A Draft Manual for
Index of Services Production

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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
Section C: Terminologies for ISP
Section D: Sources and methods
Section E: Index Compilation
Section F: Presentation and Dissemination
Annexes
Infrastructure & terminologies for ISP

• Statistical Units: establishment, enterprise or KAU
• Classification: ISIC Rev. 3 or NACE Rev. 1
• Services industry: G through P of ISIC Rev. 3
• Market and non-market services
• Definition of ISP
• Variables: deflated gross output (turnover, sales, receipt, etc.), other variables
Sources and methods

• Preferred, Alternative & Other approach
• Quality measures
• Criteria for conceptual appropriateness
• Proposed criteria for indicators
• Deflators
• Recommended variables
Index Compilation

• Types of Index
• Issues related to transformation on input data:
  - missing input variables, ruptures in data
  - harmonisation
  - adjustments
• Issues related to consolidation:
  - weighting
  - productivity
  - comparability with GDP
Annexes

• A list of proposed deflators
• Recommended variables and deflators and their sources
Progress since last year

• Section on deflation
• Recommended variables & deflators section expanded to cover entire Service Sector
• Presentation and dissemination
Deflation

- Why remove prices?
- Level of deflation: 4-digit level
- CPIs & SPPIs
- Application of deflators (Annex 1)
- Periodicity
- Constructing SPPIs & CPIs
Recommended variables

- Services classified by 27 ISIC categories
- Short text to describe ISIC class & raise relevant issues
- Explanatory notes: what is included/excluded
- Preferred, Alternative & Other
- Some suggestions on helpful sub-division of categories
Outstanding work and questions for VG members

- Improvement of 27 tables:
  - Deflators
  - Variables (with additional variables)
- Review conceptually difficult areas
- More strict vs. flexible recommendation
Future load map

• Second half 2006: Final draft of ISP manual and to be approved by OECD committee on statistics
• Implementation of ISP in MSs
• Further enhancement and revision