

KOREA

Sources and definitions

Data originate from the National Statistical Office of the Republic of Korea (KNSO), and Ministry of Information and Communication of the Republic of Korea (KMIC).

ICT manufacturing industries

Data are drawn from the annual Manufacturing Survey of KNSO. All establishments with five or more employees are covered.

All establishments are surveyed in divisions and groups of the sections. A sample survey is conducted for classes. The statistical unit is the establishment. The period covered is the calendar year.

Production uses the census concept, which only covers activities of an industrial nature. Valuation is at producers' prices, that is, those amounts receivable by the producer, less all commodity taxes, subsidies related to the production and separately invoiced transport charges. It comprises: the value of all products of the establishment; the net change between the beginning and the end of the reference period in the value of work in progress and finished and half-finished products; receipts for repairs and the value of industrial work done or industrial services rendered to others. Because it is compiled on a shipment basis, the net change in stocks of finished goods between the beginning and the end of the reference period is also included. The following are excluded: the net change between the beginning and the end of the reference period in the value of stock of goods to be shipped in the same condition as received; the value of goods shipped in the same condition as received less the amount paid for these goods and the value of fixed assets produced by the unit for its own use.

Value added uses the census concept, which is defined as the value of census output less the value of census input. Items included in the latter are the value of materials and supplies for production (including cost of all fuel, electricity produced and water) and the cost of industrial services received (mainly payments for contract and commission work and repair and maintenance work). Valuation is at producers' prices.

Employment, employees includes all persons engaged, other than working proprietors, active business partners and unpaid family workers. It excludes directors of incorporated enterprises and members of shareholders' committees who are paid solely for their attendance at meetings, labour force made available to the concerned unit by other units and charged for (such as contract workers paid through contractors), persons on indefinite leave or military leave and home workers. The figures refer to the average number of employees during the reference year.

Wages and salaries, employees include all money payments and payments in kind paid or supplied by the employer during the reference period to all employees counted on the payroll by way of remuneration for work done for the concerned unit. These payments include: direct wages and salaries and all payments in cash and for overtime; remuneration for time not worked, for example, bank holidays, paid vacation and sick leave; bonuses and gratuities, e.g. holiday and performance bonuses; housing allowances and family allowances paid directly by the employer; payments in kind; taxes and social security contributions and similar contributions payable by the employee and deducted by the employer. They exclude social security, pension, retirement and other contributions payable by the employer.

Establishment is defined as a unit that engages, under a single ownership or control, in one or predominately one kind of activity at a single location; for example a workshop or factory.

Investment refers to the value of fixed assets, purchased or constructed by the statistical unit's own labour force for its own use, during the reference year. The value of corresponding sales is not subtracted from it. The fixed assets covered are those (whether new or used) with a productive life of one year or more. Major additions, alterations and improvements to existing assets which extend their normal economic life or raise their productivity are also included. Transactions in fixed assets include: land; buildings, other construction and land improvements; transport equipment; machinery and other equipment. Assets acquired from others are valued at purchasers' prices, which cover all costs directly connected with the acquisition and installation of the items for use. Assets produced on own account are also valued in this manner. Assets produced by one establishment of a multi-establishments enterprise, for use by another establishment of the same enterprise, were valued by the receiving establishment as though purchased from outside the enterprise.

Telecommunication services and computer and related activities industries

Data are drawn from the annual Information and Telecommunications survey of KMIC. All enterprises with one or more employees are covered. The statistical unit is the enterprise. The period covered is the calendar year. The data of reference year 1999 and 2000 are re-compiled by industrial activities from the results of the annual survey of Information and Telecommunication Industry.

Value added is calculated by adding up value-added items such as labour cost, rent, taxes and duties etc.

Enterprise is an autonomous legal unit or an industrial unit to carry out its production activities, which belongs to and is controlled directly or indirectly by same owners. It comprise one or more various production unit.

Definition of variables other than value added is in line with ICT manufacturing industries.

Other ICT services

Data are drawn from the annual survey of Wholesale/Retail Trade and Service Industry of KNSO. The statistical unit is the establishment. About 45,000 establishments with one or more employees are selected as sample. The period covered is the calendar year.

Value added is calculated by adding up value-added items such as labour cost, rent, taxes and duties etc.

Definition of variables other than value added is in line with ICT manufacturing industries.

Composition of the ICT sector

The ICT sector is in line with the OECD definition, with the exception of the ICT wholesale activities, which include the following industry from the Korean Standard Industrial Classification, the SIC-KSIC (8th edition, 1 March 2000):

KSIC 5189 (Wholesale of Other Machinery and Equipment).

This industry, in turn, includes the following industries:

KSIC 51891 (Wholesale of Computers and Non-Customized Software)

KSIC 51893 (Wholesale of Navigating and Telecommunication Equipment)