

SPPI for Residential care services and Social work services without accommodation

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39th meeting of the Voorburg Group on Service
Statistics

Agenda

Introduction and background

Classification

Market description

Sample and weights

Pricing methods and quality adjustment

Statistics Finland's experience

Summary



Introduction and background

- Drivers for the expansion:
 - Growing importance in the Finnish economy → need for deflators
 - PPIs used as inflation clauses in contracts
 - Social services under reform → need for data on market developments
- Research began in 2020
- Indices published since 2024

Classification





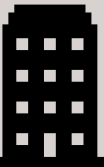



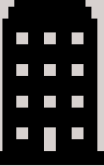


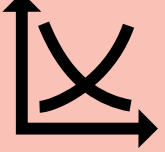
	CPA rev. 2.1
Q	HUMAN HEALTH AND SOCIAL WORK SERVICES
86	<i>Human health services</i>
87	Residential care services
87.10	Residential nursing care services
87.20	Residential care services for mental retardation, mental health and substance abuse
87.30	Residential care services for the elderly and disabled
87.90	Other residential care services
88	Social work services without accommodation
88.10	Social work services without accommodation for the elderly and disabled
88.91	Child day-care services
88.99	Other social work services without accommodation n.e.c.

e.g. visiting and assistance services, day-care centers

e.g. orphanages, temporary homeless shelters

e.g. vocational rehabilitation services for the unemployed

Market description

Service producer	Pays for the service	Service user	Consumer price
 Public sector	 Public sector	 Consumer	 Set by law
 Enterprise	 Public sector	 Consumer	 Set by law
 Enterprise	 Consumer	 Consumer	 Market price

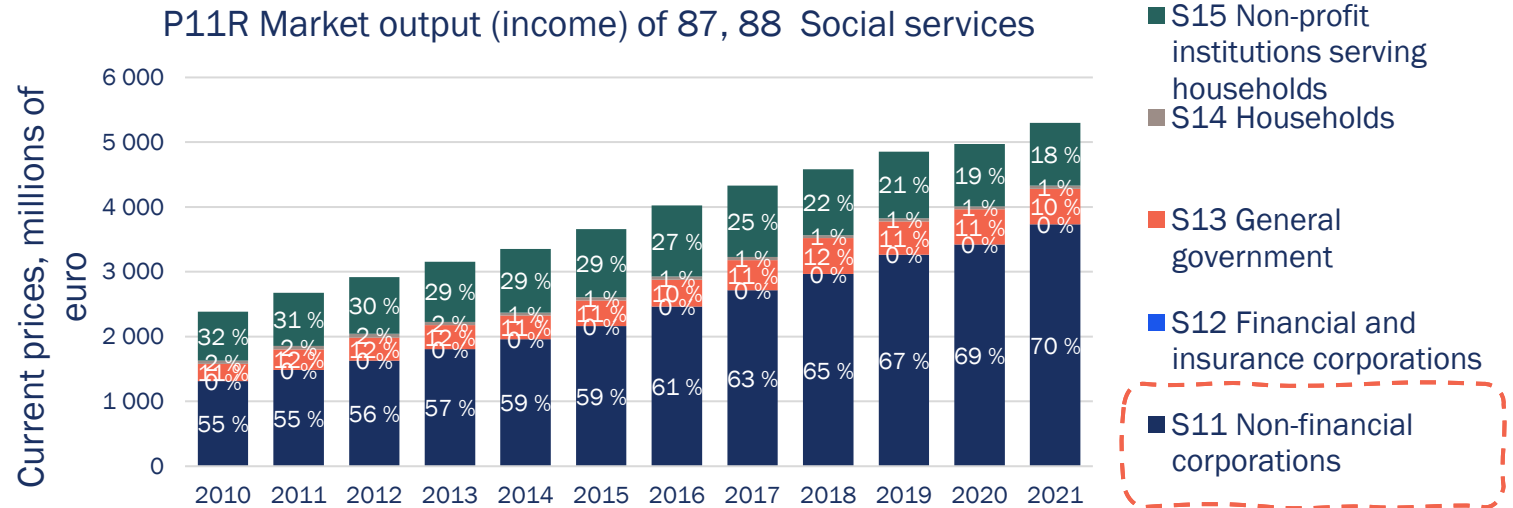
Included in our SPPI

Not significant in the market and sample



Market description, continued

- Private sector's role on the rise
- *873 Residential care services* largest in turnover and staff
- *889 Other social work services without accommodation* largest in number of enterprises
- *871 Residential nursing care services* relatively small
- Markets mainly concentrated



Source: Statistics Finland, national accounts

TOL 2008 group	Number of enterprises	Sum of turnover, 1 000 €	Sum of staff/year
871	43	144 000	2 200
872	278	453 000	6 100
873	296	1 492 000	23 000
879	547	526 000	6 000
881	703	274 000	4 400
889	963	655 000	10 400

Source: Statistics Finland, business register, 2021





Sample and weights

- Sample frame from business register by main industry on division level
- Cut-off at 70 %
- Mainly PPS sampling, judgmental sampling also applicable
- Elementary weights to be updated biannually, data from structural business statistics

Pricing methods and quality adjustment

Pricing methods

1

Direct use of prices of repeated services

e.g. place in assisted living facility A, includes cleaning and meals, staff available 8 AM – 8 PM.

2

Contract pricing

Many services are sold to the public sector with long-term contracts.

Common reasons for large changes in price

1

Changes in production costs

e.g. salary increases in the collective labor agreements

2

Re-negotiations of the contracts

Respondent estimates pure price change

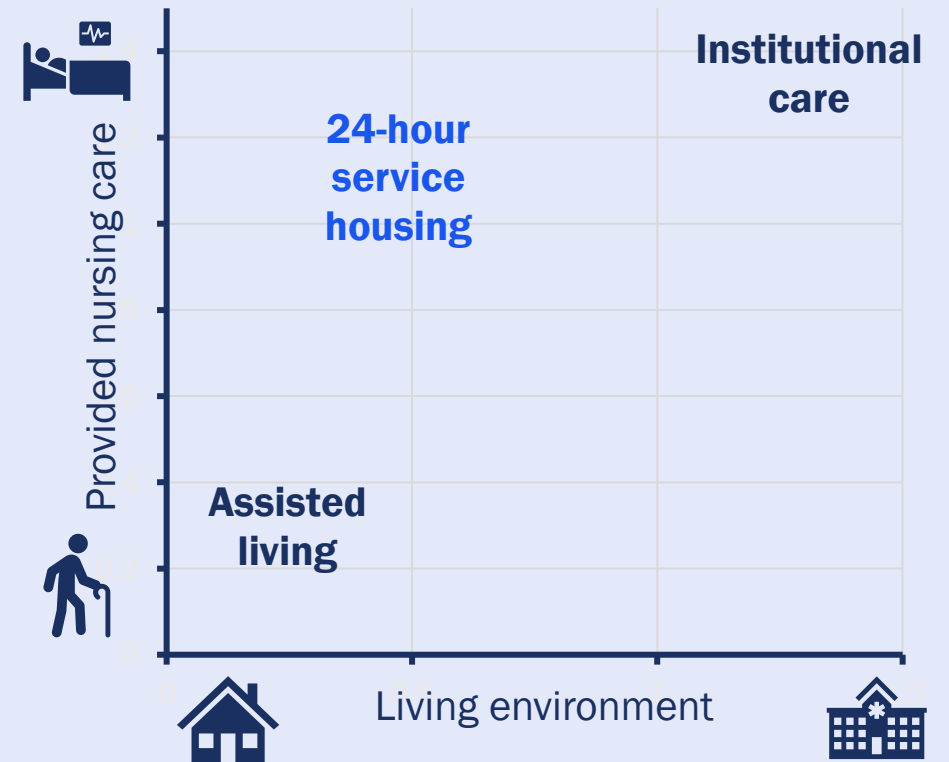
Statistics Finland's experience

Challenge: how to place 24-hour service housing into the classification?

- Residential care and residential nursing care both translated as *laitoshoito*
 - *laitoshoito*=institutional care
- Content notes for CPA rev. 2.1 unavailable in Finnish
- Which aspect is more important?
 - living environment (home-like vs. institution)
 - provided nursing care (minimal vs. consistently available)

→ 24-hour service housing currently under 87.3 residential care services

Illustrative graph on the offered residential care and residential nursing care services in Finland





Summary

- Market services mainly bought by the public sector → B2B transactions
- Concentrated market
- **Pricing method:** Direct use of prices of repeated services, contract pricing
- **Challenge:** classification vs. practice
 - Review of classification for 24-hour service housing?
- **Solution:** new versions of NACE and CPA?

Thank you!

