

**Statistics Austria**

**28<sup>th</sup> Voorburg Group Meeting  
Tokyo, Japan  
October 7<sup>th</sup> – 11<sup>th</sup> 2013**

Mini-presentation on

**SPPI for Postal Services in Austria**

Christian Puchter

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## 1. Introduction

At the 2012 meeting of the Voorburg Group it was decided to treat the service sector for Postal Services as one of the branches for Mini Presentations in 2013.

In general the paper provides a brief overview of the SPPI for NACE Rev. 2 category 53.1 “Postal activities under universal service obligation”. Due to the fact that the Austrian SPPI for this service branch is based on only one enterprise some information could only be provided for the aggregate Postal and courier activities. The structure of this Mini-presentation is based on the Content Development Framework of the Voorburg Group.

## 2. Definition of the service being priced

The index relates to “Postal and courier activities” which is division 53 in the Austrian Statistical Classification of Economic Activities<sup>1</sup> (ÖNACE 2008) which is identical to the NACE on 4-digit level and has another 5-digit level breakdown of activities. This NACE-code is divided into group 53.1 “Postal activities under universal service obligation”, and 53.2 “Other postal and courier activities”.

Table 1: Postal and courier activities according to NACE 2008

NACE-Division	Description	NACE-Group	Description
53	“Postal and courier activities”	53.1	Postal activities under universal service obligation
		53.2	Other postal and courier activities

Source: Eurostat Ramon

Statistics Austria is calculating both indices on group level but as mentioned above, due to the monopolistic character of the Austrian Post AG, which is the only enterprise with a universal service obligation, the index numbers for postal activities are not published due to secrecy reasons.

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<sup>1</sup> ÖNACE 2008 which corresponds with NACE Rev. 2 and ISIC Rev. 4 respectively

Table 2: Postal and courier activities according to CPA 2008

CPA Code	Description	Service Products
53.10.1	Postal services under universal service obligation	<u>53.10.11</u> Postal services under universal service obligation related to newspapers and periodicals <u>53.10.12</u> Postal services under universal service obligation related to letters <u>53.10.13</u> Postal services under universal service obligation related to parcels <u>53.10.14</u> Post office counter services <u>53.10.19</u> Other postal services under universal service obligation

Source: Eurostat Ramon

A more detailed description of postal services in the Austrian NACE can be found in chapter 5 “Standard classification structure and detail related to the area”. Chapter 6 “Evaluation of standard vs. definition and market conditions” describes postal services from a practical point of view in contrast to chapter 5.

### 3. Pricing unit of measure

In principle the pricing unit of measure on the one hand depends on the surveyed service product as well as on the willingness of respondents to cooperate and the resulting pricing method on the other hand. In Austria, due to the unsatisfying situation of collecting internet price list tariffs for various subgroups of postal services, the pricing units of measure are list prices for services related to:

- Letters
- Parcels
- Information material
- Newspapers and periodicals

Within this main sub index service groups further homogeneous groups of services exist and the resulting pricing unit of measure is a list price (internet tariff) for e.g. a letter up to 20g transported to an address in Austria in standard speed.

The massive efforts that have been made to pursue the Austrian Post AG to provide us with real transaction prices based on company data have resulted in turnover and quantity data in order to calculate test SPPIs based on unit values for highly aggregated service product groups on approximately (Ö)NACE 4 digit level. More information about the data situation

can be found in the chapter 8 where various possible pricing methodologies with a short explanation of their advantages and drawbacks and the situation in Austria is described.

Country experiences of the most common pricing methods employed for postal activities can be found in the upcoming revised SPPI guide and a Eurostat article describing SPPI practices in Europe.

#### **4. Market conditions and constraints**

The service sector branch “Postal services under universal service obligation” has been characterized in the last years by continuing liberalization tendencies. Driven by initiatives on European level that started with the so called (Postal) “DIRECTIVE 97/67/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL” of 15 December 1997 on common rules for the development of the internal market of Community postal services and the improvement of quality of service.

This liberalization process has been continued by directive 2002/39/EG in which a stepwise opening-up of the market was scheduled by liberalizing:

- the transportation of letters up to 100 g by January 1<sup>st</sup> 2003
- the transportation of letters up to 50 g by January 1<sup>st</sup> 2006

Finally with directive 2008/6/EG the deadline for the complete opening of the postal market has been stipulated for the vast majority of the member countries of the EU by December 31<sup>st</sup> 2010 and for the remaining by December 31<sup>st</sup> 2012.

Despite the extensive liberalisation trends and contrary to e.g. NACE 53.2 “Other postal and courier activities” and most other service sectors in which enterprises operate in a highly competitive market, in ÖNACE code 53.1 “Postal activities under universal service” obligation only the Austrian Post AG is still the only enterprise which acts under a universal service obligation.

As a consequence the Austria SPPI for this service activity cannot be published due to secrecy reasons and is therefore only forwarded to Eurostat in order to calculate an aggregated overall Postal SPPI for the European Union.

##### **a. Size of the industry**

Unfortunately, due to the above mentioned absence of competitors for the Austrian Post AG in regard to the universal service obligation characteristics and the resulting secrecy reasons we would have been able to publish industry data based on Statistics Austria surveys only on an aggregated level.

Detailed company data in this paper thereof are based on freely available information out of annual reports and the company's homepage. The data show some key figures for ÖNACE 53.1 "Postal activities under universal service obligation" and give a rough picture of this service sector in Austria (see Table 3).

Table 3: Turnover and no. of employees of the Austrian Post AG

<b>Turnover and no. of employees of the Austrian Post AG</b>		
<b>Year</b>	<b>Employees</b>	<b>Turnover in Mio. EURO</b>
2003	27713	1585,2
2004	26342	1654,4
2005	25192	1701,6
2006	24456	1736,7
2007	25764	2315,7
2008	27002	2441,4
2009	25921	2356,9
2010	24969	2253,1
2011	23369	2348,7
2012	23181	2366,1

Source: Austrian Post AG, Annual report 2012

The two core business service groups of the Austrian Post AG per self-definition are

Table 4: Core business service groups of the Austrian Post AG

<b>Letter, Advertising mail, Post office counter services</b>	<b>Parcels and Logistics</b>
Letters	Parcels
Advertising mails with and without address	Combined freight
Newspapers	Express delivery
Online services	Temperature controlled logistics
Post office counter services	Fulfillment
	Valuable related logistics

Source: Austrian Post AG, Annual report 2012

Table 5 provides further details about the share on turnover of the two business segments.

Table 5: Split of turnover according to core business service groups

<b>Share on turnover of the two core business service groups in %</b>		
<b>Year</b>	<b>Letter, Advertising mail, Post office counter services</b>	<b>Parcels and Logistics</b>
2010	64,4	35,6
2011	63,9	36,1
2012	63,7	36,3

Source: Austrian Post AG, Annual report 2012

As can be seen in table 5 nearly two-thirds of the total turnover is generated by the segment "Letter, Advertising mail, Post office counter services". Table 6 provides a closer look on the development of the various subgroups of this segment.

Table 6: Split of turnover according to subgroups of the core business service group

<b>Letter, Advertising mail, Post office counter services</b>			
<b>Subgroup</b>	<b>Share on turnover 2010 – 2012 in Mio Euro</b>		
	<b>2010</b>	<b>2011</b>	<b>2012</b>
Letters and Mail solutions	730,3	764,2	784,6
Adverstising-post	425,7	445,7	445,2
Mediapost	135,3	137,7	143,7
Post office counter services	157,9	153,1	134,7

Source: Austrian Post AG, Annual report 2012

According to table 6 "Letters and Mail solutions", "Advertising-post" and "Mediapost" which are 3 out of 4 subgroups of our current SPPI accounted for approximately 89 % percent of the turnover of this subgroup in our new base year 2010.

As for "Letter, Advertising mail, Post office counter services" similar information for the subgroups of the second core business service group "Parcels and Logistics" are available.

Table 7: Split of turnover according to subgroups of the core business service group

Parcels and Logistics			
Subgroup	Share on turnover 2010 – 2012 in Mio Euro		
	2010	2011	2012
Parcel Premium	630,5	659,9	650,8
Parcel Standard	160,8	177,8	177,8
Parcel n.e.c.	10,7	19,9	29,6

Source: Austrian Post AG, Annual report 2012

Table 7 shows that the dominating subgroup is Parcel Premium followed by Parcel Standard. Subgroup “Parcel n.e.c” is of much less importance according to its turnover share but is rising constantly over the years.

## b. Special conditions and restrictions

Maybe due to the extensive provisions of the universal service obligation despite the already totally completed liberalisation of the market till now no other potential competitor has entered the Austrian market. In principle many companies of ÖNACE code 53.2 “Other postal and courier activities“ offer identical services like the Austrian Post AG in some areas, but no enterprise has tried to fulfil the following standards that characterize the universal service obligation:

- to ensure that users enjoy the right to a universal service involving the permanent provision of a postal service of specified quality at all points in their territory at affordable prices for all users.
- to take steps to ensure that the density of the points of contact and of the access points takes account of the needs of users.
- to take steps to ensure that the universal service provider(s) guarantee(s) every working day and not less than five days a week, save in circumstances or geographical conditions deemed exceptional by the national regulatory authorities, as a minimum:
  - one clearance,
  - one delivery to the home or premises of every natural or legal person or, by way of derogation, under conditions at the discretion of the national regulatory authority, one delivery to appropriate installations.

The outcome of this absence of competitors is that the resulting Austrian SPPI cannot be published due to statistical secrecy reasons because it is based on price quotations of one single enterprise.

Another already mentioned restriction was the refusal of the Austrian Post AG to cooperate with Statistics Austria in the past. Due to that reason and thereof missing respective real world price and weighting information at the moment we are unable calculate separate SPPIs indices for b2b and b2c. Further information about the current calculation practice and future plans can be found in chapter 8 (pricing methods).

### c. Record keeping practice

Due to the fact that for a long time the Austrian Post AG refuses to cooperate with Statistics Austria the index is based on price information collected directly from the webpage of the enterprise. The respective prices are list prices that may not reflect real transaction prices<sup>2</sup> normally charged to clients. Table 8 gives an overview about some figures concerning the sample of ÖNACE 53 “Postal and courier activities”.

Table 8: Sample of ÖNACE 53 “Postal and courier activities” by sub-market

ÖNACE 2008 category	Sample method	Sample size	Sample turnover coverage
53 Postal and courier activities			
53.1 Postal activities under universal service obligation	Cut-off sampling*	1	100%
53.2 Other postal and courier activities	Cut-off sampling	18	87%

\* Sorted in descending order by turnover with the criteria of sample turnover coverage of 75% in the respective ÖNACE 2008 5-digit level code. Source: Statistics Austria (2010)

Compared to other SPPI service branches in Austria where the method of cut-off sampling, sometimes combined with simple random sampling, is normally applied to all “subsectors of an 2 or 3 digit SPPI, for postal services under universal service obligation no sampling procedure was necessary because of only one national enterprise in this area. In regard to the Country Practice in Europe, according to the results of a survey amongst 30 countries undertaken in the context of an Eurostat article series called “PEEs in Focus” dealing with services producer price indexes in the year 2010 showed, that it is a common phenomenon that only one enterprise is surveyed for this service branch. 22 countries reported that they are producing SPPIs for postal services by surveying only one enterprise like Austria the Austrian Post AG. 17 countries reported that by the sample size of 1 a coverage rate in regard to the number of available enterprises and thereof of turnover of 100% could be realised.

Due to the fact that at the moment we do not have any “insider” information of the Austrian Post AG and their b2b activities in regard to service characteristics, discounts etc., the price collection is not based on hard company facts (e.g. accounting system information, bills, contracts etc.) but on list prices which are collected according to services selected by Statistics Austria.

<sup>2</sup> Respondents are asked to calculate prices including all duties and taxes but excluding VAT as well as possible subsidies

## d. Results

As for “Air Transport” and “Cargo Handling”, due to the fact that these indices are based on price information of only one or two respondents, Statistics Austria is not allowed to publish the Austrian SPPI for “Postal activities under universal service obligation”.

## 5. Standard classification structure and detail related to the area

In contrast to some other service branches the national classification<sup>3</sup> structure reflects the real market situation of postal activities under universal service obligation quite well. Therefore it was possible to identify relevant postal services in advance of further discussions with the Austrian Post AG. The classification structure looks as follows:

### **NACE 53.1 Postal activities under universal service obligation**

This code includes the activities of postal services operating under a universal service obligation by one or more designated universal service providers. The activities include use of the universal service infrastructure, including retail locations, sorting and processing facilities, and carrier routes to pick-up and deliver the mail. The delivery can include letter-post, i.e. letters, postcards, printed papers (newspaper, periodicals, advertising items, etc.), small packets, goods or documents. Also included are other services necessary to support the universal service obligation.

This class includes:

- pickup, sorting, transport and delivery (domestic or international) of letter-post and (mail-type) parcels and packages by postal services operating under a universal service obligation. One or more modes of transport may be involved and the activity may be carried out with either self-owned (private) transport or via public transport.
- collection of letter-mail and parcels from public letter-boxes or from post offices

This class excludes:

- postal giro, postal savings activities and money order activities, see 64.19

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<sup>3</sup> The Austrian standard classification structure ÖNACE is identical to the NACE on 4-digit level and has another 5-digit level breakdown of activities

**(Ö)NACE 53.1 comprises the following services according to (Ö)CPA:**

53.10.11 Postal services under universal service obligation related to newspapers and periodicals

This subcategory includes:

- collection, transport and delivery services for newspapers, journals and periodicals, whether for domestic or foreign destinations, as rendered under a universal service obligation

53.10.12 Postal services under universal service obligation related to letters

This subcategory includes:

- collection, transport and delivery services for letters, brochures, leaflets and similar printed matter, whether for domestic or foreign destinations, as rendered a universal service obligation

53.10.13 Postal services under universal service obligation related to parcels

This subcategory includes:

- collection, transport and delivery services for parcels and packages, whether for domestic or foreign destinations, as rendered by the national postal administration

53.10.14 Post office counter services

This subcategory includes:

- services rendered at post office counters, e.g. sale of postage stamps, handling of certified or registered letters and parcels, and other post office counter services

53.10.19 Other postal services under universal service obligation

This subcategory includes:

- mailbox rental services, "poste restante" services, and public postal services n.e.c.

This item excludes: This subcategory excludes:

- telecommunications services, see division 61

## **6. Evaluation of standard vs. definition and market conditions**

According to the information of the Austrian Post AG and the company information which can be found in the internet, the structure of ÖNACE and ÖCPA is highly consistent with the real world conditions in this sector.

Per self-definition the Austrian Post AG offers services in the following areas:

- Postal services according to the definitions of a national regulation in regard to the universal service obligation
- Parcel services
- Financial services
- Financial services according to post office saving banks
- Communications- and Information-technology services

The selection of SPPI relevant service areas of the Austrian Post AG has been based on turnover information out of the company's annual report. Based on the information in the tables 3, 6 and 7 building up an index based on services according to

- Letters and Mail solutions
- Parcels
- Advertising-post
- Mediapost

accounts for approximately 94 % of the total turnover of the Post AG. The resulting family tree, illustrating the elementary aggregates of the index and a brief methodological description of the Austrian Situation, can be found in chapter 8.

## **7. National accounts concepts and measurement issues for the area related to GDP measurement**

Compilation of output at constant prices in the Austrian National Accounts (NA)

Table 9 provides an overview of the NA working scheme on ÖCPA code 53 postal and courier services.

Table 9: Working classification to measure production of ÖCPA 53

ÖCPA	Description	Description
53	53.1	Postal services under universal service obligation
	53.2	Other postal and courier services

Source: Inventory of methods for price and volume measures in the Austrian National Accounts

### Compilation of real output (volume) according to the Handbook on Price and Volume Measures.

#### *Aspects to be taken into account with postal services under universal service obligation*

*For most types of postal services the price is determined by a range of factors, such as size of packet, weight of packet, speed of delivery and destination. The price for other postal services, such as postrestante or mailbox rental, are usually set on a fee or transaction basis. Price tariffs can be complicated because of the range of different products offered, but they are readily available for the household consumer.*

*Prices for business customers are more likely to be based on contract prices that are more difficult to measure and may require a model pricing approach. It is also necessary to take account of discounts for business users.*

*Discounts may be based around such diverse factors as the quantity of the service consumed or the fact that the business customer pre-sorts the post before it is handed over to the postal company for delivery.*

Source: Eurostat, Handbook on price and volume measures in national accounts

### What does the theory say?

The inventory of methods for price and volume measures in the Austrian National Accounts classifies A, B and C methods for measuring volume in accordance with the output and/or expenditure approach.

A methods are the most suitable ones and basically producer price indices belong to that class of methods for purposes of the production approach. As mentioned before for some ÖCPA codes SPPIs are in use (A method). If an A method cannot be employed there is the alternative to choose a B method. C methods deviate most from the ideal of A methods. The following criteria must be fulfilled by A methods.

- Full and/or representative coverage of the goods and services (groups)
- Recording of changes in quality and new products

- Valuation at basic prices for the production approach and purchaser's prices for the expenditure approach
- Consistency with national accounts concepts

### Self-assessment and preview

At the time a solid b2b (and maybe b2c) SPPI based on "internal" National Post AG data can be calculated by Statistics Austria which represents an A method it will be used by NA for deflation purposes in order to improve the compilation of volumes.

## **8. Pricing method(s) and criteria for choosing various pricing methods**

This service branch is for the first time on the agenda of a Voorburg Group meeting. Up to date Country experiences and practices in regard to SPPIs for postal activities are incorporated in the revised methodological guide for the development of service producer prices indexes. Further information about pricing methods used in this chapter comes from an Eurostat article dealing with SPPIs.

According to both above mentioned sources the pricing method of "direct use of prices of repeated services" is the most prevailing pricing method. Some few countries use the unit value approach and one country is using model prices.

### Direct use of prices of repeated services - standard case

In the case of postal activities it should not be too difficult to identify repeated services. Depending on the index coverage and the aggregation structure representative services have to be chosen conjointly with the responding enterprise(s). Relating to the services in this branch this method implies that the NSI has to select e.g. representative

- letter types, parcels, etc.
- destinations or routes
- various types of delivery speed
- various types of delivery modalities (e.g. cooled transport)

Criteria for the representativeness of the chosen services could be the respective share on the company's turnover which could normally be identified via the company's accounting and bookkeeping system. In a next step to achieve the goal of surveying real transaction prices all applicable discounts and surcharges should be incorporated in the price information.

## Unit value method

Another applicable pricing method for Postal services under universal service obligation is the unit value method. Prices for SPPIs can be estimated by dividing the value of service outputs by the corresponding output quantities

Using this method the respondent has to report two kinds of information on the most detailed level. For the calculation of the unit value the revenue for a precisely defined category of e.g. letters on the lowest aggregation level as possible (e.g. letters up to 20 g delivered national in standard speed) is divided by the respective quantity (here number of respective letters sent). The resulting unit value/unit price is the starting point for the index calculation.

Besides the already described advantages in most cases these data can be provided relatively easily by the respondents because enterprises of this service branch are interested in their revenues on a quantity base on their own. Furthermore by calculating unit values using revenue data potentially given discounts by the responding enterprises are therefore already incorporated in their reported revenue data as well as in the index calculation

As for the above described method of repeated services, these data can be obtained from the companies because they are interested in these information on their own due to resulting decision making processes.

## The situation in Austria

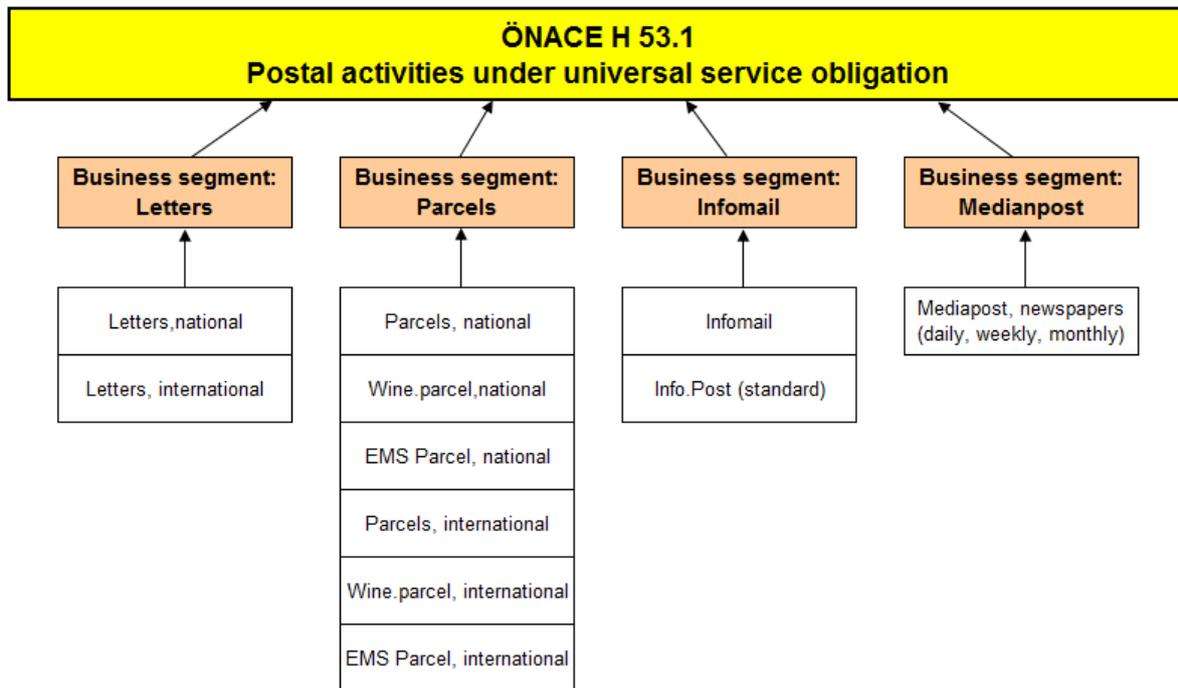
Austria is **currently using** the method of prices of repeated services and **testing** till now available Post AG data for a possible changeover to the unit value method.

Due to the already reported non-satisfying situation of an uncooperative respondent Austria had to start the index development and production process in 2006-2007 by surveying prices published on the website of the Austrian Post AG. In principle this was and still is a cost effective and respondent burden minimizing approach which uses the pricing method of the "direct use of prices of repeated services".

On the other hand using internet tariffs by not knowing whether these tariffs are actual transaction prices paid by business clients of the Austrian Post AG or not, is like collecting list prices and results in setting up a b2all index because of the uncertainty of the portion of b2b and b2c prices of the index.

Despite this shortcoming the index itself is based on a large number of price quotations and the aggregation structure uses weighting information for subgroups provided by the annual report of the Austrian Post AG. Applying the method of the use of prices of repeated services the Austrian SPPI for Postal services under universal service obligation is based on services for the following service subgroups:

Scheme 1: Current Aggregation Structure for ÖNACE 53.1 based on list prices

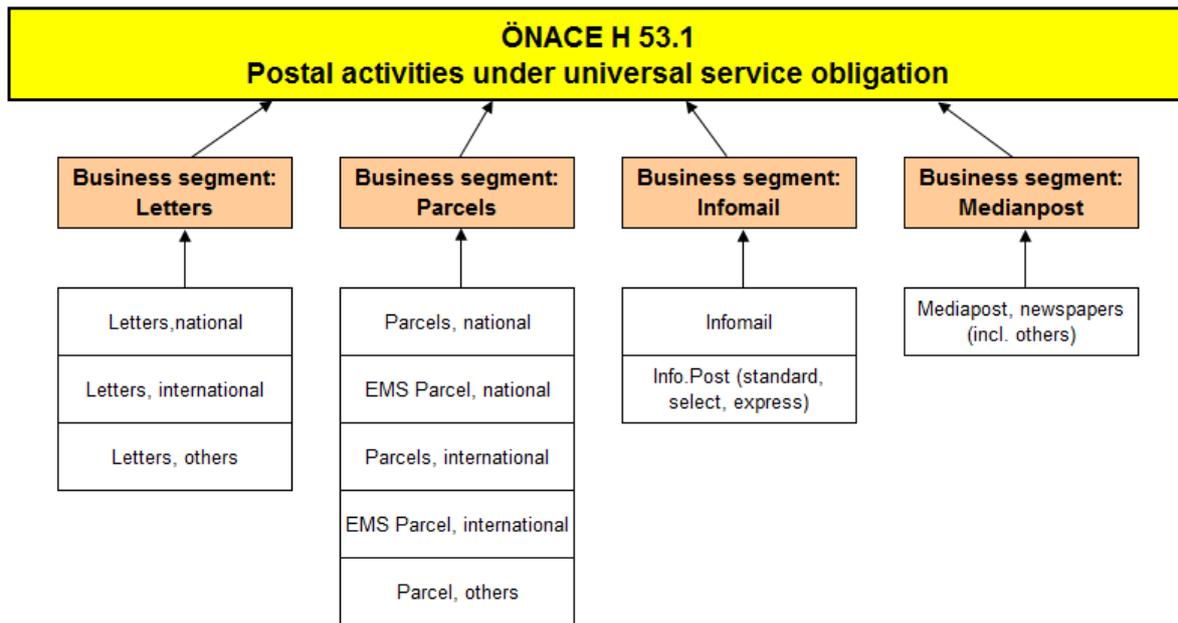


On a more detailed level the above shown subgroups are based on additional groups of homogeneous service products. For example the subgroup “Letters, national” is based on 3 further groups of service products comprising 28 price quotations for single service products.

Knowing that an SPPI based on list prices is not an A method Statistics Austria has tried its best in recent years to convince the Austrian Post AG to provide us with the needed price and turnover relevant information. After a long period characterized by a lack of cooperation on the part of the Austrian post AG the situation has slightly changed during the last two years. First negotiations took place concerning the potential data needs of Statistics Austria. To improve the quality of the postal SPPI and to continue with the already installed pricing method and survey routine STAT in a first step tried to identify potential price differences between the list prices and real transaction prices used by the Austrian Post AG under real world conditions. Moreover a very detailed weighting scheme based on the company’s turnover data, which is in line with the current level of detail of the index, should be established.

For whatever reason the Austrian Post AG was not able to provide us with the needed data. But they offered to provide company turnover and quantity data in order to calculate a unit value SPPI which has been mentioned by STAT as a possible alternative method. Data for test index calculations back to the first quarter of 2010 have been based on the following level of detail:

Scheme 2: Possible Aggregation Structure for ÖNACE 53.1 based on unit values

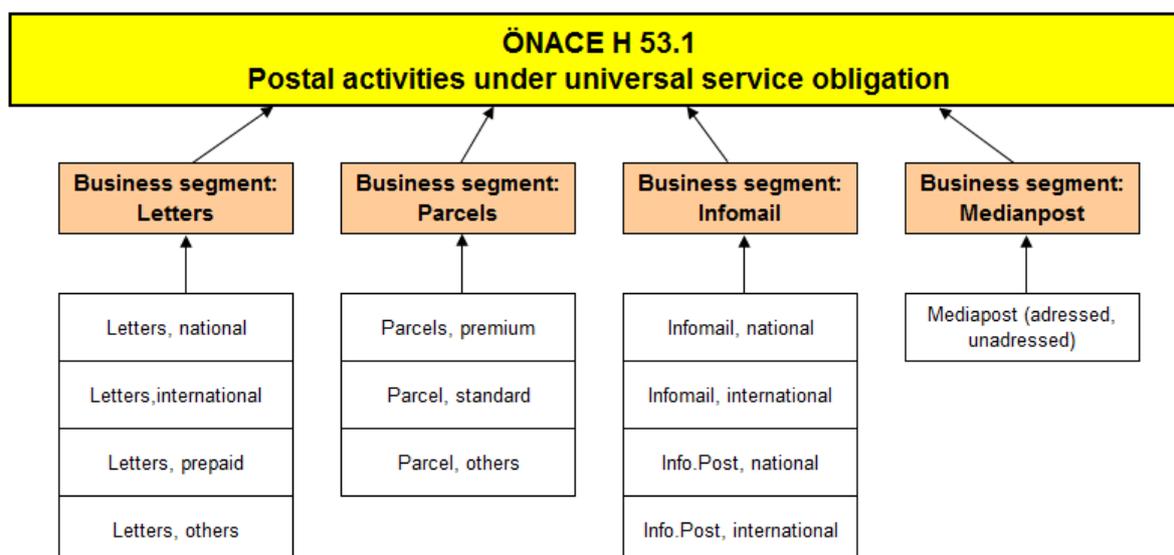


At first sight no tremendous differences could be found compared to Scheme 1. But the crucial factor is that compared to Scheme 1 where the pictured subgroups (e.g. Letters, national) can be broken down into further homogeneous groups and respective price quotations, in Scheme 2 the maximum level of detail for the calculation of unit values is illustrated. As a consequence this new approach would result in replacing 28 single price quotations for several homogeneous groups of national letter services by 1 single unit value. Due to the fact that the quality of a price index based on the unit value method can be improved by increasing its level of detail in regard to homogeneous subgroups, the de facto decreasing level of detail of this new data base offer does not favour the method of a unit value price index calculation. Statistics Austria therefore decided at that point to retain the actual index calculation methodology.

Another potential data source for the calculation of unit values and a possible solution to reduce respondent burden caused by the NSIs to zero are national regulatory authorities. In 2013, like for telecommunication services in earlier years, a national Postal Survey Regulation (PEV, BGBl II No. 105/2013) went into force in Austria. Based on that national regulation the RTR GmbH (Austrian Regulatory Authority for Telecommunications and Broadcasting) is obliged to collect quarterly revenue and volume data in different fields of postal activities on a more detailed level than the Austrian Post AG was willing to provide Statistics Austria during bilateral negotiations.

The level of detail defined by the above mentioned regulation looks as follows:

Scheme 3: Possible Aggregation Structure for ÖNACE 53.1 based on unit values of the national regulation



At first sight the level of detail in regard to the available main subgroups of this new regulation does not show tremendous changes to the already proposed data by the Austrian Post AG for the calculation of unit value SPPIs (see Scheme 2).

But compared to the first proposal now further detailed subgroups and thereof turnover and quantity data are available. For e.g. the sub index “letters national” 5 unit values for homogeneous groups could be calculated. First test calculations with this new data will start as soon as the RTR receives the first data transmission by the Austrian Post AG. Even though the new data are much more detailed than the prior ones, Statistics Austria is trying to pursue the Austrian Post AG once again that the more detailed the data are the more accurate and meaningful is a resulting SPPI. In this context and due to the fact that, data on a much more detailed level must be available to compose the requested turnover and quantity data of the regulation, STAT is trying to convince the Post AG to provide us with this information.

## 9. Quality adjustment methodologies

Irrespective of the fact that in principle all the quality adjustment methodologies mentioned in the SPPI Guide could be applied to a branch index, the predominantly used techniques according to the already mentioned Eurostat article “PEEI in focus” of European NSIs for “Postal activities under universal service obligation” are the overlap and comparable replacement quality adjustment methodologies.

This is also the case in Austria. If we are in the lucky position that prices for the old and new product are available the overlap method is applied. Alternatively Statistics Austria is using the comparable replacement method. In the case of conceivable changes in the composition of the index data base by e.g. disappearing service products due to the changeover to the data base for a unit value method, this change of the index methodology will be performed during revision periods of the index (here 2015).

Fortunately in the case of postal services under universal service obligation by currently surveying internet list prices no tremendous quality adjustments efforts have been necessary in the last years, because the services remained almost unchanged. By maybe applying the unit value method in the future, we will have to eventually focus much more on quality adjustment due to the fact that price changes depend on the level of homogeneity and detail of the underlying service products of a single unit value.

## **10. Evaluation and comparability with turnover/output measures**

The Austrian short-term statistics on services are produced on the basis of register administrative data source since 2003. The turnover index for selected service sectors (Division H, I, J, M and N of ÖNACE 2008) is available quarterly. In Austria companies have to provide monthly in-advance-reports on VAT to the tax authorities from where Statistics Austria gets the data about total taxable turnover. The quarterly total turnover is aggregated from the monthly data base.

For the moment only turnover indices in nominal values are calculated which are working-day adjusted. They measure for each NACE Rev. 2 code the total turnover of the current month in percentage of the average monthly turnover in the base period (year 2010=100). No time series of turnover indices of services based on volumes are available presently.

### The compilation of turnover by product

Turnover data for postal and courier activities are only published in the context of the Structural Business Survey but not deeper than the 2-digit level.

## 11. Summary

- Since the beginning of 2007 Statistics Austria is calculating a SPPI for ÖNACE 53.1 “Postal activities under universal service obligation” which cannot be published due to secrecy reasons
- No turnover data is published by the respective directorate of Statistics Austria on a three-digit level
- Weighting information on sub index level is available from the annual business report of the Austrian Post AG of the base year
- For the sample of enterprises a turnover coverage of 100% was achieved due to the inexistence of competitors to the Austrian Post AG
- Representative services in regard to the company’s turnover have been selected for the index calculation
- The most important pricing method used for postal services in Austria at the moment is the direct use of prices of repeated services by surveying list prices via the internet

## 12. Quality Assessment tool

Points	Category and Questions	Score
	<b>1. Shipment Price (Weight = .10)</b>	
	<i>Select a. or b.</i>	
0	a. Price represents order pricing, actual price at shipment may well be different.	
100	b. Price represents the completion of service or a proxy measure for the completed transaction.	<b>100</b>
	<b>2. Representative of current period production (Weight = .10)</b>	
	<i>Select a. or b.</i>	
50	a. Emergence of new product lines or critical new product features has not occurred since the index reference period or since sample augmentation last done.	<b>50</b>
0	b. Emergence of new product lines or critical new product features has occurred since the index reference period or since sample augmentation last done.	
	<i>Select c. or d.</i>	
50	c. Product substitution usually occurs when an item becomes obsolete or, if model pricing applies, the models are regularly updated to reflect changes.	<b>50</b>
0	d. Product substitution usually does not occur when an item becomes obsolete or, if model pricing applies, the models are not regularly updated to reflect changes.	
	<b>3. Transaction price (Weight = .25)</b>	
	<i>Select the one most prevalent in the industry</i>	
100	a. The price is the real transaction price or a list price that can always be assumed to be equal to the transaction price.	
50	b. The price is a list price not equal to the transaction price.	<b>50</b>
100	c. The price is a unit value for a homogeneous group of products.	
50	d. The price is a unit value for a non-homogeneous group of products.	
75	e. The price is a model price.	
50	f. The price is constructed from input cost plus profit and overhead mark-up.	
	<b>4. Output price (Weight = .25)</b>	
	<i>Select the one most prevalent in the industry</i>	
100	a. Recorded price reflects an actual transaction or average of actual transactions.	<b>100</b>
75	b. Recorded price reflects a model transaction incorporating the pricing of all features found in an actual transaction.	
50	c. Recorded price reflects a model transaction incorporating the pricing of only some of the features found in an actual transaction.	
50	d. Recorded price reflects some components of a transaction.	
50	e. Recorded price reflects input costs plus overhead and profit margins incorporating the pricing of all features found in an actual transaction.	
25	f. Recorded price reflects input costs plus overhead and profit	

	margins incorporating the pricing of some of the features found in an actual transaction.	
0	g. Recorded price reflects charge out rates for fixed labor inputs not directly tied to a specific quantity of output.	
	<b>5. Timely measure (Weight = .10)</b>	
	<i>Select a. or b.</i>	
50	a. Pricing data reflect the service provision in the current period and are not lagged.	<b>50</b>
0	b. Pricing data are lagged.	
	<i>Select c., d., or e.</i>	
50	c. Pricing data reflect an average over the entire period.	
40	d. Pricing data reflect an average of multiple measurements over a portion of the period.	
25	e. Pricing data reflect a single point in time.	<b>25</b>
	<b>6. Constant quality maintained (Weight = .20)</b>	
	<i>Select a. or b.</i>	
100	a. Rapid changes to product specification are not expected or, if they are, a good method to explicitly quality adjust is in use.	<b>100</b>
0	b. Rapid changes to product specification are expected and no explicit quality adjustment method is in use.	<b>0</b>
	<b>Total =</b>	<b>85</b>
	<b>Type A point range = over 90</b>	
	<b>Type B point range = 70 to 90</b>	
	<b>Type C point range = less than 70</b>	

## ANNEXES

### Detailed classification structure and explanatory notes of CPA 2008

Source: Eurostat Ramon

#### CPA 2008

**Code:** 53.10.1

**Description:** Postal services under universal service obligation

**This item excludes:** This category excludes:

- services provided by private courier services, see 53.20.1
- financial intermediation services provided by post office saving banks and postal giro, see 64.19

**Code:** 53.10.11

**Description:** Postal services under universal service obligation related to newspapers and periodicals

**This item includes:** This subcategory includes:

- collection, transport and delivery services for newspapers, journals and periodicals, whether for domestic or foreign destinations, as rendered under a universal service obligation

**Code:** 53.10.12

**Description:** Postal services under universal service obligation related to letters

**This item includes:** This subcategory includes:

- collection, transport and delivery services for letters, brochures, leaflets and similar printed matter, whether for domestic or foreign destinations, as rendered a universal service obligation.

**Code:** 53.10.13

**Description:** Postal services under universal service obligation related to parcels

**This item includes:** This subcategory includes:

- collection, transport and delivery services for parcels and packages, whether for domestic or foreign destinations, as rendered by the national postal administration

**Code:** 53.10.14

**Description:** Post office counter services

**This item includes:** This subcategory includes:

- services rendered at post office counters, e.g. sale of postage stamps, handling of certified or registered letters and parcels, and other post office counter services

**Code:** 53.10.19

**Description:** Other postal services under universal service obligation

**This item includes:** This subcategory includes:

- mailbox rental services, "poste restante" services, and public postal services n.e.c.

**This item excludes:** This subcategory excludes:

- telecommunications services, see division 61