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
• 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
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
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
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
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
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*
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
First meeting – 14 & 15 April 2011, Paris
Second meeting – 26 & 27 September 2011, Newport
Third meeting – Spring 2012, Luxembourg
Fourth meeting – Autumn 2012

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 Anne-Sophie Fraisse (OECD) and Thomas Jaegers (Eurostat)

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