



A Draft Manual for Index of Services Production and Summary of Country Feedbacks

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Objectives

<Manual>

Practical guidelines to compile ISP for official statisticians

<ISP>

For short-term economic analysis and quarterly GDP compilation

The contents of the Manual

Section A: Introduction

Section B: Infrastructure

(Statistical Units, Classification, Services industry)

Section C: Terminologies for ISP

Section D: Sources and methods

(Recommended variables and deflators, etc.)

Section E: Index Compilation

(Index, transformation, consolidation)

Section F: Presentation and Dissemination

Annexes

Questions on the ISP manual

Section B: Statistical units, Classification (concordance table) and Services sector coverage?

Section C: Turnover, Sales, Receipts, Output, Physical quantity, Employment, Other variables?

Section D: variables and deflators presented in 27 tables (in Annex 2) as “preferred”, “alternative” and “other methods”?

Section E:

1. *Types of index:* various volume indices in Table E.1-A and recommendations provided for the type of index?
2. *Transformation of input data:* coping with missing input variables and ruptures in data and for adjustments?
3. *Consolidation:* weights for aggregation into an ISP, Section on quality and productivity?

Comments: overall structure

- Draft is useful, important and good
- General approach and overall contents of the draft are fine.

However,

- Difficult to implement (priority, etc.)
- Clarification on purpose of ISP
- More practice from Non-European MSs
- More information can be added via footnote

Comments: Section B

Statistical units: establishment, local KAU, enterprise

- Need to consider internet.

Classification: ISIC rev3 or NACE

- Should update for ISIC rev4 and NACE rev2 ASAP, and the concordance table

Industry coverage: proposed sectors (G-P) are fine for most MSs, But:

- some EU countries want to include only G-K
- excluding public administration
- market and non-market services should be distinguished
- need some practical advise to compile ISP

Comments: Section C

MSs generally agree on:

- Concepts related to ISP;
- Definition on Turnover/Sales and physical quantity, employment.

However, they also indicate needs for:

- further elaboration of certain terms (not always the same across MSs)
- recognition of ESTAT STS regulation

Comments: Section D

MSs agree with:

- approach of preferred, alternative and other methods (unanimously)
- Tables of recommended variable in annex:
 - well structured with clear and helpful layout
 - range of variables is helpful and comprehensive
- quality framework (useful).

MSs suggested areas where improvements can be made:

- consistency with SNA
- alternative & other methods are too mechanical
- more contribution from other MSs
- For some cases, deflated turnover can only be alternative method (e.g. non-market activity).
- a more balance between Fisher and Laspeyres
- value added vs. gross output

Comments: Section E (1)

Types of Index

- Most MSs agree with chain-linked Laspeyres index and 5 yearly rebasing; but
- Chain-linked Fisher index or annual rebasing and chaining is also proposed

Transformation of input data

- Most MSs agree with proposal; but
- Some remarks on frequency of SA, rules being less strict, etc.

Comments: Section E (2)

Weighting

- Gross value added seems appropriate variable; but Eurostat suggest turnover

Quality and productivity

- useful sections
- further elaboration can be made