

SECTOR PAPER ON ISIC 52

Warehousing and support activities
for transportation

Overview

- Sources
- Classifications
- Importance and characteristics of the industry
- Turnover
- SPPI
- Issues remaining for further consideration

Sources

- Revisited sector paper on warehousing and storage (2010)
by Bernhard Goldhammer, Germany
- Mini-Presentation on Turnover / Output by
 - Robbert de Ruijter, Netherlands
- Mini-Presentations on SPPIs by
 - Chris Jenkins, United Kingdom
 - Jonas Ingman, Sweden
 - Jean-Pierre Bachelart, France

Industry classifications: ISIC Rev. 4

521	5210	Warehousing and storage
522		Support activities for transportation
	5221	Service activities incidental to land transportation
	5222	Service activities incidental to water transportation
	5223	Service activities incidental to air transportation
	5224	Cargo handling
	5229	Other transportation support activities

Industry classifications

ISIC Rev. 4	6 industries
NACE Rev. 2.0	6 industries (identical to ISIC)
JSIC	16 industries
ANZSIC 2006	4 industries
NAICS	15 industries

Industry classifications

Similarities

- most support activities broken down by means of transport
- (such as running of transport facilities)
- Warehousing and storage, freight forwarding classified independently from mean of transport

Differences

- Warehousing and storage not always part of support activities
- Cargo handling not always as separate industry

Product classifications: CPC Ver. 2

Division 67	Supporting transport services	
671	Cargo handling services	2 subclasses
672	Storage and warehousing services	3 subclasses
673	Supporting services for railway transport	2 subclasses
674	Supporting services for road transport	5 subclasses
675	Supporting services for water transport	7 subclasses
676	Supporting services for air or space transport	4 subclasses
679	Other supporting transport services	2 subclasses

Product classifications

CPC Ver. 2.0 **25 subclasses**

CPA 2008 **31 sub-categories**

NAPCS **35 products**

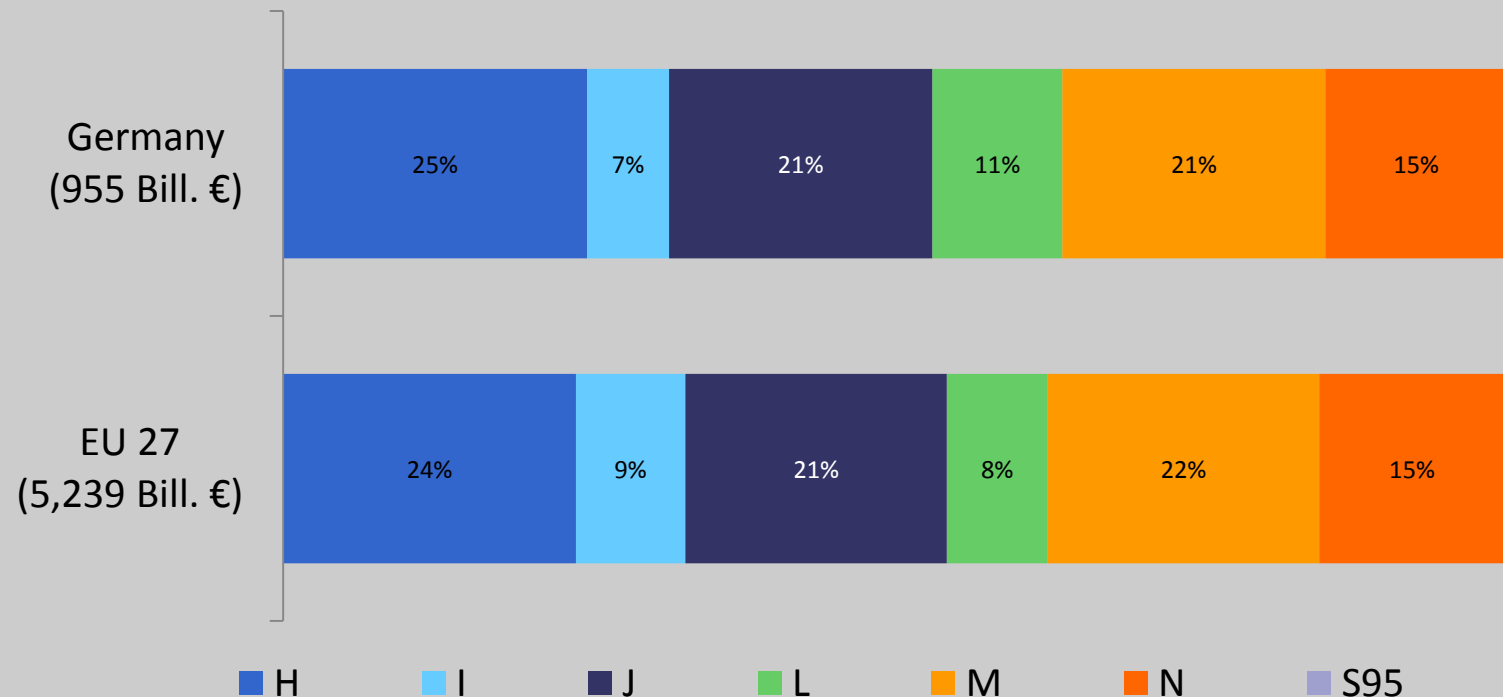
Product classifications

Characteristics

- **CPC**
 - warehousing and storage part of support services
- **CPA**
 - structure similar to CPC
- **NAPCS**
 - very detailed
 - contains maintenance and repair services
 - Warehousing and storage services in a different group

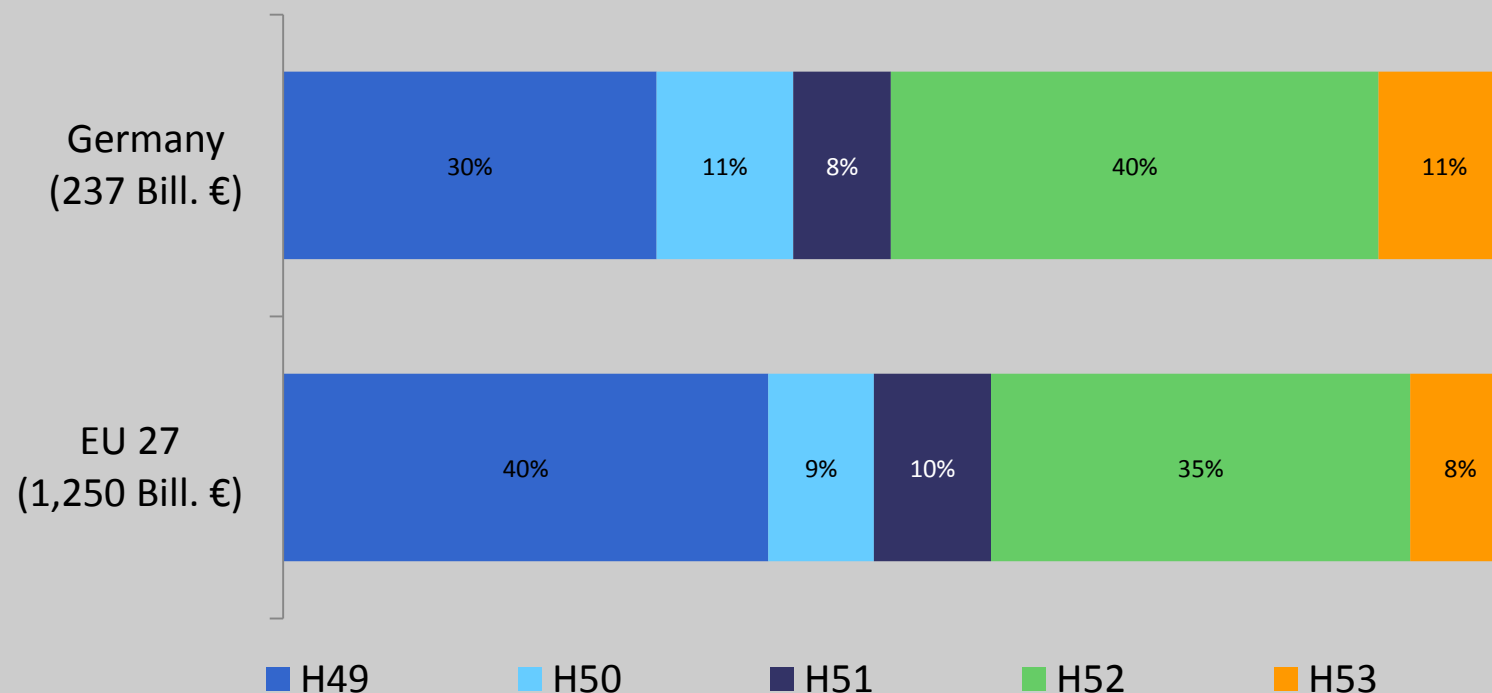
Importance of the industry

Share of Turnover of ISIC sections H - N and S95 in the service sector in 2010



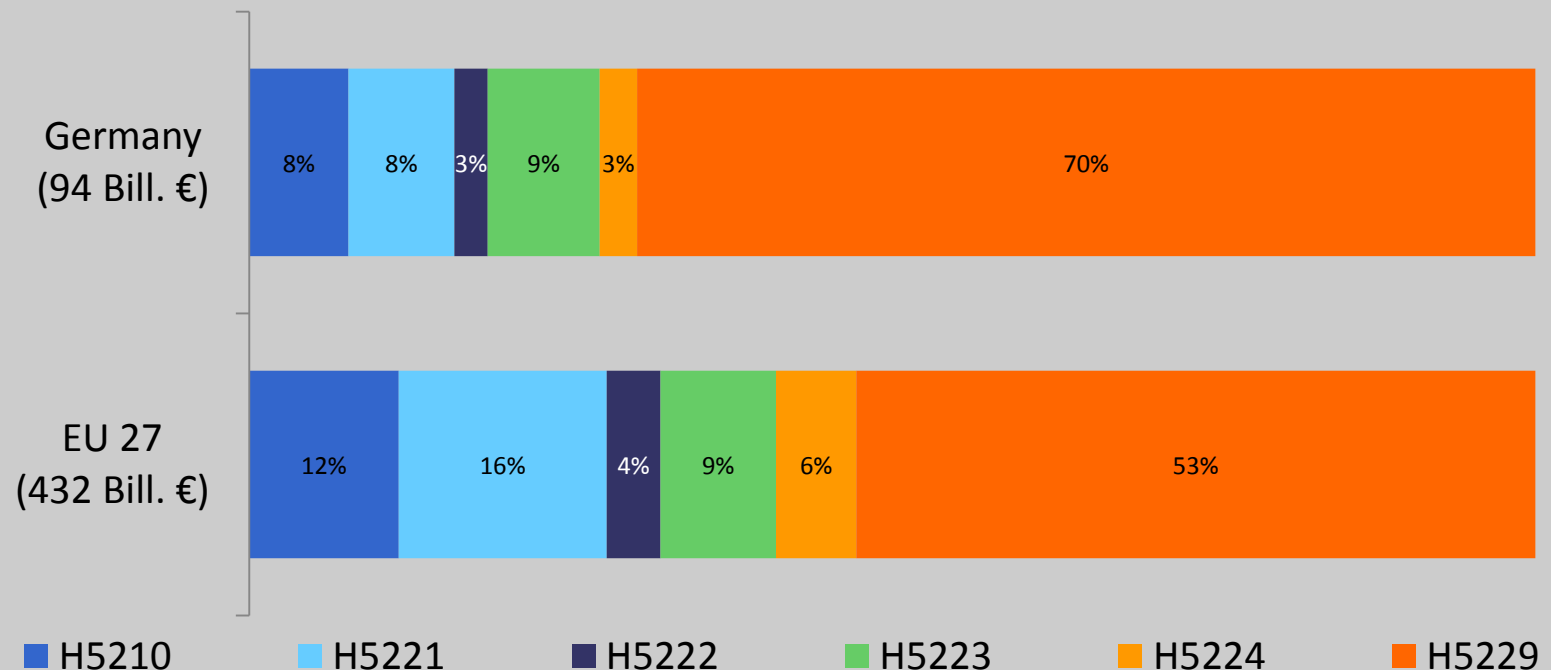
Importance of the industry

Share of Turnover of ISIC 2-digit industries within section H in 2010



Importance of the industry

Share of Turnover of ISIC 4-digit industries within industry H52 in 2010

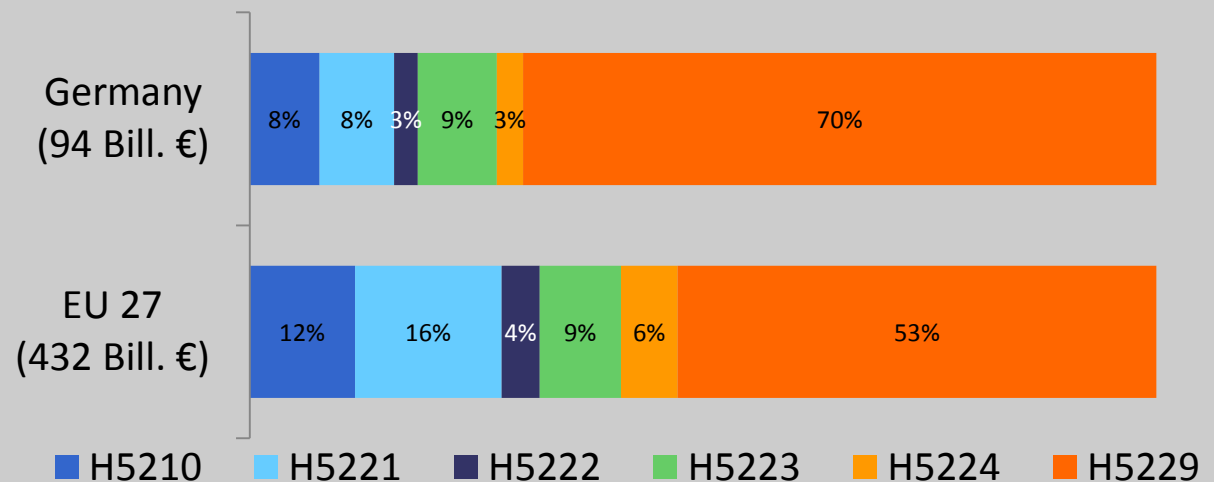
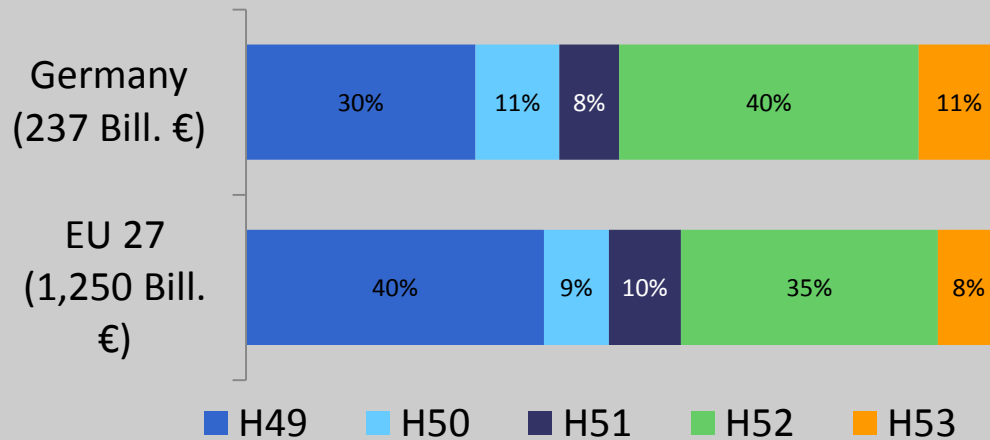


Characteristics of the industry

data issues

- bundling of services
- high importance of secondary activities
- large overlap in the range of services
- transition to high-tech support industry
- collection of product details
- use of administrative data for STS

Assignment problems?



Results of the 2013 detailed status reports

ISIC code	Yes	No	# answers
5210 Warehousing			
Turnover/Output Information	23	2	25
Product level detail	4	19	23
5221 Service activities incidental to land transport			
Turnover/Output Information	21	4	25
Product level detail	3	18	21
5222 Service industries incidental to water transport			
Turnover/Output Information	22	3	25
Product level detail	3	19	22
5223 Service industries incidental to air transport			
Turnover/Output Information	22	3	25
Product level detail	3	19	22
5224 Cargo handling			
Turnover/Output Information	22	3	25
Product level detail	4	18	22
5229 Other transportation support activities			
Turnover/Output Information	22	3	25
Product level detail	3	19	22

Recommended approaches

Survey/ Census	Industry turnover <u>and</u> product turnover detail;	Sub-annual collection (monthly or quarterly)
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- most expensive, largest response burden
 - would serve both SBS and STS requirements
 - allows greatest flexibility to identify specific revenue streams,
 - residential and non-residential allocations can be collected directly.
 - timely data
- **highest quality of results**

Recommended approaches

Survey/ Census	Industry detail <u>only</u>	Sub-annual collection
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- expensive, high response burden
- would serve both SBS and STS requirements
- Industry detail may not be sufficient to delineate sources of revenue or important residential/non-residential components using ISIC
- timely data

→ **good quality of results**

Recommended approaches

Combination of census (large companies) and administrative data

Industry detail only

Sub-annual collection

- less expensive, low response burden
- Industry detail may not be sufficient for SBS
- Different definitions for turnover in administrative data files may cause (justifiable) bias
- timeliness questionable

→ **good quality of results for STS**

Recommended approaches

administrative data only

Industry detail only

annual collection

- least expensive, little or no response burden
- Income and production definitions can differ adding imprecision to estimates using tax data in place of actual revenue received for services
- Timeliness questionable

→ **minimum solution for STS**

SPPI

- **good fundamental work done in 2009/2010 on warehousing and storage**
(mini-presentations and sector paper)
- **few information on cargo handling**
(mini-presentation by INSEE in 2013)
- **few information on freight forwarding**
(mini-presentations by statistics sweden in 2013)
- **no information on the services incidental to transport mode!**

Results of the 2013 detailed status reports

ISIC code	Yes	No	# answers
5210 Warehousing			
Producer Price Index Information	18	6	24
5221 Service activities incidental to land transport			
Producer Price Index Information	5	19	24
5222 Service industries incidental to water transport			
Producer Price Index Information	7	17	24
5223 Service industries incidental to air transport			
Producer Price Index Information	5	19	24
5224 Cargo handling			
Producer Price Index Information	16	8	24
5229 Other transportation support activities			
Producer Price Index Information	8	16	24

SPPI for storage and warehousing

Pricing method	Data type	Pros	Cons
Contract pricing	Based on real transaction prices	<ul style="list-style-type: none"> • Time consistent comparisons • Ancilliary services can be included • Discounts can be reflected 	<ul style="list-style-type: none"> • Quality adjustment crucial when contract expires • High response burden
Model pricing	Based on experts recalculation	<ul style="list-style-type: none"> • Time consistent comparisons • Ancilliary services can be included 	<ul style="list-style-type: none"> • Difficult to understand • Highest response burden
Direct use of repeated services	Based on list and tariff prices	<ul style="list-style-type: none"> • Good representation of pricing of the pure warehousing services 	<ul style="list-style-type: none"> • Less need for respondent than for contract pricing

Proposals for further researches

- **industry-based vs product based SPPIs**
- **maintain constant quality over time**
- **non-market transactions**
- **turnover of freight forwarders is influenced by price development of transportation industries**
- **services of the transport facilities' operators**

YOU ARE WELCOME!

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