



Joint OECD/Eurostat Task Force for the revision of the SPPI Guide

Voorburg Group 2011, Newport

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Overview

1. Background
2. New joint OECD/Eurostat Task Force for the revision of the SPPI Guide
3. Main issues for the new SPPI Guide
4. Work-plan & timeline



Background

The 2006 SPPI guide

Joint OECD Eurostat Task Force

Established in 2002

19 OECD/EU countries

Objectives:

- **Enhance the development of SPPI**
- **Provide input to a common methodology**
- **Rely on material already produced by the Voorburg Group**
- **Share the experiences and lessons with the collection of data and the compilation of indices**

19 service industries covered

- **Transportation, Storage and Communication**
Section I (ISIC 3.1 / NACE 1.1)
- **Real estate, Renting and Business activities**
Section K (ISIC 3.1 / NACE 1.1)

Selection criteria for included industries:

Size of industries

Speed of technical change

Needs of national accountants

Since the 2006 SPPI Guide

- OECD and EU countries have expanded SPPIs coverage
- Large expansion of material produced by the Voorburg Group
- ISIC 4 / NACE 2
- 2008 SNA



Need for revision



New joint OECD / Eurostat Task Force for the revision of the SPPI Guide

Objectives

- Take into account new developments in service sectors (e.g. new contracts forms, new pricing mechanisms)
- Share experiences with SPPI development since 2006
- Review methodological chapters (e.g pricing methods, practical aspects of development process)
- Revise industry chapters according to ISIC 4 / NACE 2
- Enlarge the scope of industries covered

Synergies with the Voorburg Group

- Incorporate material from Voorburg Group following the agreement of the authors
- André Loranger (Statistics Canada) officially represent the Voorburg Group on the Task Force

Task Force Members

15 OECD / EU countries

- Austria
- France
- Germany
- Hungary
- Netherlands
- Poland
- Sweden
- United-Kingdom
- Australia
- Canada
- Japan
- Korea
- Mexico
- United-States
- Israel



Main issues for the new SPPI Guide

Methodological issues (1/2)

- Develop guidance on designing SPPI by destination of output (BtoB, BtoC, BtoAll and BtoE)
- Develop guidance on the aggregation of the overall SPPI
- New pricing methods
 - ✓ Margin pricing
 - ✓ Treatment of FISIM
 - ✓ CPIs as proxies

Methodological issues (2/2)

- More detail discussion on:
 - ✓ Quality changes
 - ✓ Bundle services
 - ✓ Outsourcing, off-shoring and sub-contracts
 - ✓ Weighting schemes (e.g. Industry vs. Product SPPI, changing index reference period & the use of chain-linking methods)
 - ✓ Sampling methods

Scope (1/3)

19 service industries are currently covered by the Guide

- **4 service industry sections need to be revised extensively:**
 - ✓ **Sea and coastal water transport**
 - ✓ **Air transport**
 - ✓ **Telecommunication**
 - ✓ **Computer programming, consultancy and related activities**

Scope (2/3)

➤ 15 Service industry sections will be enhanced with the material from the Voorburg Group:

- Freight transport by road
- Warehousing and storage
- Cargo handling
- Post and courier activities
- Real estate activities with own or leased property
- Legal activities
- Accounting, bookkeeping and auditing activities; tax consultancy
- Activities of head offices; management consultancy activities
- Architectural and engineering activities and related technical consultancy
- Technical testing and analysis
- Advertising
- Market research and public opinion polling
- Employment activities
- Security and investigation activities
- Cleaning activities

Scope (3/3)

- **10 new service industry sections have been proposed:**
 - Waste management
 - Wholesale and retail trade
 - Food and Accommodation
 - Publishing of books & periodicals
 - Software publishing
 - Internet Publishing and Broadcasting and Web Search Portals
 - Financial activities
 - Insurance activities
 - Health service industries
 - Research and Development



Work plan and timeline

Work plan (1/2)

➤ The OECD & Eurostat take the responsibility for drafting methodological chapters:

- ✓ Chapter 1 – *General aspects of SPPI compilation*
- ✓ Chapter 2 – *Main pricing methods for SPPI*
- ✓ Chapter 3 – *Practical aspects of the development process*

Work plan (2/2)

- Task Force members take the responsibility for drafting sections of Chapter 4 - *Compilation of SPPI for specific service industries*

For each service industry section:

- ✓ one lead author, and
- ✓ one and more contributors

- Volunteers for most of the sections have been identified except for:

- ✓ Warehousing and storage
- ✓ Cargo handling
- ✓ Computer programming, consultancy and related activities

Timetable

- *First meeting – 14 & 15 April 2011, Paris*
 - *Second meeting – 26 & 27 September 2011, Newport*
 - *Third meeting – Spring 2012, Luxembourg ?*
 - *Fourth meeting – Autumn 2012 ?*
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- *First draft of new SPPI Guide: Autumn 2012*
 - *Final Draft: Winter 2012*

Thank you for your attention

If you need further information and / or
wish to contribute, you can contact directly
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