Fishermen's Associations, Chunghwa Post Co., and money market mutual funds. Although property and casualty insurance companies, bills finance companies and securities finance companies also provide financial services, they differ greatly from financial institutions in terms of the financial liabilities they hold. For this reason, they are classified as privated enterprises, instead of financial institutions, in the compilation of financial statistics.

Stock price index, which is compiled by the Taiwan Stock Exchange, is a weighted annual index using 1966 as the base year. The index is based on the closing prices of selected issues, using amount issued as the weight and calculated by the Passche Formula. The annual average is derived from the number of total trading days in a year.

Currency held by the public-- This refers to currency held by all sectors/departments except monetary financial institutions (currency held by the public = currency issued by the Central Bank — cash in vaults of monetary financial institutions).

Quasi-money-- This refers to the time deposits (including general time deposits and negotiable certificates of deposit (NCDs)), time savings deposits, and foreign currency deposits of enterprises and individuals in other monetary financial institutions. In addition, postal deposits are also included. From Jan. 1994 on, the data also include repurchase agreements and non-resident NT deposits. From Oct. 2004 on, the data also include money market mutual funds. The carrying values of the host contracts of structured products issued by banks are excluded.

Reserve money-- The reserve money comprises all reserves held by other monetary financial institutions and currency held by the public, both of which are monetary liabilities of the Central Bank. It is also referred to as “high-powered money” or “base money”. Changes in reserve money affect directly the amount of loanable funds of other monetary financial institutions. Through the money-creating process, money supply and liquidity expand or contract by a multiple which is usually measured by the ratio of monetary aggregate to reserve money.

Monetary aggregate (M1B)-- It is composed of currency held by the public and deposit money.

## **REVENUES AND EXPENDITURES OF GOVERNMENT**

This chapter is concerned with statistical data on the revenues and expenditures of general governments. The governments' net revenues and expenditures are based on an accrual basis. All of the data are obtained from the Yearbook of Financial Statistics published by the Department of Statistics, Ministry of Finance.

Net Revenues and Expenditures of General Governments -- Net revenues exclude the government bonds, borrowing and surplus of previous fiscal years. Net expenditures exclude the principal repayment.

The tax statistics of our country include direct taxes and indirect taxes. The direct taxes include income tax, land tax (agricultural land tax, land value tax, and land value increment tax), house tax, estate and gift tax, securities transaction tax, futures transaction tax, education surtax, and deed tax. All other taxes are classified as indirect taxes.

## ADMINISTRATION

This chapter is concerned with information on civil service personnel and central & local public office elections. Information on civil service personnel is obtained from the statistical yearbook compiled by the Ministry of Civil Service. Data on public office elections are compiled by the Central Election Commission.

Civil Service Personnel -- They include all politically appointed officials and administrative officers filling in civil service positions given with specific titles and grades at executive agencies, public enterprises, public schools, and other organizations formed on accordance with laws.

Central Public Office Elections -- After our country put the Constitution into force, the first central public office elections took place in 1947. Legislators had a term of three years before 2008, which is four afterwards. Meanwhile national assemblymen and members of Control Yuan had a term of six years. However, due to the loss of the mainland to the Chinese communists, the central public offices could not be put for re-election. To meet the national requirement and to make up the vacancies left for one reason or another, several additional and supplementary elections have been conducted. When the Mobilization Period ended in 1991, the second term of national assemblymen was elected in accordance with the provisions of the Constitution as amended.

Local Public Office Elections -- Local elected public offices include Taiwan provincial governor, Taiwan provincial assemblymen, mayors and councilors at New Taipei, Taipei, Taoyuan, Taichung, Tainan, and Kaohsiung Cities, county (or city) councilors, county magistrates, and city mayors in Taiwan Province. However, the term of Taiwan Provincial governor and Taiwan provincial assemblymen ended in December 1998.