INSTITUTO NACIONAL DE ESTADÍSTICA, GEOGRAFÍA E INFORMATICA

BACKGROUND AND DEVELOPMENT

SERVICE SURVEYS

IN MEXICO

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TABLE OF CONTENTS

From the Economy areas, the one that includes a bigger quantity of activities and which also has a less precise definition is the service area. It has been said that the services are activities that are directed to the satisfaction of needs and whose product is not material; therefore it can't neither be proved in advance nor transported. It is also considered that production and use of services are simultaneous, which demands the participation of the client.

Not all of the service activities are adjusted to that definition, because in a certain way, be it small or big, in many countries the development of the economy and the technological advances have modified the way in which the service is given, and have also created other new ones which way of operating is similar to the manufacture's one. It is indeed a fact that the conceptualization of the service has to change and is changing; and that their relationship with the industry is more interdependent everytime[1] . In this sense, The development of this area the one of the whole economic activity.

In Mexico, from 1989 to 1992, the participation of the services (excluding the commerce) in the Gross National Product (in spanish, Producto Interno Bruto or "PIB") was an average of 38%. On the other hand it´s average growth in the 1988-1992 period has been of 3.8%, whereas the total economy was an average of 3.6%. These numbers show the importance that the service have in the country: facing its integration to the Northamerican market once the North American Free Trade Agreement had been signed, it has now become indispensable to count upon data that shows the magnitude, structure and evolution of this area.

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[1] *Miles Y., and Wyatt, S., Los servicios: nuevas realidades y nuevos enfoques. Notas Censales, 9, Mexico, 1994.*

Until last year, Mexico had two important sources of economic information about the services: the (National Account System) (NAS), which produces the production accounts, and the Economic Census. Both are under the control of the Instituto Nacional de Estadística, Geografía e Informática (INEGI).

The NAS searchs for all the economic information, and generates anual and quarterly Gross National Product data at national level in "groups" of activities similar to three digits of ISIC[2]. In the other hand, every five years the Economic Census presents detailed information about the main economical variables of the service activites in the country, with a detailed geographic level greater than the "municipal".[3]

In addition to the NAS and the Economic Census, there are some proyects sponsored by the public sector, acamedic, laboral groups and others concerning specific aspects the service activities that are of their interest.

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[2] *International Satandard. Industrial Classifation, second revision. The equivalence is in general terms.*

[3] *Mexico has 32 federative entities, each one divided in "municipios".*

All these statistics fulfill the objetives thus of which they were created, but present obstacles for those who should study the structure and behavior of the sector. So, the NAS leaves aside aspects other than PIB, of wich are vital for the evolution knowladge of services. The Economic Census has its inconvenience due to its execution every five-years; and the rest of mentioned studies are bounded to the interest of their activities, and therefore they can't be representative of the whole sector.

In view of the necessity to rely upon statistics that show their evolution and operation way, Mexico iniciated in 1993 the Service Surveys, for the realization of monthly and annual surveys.

The objetive of the Services Survey is to generate statistical information about the service activities performed by the private sector[4] at a national level in a permanent and opportune way, for the analysis and knowledge of its annual and monthly behavior.

The results will be usefull as a foundation for the NAS calculations, and will be of reference for the analization of Economic Census information. By the way, in many senses the Economic Census constitutes the Service Survey reference.

In the following pages, the characteristic of the Service Surveys will be described.[5]

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[4] Attended at the UN's recomendations, we decided to exclude public sector, with the exception of the airport admnistration and the services not separated by the clasificator given by the public and private sector.

Field of Aplication

The Service Survey classifier that was used by 1989 Economic Censuses: Mexican Classification of Products and Activities (in spanish CMAP). Elaborated by INEGI on the basis of ISIC, CMAP considers four leveles of agregation: *sector*, *subsector*, *branch*, and *class*, where the sector is the most agregated. Out of the nine sectores three were considered to be part of the service[5] :

7   Transport and communication.

8   Financial, administration and personal property and real state renting services.

9   Community and social services; hotels and restaurants; professional, technical and personal.

Out of the 177 *activity classes* comprehended in these *sectors*, 74 were considered for the 1993 monthly survey, and 81 for 1994's monthly and annual surveys. Both kind of surveys don't include information for the financial services, because the institutions that perform them have their own opportune and trusty statistics.

The list of the *activity classes* in that are included in the sample are found in annex A.

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[5] *Commerce, included in the sector 6 of CMAP, wasn't included in this survey because it has its own.*

Observation Unit

In accordance with observation units used by Economic Census, the 'establishment' and 'company' factores were taken in account for the service surveys.

Establishment is defined as the economic unit that on one physical location, settled permanently in a place that is delimitated by fixed constructions and installations, combines activities and resources under one owner or controller entity for the performance or supply of one service.

The company is the economic unit constituted by one or more establishments with the same trade name, is under the operation of one owner or controller entity that join together to perform or supply the service which is its principal activity.

The company is used for transportation (air, terrestrial and nautic), besides for cellular telephony and transport office activities. Establishment is the observation unit for the remaining service activities.

Sample Frame

The 1989 Economic Censuses (X Services Census and XI Transportation and Communications Census) are the sample frame for the two editions of the monthly survey and for the annual inquiry of 1994. The census provides a complete directory of the economic units which perform services.

Below are shown, by *sector*, the percentage of the occupied personnel and the revenue that cover up the Services Surveys, with respect to wath was reported by the Economic Census of 1989.

Coverage of the Model

	Activity *sector*	Percentage of the activity classes included in the 1993 sample with respect to the census total.	
		Occupied personnel	Revenue
	TOTAL	73.0	66.7
7	Transport and communication.	43.2	34.8
8	Financial, administration and personal property and real state renting services.	65.4	61.5
9	Community and social services; hotels and restaurants; professional, technical and personal.	81.6	86.9

Sample Design

The sample was designed to obtain national level representativity, by a probabilistic procedure in wich, in an early stage, 74 economic activities were chosen according to their percentege weight with respect to the service's total (see table in page 8).

In the second stage of the design, the sampled geographic area was limited to 22 of 32 federal entities of the country, because it was too expensive to include all of them. The selection was made according to their percentage weight with respect to the total gross revenue of the country's services.

Once those 22 entities were determined, a probabilistic stratified scheme was followed, in which the probability was proportional to the occuppied personnel in the economic units (according to Economic Census of 1989). Thus, all that had occupied more than 100 people had 1 as a probability, that is, that they were certainly included on the sample; while for the rest of units the probability was less, depending on the specific stratum weight with respect to the activity total.

With this design, for 1993 an original sample considering 3625 economic units was obtained. Verificating in the field, about 3000 units were found which, considering non-response and shut down, dropped nearly to 2500. For 1994 annual survey sample, as the coverage of the activities increases, sum raises approximately to 2800 units. In 1995 the sample will change with accordance to the results of the 1994 Economic Census.

In the medium term, in consistence with the survey's work structure consolidation, the sample will be in consideration for increasement to obtain state representativity, or, at least, for the most important metropolitan zones.

Temporary and thematic coverage

It was determined to realize frecuent monthy inquiries, monthly, to generate opportune information about basic subjects; and infrequents, that will cover annual periods, in wich more complex variables could be obtained, according to UN suggestions. The following table shows the thematic coverage for each one of there.

SUBJET	MONTHLY	YEARLY
• Juridic category		✓
• Foreing capital investment participation		✓
• Occupied personnel	✓	✓
• Effective time worked	✓	✓
• Remunerations	✓	✓
• Expenses	✓	✓
• Revenue	✓	✓
• Revenue from services to tourism (%)	✓	✓
• Stock		✓
• Fixed assets		✓
• Purchases and sales of fixed assets		✓
• Measurement of service	✓	✓

For the coverage of this thematic, questionnaires were disigned for each of the following 4 activity groups: land, air and nautic transport, and other services. In all of them, the thematic was adapted to the characteristics of their activities.

With the service survey, on one hand, the number of times, during the reference period, that an establishment or company gave each one of it's services could be obtained; and in the other hand, the income generated by each one. Given the heterogeneus of these activities, it was necessary to design 64 different formats in addition to questionnaires, for of the obtainment specific revenues and services.

The information that is gathered from the service survey has many uses, since they will permit obtain for the service, price and "volume" indicators for the analysing of the sector in real terms. Finally, through out this chapter it can be observed at close range the manner in which the establishments and companies perform their services, of which will give a better comprehension of the sector's dynamic.

Operative Outline

The design and general planning of Service Surveys are under the management of INEGI's central offices. The detailed planning and execution of the survey are carried out by INEGI's offices in the federative entities. The personal of the central offices teach aproximately 110 persons (interviewers and supervisors) how the work has to be done.

The interviewers submits personally the questionnaire to the company or establishment, and recover it in a term of 10 days. Interviewing the person who responded with the objective varifing that all of the information had been written correctly and if necessary have it corrected. Before the questionnaires are sent to INEGI's central offices they must pass trough a revision, according to the criterions pre-estabilished by the regional offices.

Once they are in the central offices, the questionnaires are newly revised, this time eliminating incongruences and other type of errors (of course, consuting with the person who responded), the information is incorporated in a database system.

The database passes through an automatized process of error detection; they are eliminated, and then, the result tables are elaborated and analyzed to verify that they are consiste and congruent with the other available information sources, guaranteeing confidence. Once the analysis is over, the tables can be published.

Results

The survey for the 1993 Monthly Service Survey (MSS'93), that considers data from january to december iniciated in the month of october of that year.

By this fact, joining a series of inherent factors to the begining of a periodical survey, at the present moment the information is in the revision and analysis phase, and we expect to publish it in october of this year.

On the other hand, for the "1994 Monthly Service Survey" we expect to publish the information of the first four months in november of this year. At the present moment the information is in the capture phase.

Both publications will present information every month and, in the case of 1993, an annual summary. The tables demonstrate the data of each one of the activities of the service survey relating to the number of economic units, occupied personnel, remunerations, expenses, revenue and effective time worked.

The information will correspond to the data that was expanded, and respecting in acordance to the "Statistics and Geographic Information Laws " the confidentiality principle.

Classes covered by the service surveys.

MEXICAN CLASIFICATION OF ACTIVITIES AND PRODUCTS.

CLASS	DESCRIPTION	1993	1994
711203	TRANSPORT SERVICE FOR SPECIAL LOADING.	✓	✓
711204	TRANSPORT SERVICE FOR GENERAL LOADING.	✓	✓
711311	TRANSPORT SERVICE FOR FOREIGN PASSENGERS.	✓	✓
711312	TRANSPORT SERVICE FOR URBAN PASSENGERS.	✓	✓
711318	TRANSPORT SERVICE FOR SCHOOLS AND TURISTS.	✓	✓
711319	RENT-CAR SERVICE.	✓	✓
712011	TRANSPORT MARITIME SERVICE FOR INTERNATIONAL PORTS.	✗	✓
712012	TRANSPORT MARITIME SERVICE FOR NATIONAL PORTS.	✗	✓
712021	TRANSPORT MARITIME SERVICE FOR RIVERS, LAKES AND RESERVOIRS.	✗	✓
712023	TRANSPORT TURIST SERVICE AND RENT OF PLEASURE BOATS.	✗	✓
713001	TRANSPORT SERVICE FOR NATIONAL PASSENGER AIR CRAFT.	✗	✓
720002	TRANSPORT SERVICE.	✗	✓
720003	TELEPHONY SERVICE.	✗	✓

Classes covered by the service surveys.

MEXICAN CLASIFICATION OF ACTIVITIES AND PRODUCTS.

CLASS	DESCRIPTION	1993	1994
821202	REAL ESTATE COMPANIE SERVICE.	✓	✓
821203	CEMENTERY ADMINISTRATION SERVICE.	✓	✓
831112	RENT OF MACHINERY FOR INDUSTRY.	✓	✓
831121	RENTAL SERVICE FOR T.V., SOUND EQUIPMENT, VIDEOCASSETTES AND MUSICAL INSTRUMENTS.	✓	✓
921102	PRIVATE PRIMARY EDUCATION SERVICES.	✓	✓
921103	PRIVATE SECUNDARY EDUCATION SERVICES.	✓	✓
921104	PRIVATE HIGH-MEAN EDUCATION SERVICES.	✓	✓
921105	PRIVATE HIGH EDUCATION SERVICES.	✓	✓
921106	EDUCATION THAT MIX PREESCOLAR, PRIMARY, SECUNDARY, HIGHMEAN AND HIGH TEACHING LEVELS PRIVATE SERVICES.	✓	✓
921107	SERVICES OF COMMERCIAL TEACHING AND LANGUAGES.	✓	✓
923111	PRIVATE SERVICES OF HOSPITALIZATION.	✓	✓
923112	PRIVATE SERVICES OF EXTERN COUNSELING.	✓	✓
923113	PRIVATE SERVICES OF CONSULTING OFFICES AND DENTAL CLINICS.	✓	✓

Classes covered by the service surveys.

MEXICAN CLASIFICATION OF ACTIVITIES AND PRODUCTS.

CLASS	DESCRIPTION	1993	1994
923114	PRIVATE SERVICES OF LABORATORY OF AUXILIARY CLINICS ANALYSIS FOR MEDICAL DIAGNOSTIC.	✓	✓
925001	SERVICES OF CAMERAS, ASOCIATIONS AND PRODUCERS AND MERCHANTS CROWDS.	✓	✓
925002	SERVICES OF LABORAL AND SINDICAL ORGANIZATIONS.	✓	✓
925003	SERVICES OF PROFESIONAL ASOCIATIONS.	✓	✓
925004	FEDERATIONS, DEPORTIVE ASOCIATIONS AND OTHER WITH RECREATIVE PURPOSES SERVICES.	✓	✓
931011	RESTAURANT AND LODGING-HOUSE SERVICES.	✓	✓
931012	COOKING RANGES AND MANUFACTORS THAT PREPARE FOOD FOR CARRY OUT SERVICES.	✓	✓
931013	OYSTER GROCERY AND SEA-FOOD PREPARED SERVICES.	✓	✓
931014	LONCHERIAS, TAQUERIAS AND TORTERIAS (SALE OF TACOS AND SUBMARINE SANDWISHES SERVICES).	✓	✓
931020	CABARET AND NIGHT CENTER SERVICES.	✓	✓

Classes covered by the service surveys.

MEXICAN CLASIFICATION OF ACTIVITIES AND PRODUCTS.

CLASS	DESCRIPTION	1993	1994
931031	SALOON AND BAR SERVICES.	✓	✓
931032	BEER SALE SERVICES.	✓	✓
932001	HOTEL SERVICES.	✓	✓
932002	MOTEL SERVICES.	✓	✓
961102	INDUSTRIAL MACHINERY AND EQUIPMENT REPAIR AND MAINTENANCE	✓	✓
961103	UNASSIGNABLE TO ANY SPECIFIC ACTIVITY GENERAL USE MACHINERY AND EQUIPMENT REPARING AND MAINTENANCE	✓	✓
961104	TRANSPORT EQUIPMENT REPAIR AND MAINTENANCE	✓	✓
961106	UNMENTIONED PREVIOUSLY MACHINERY AND EQUIPMENT REPAIR AND MAINTENANCE	✓	✓
961201	AUTOMOBILE AND TRUCK REPAIR SERVICE (GENERAL MECHANICS)	✓	✓
961202	AUTOMOBILE AND TRUCK SPECIALIZED REPAIR	✓	✓
961203	AUTOMOBILES IN PLATE PARTS AND PAINT REPAIR	✓	✓
961204	AUTOMOBILES LUBRICATION AND WASHING SERVICE	✓	✓
961205	MINOR REPAIRS SERVICES FOR TIRES AND CHAMBERS	✓	✓

Classes covered by the service surveys.

MEXICAN CLASIFICATION OF ACTIVITIES AND PRODUCTS.

CLASS	DESCRIPTION	1993	1994
961301	FOOTWEAR AND OTHER SKIN AND LEATHER ARTICLE REPAIR SERVICE	✓	✓
961302	PRINCIPALLY DOMESTIC USE ELECTRIC AND ELECTRONIC DEVICE REPAIR SERVICE	✓	✓
961308	PLUMBING AND OTHER PRINCIPAL DOMESTIC REPAIR SERVICES	✓	✓
961309	FURNITURE TAPESTRY SERVICE	✓	✓
971010	AGRICULTURAL SERVICE LENDING	✓	✓
972000	CONSTRUCTION RELATED SERVICES	✓	✓
973101	BUS STATION ADMINISTRATION AND AUXILIARY SERVICES	✓	✓
973302	AIRPORT AND HELIPORT ADMINISTRATION SERVICE	✓	✓
974011	INVESTMENT AND STOCK ASSESSORAGE SERVICE	✓	✓
974012	ASSURANCE AND BAIL DEALER AND AGENT SERVICES.	✓	✓
974021	REPRESENTATIVE OFFICES FOR FOREIGN FINANCIAL ENTITY SERVICES.	✓	✓
979001	TOURIST AND TRAVEL AGENCY SERVICES.	✓	✓
979002	REFRIGERATION AND STORAGE SERVICES.	✓	✓