



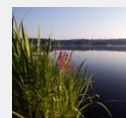
Statistics Sweden

Statistiska centralbyrån

Methodological challenges in building national accounts

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Methodological challenges



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Methodological challenges

- Consistency
- Exhaustiveness
- Some special areas

Production

Sum of value added
(basic prices)
+ Taxes on products
- Subsidies on products

Expenditure

+ Consumpt expend
+ Gr Fix Cap Form
+ ch in invent
+ Exports
- Imports

Income

+ Compensation of employees
+ Taxes on production & imports
- Subsidies
+ Operating surplus/Mixed income

GDP at market price

+ Primary income to/from RoW; wages, cap.income, EU-taxes, -subsidies.

GNI at market price

+ Current transfers to/from abroad

Disposable national income

- Consumption expenditure

Savings

+ Capital transfers to/from RoW

- Gross Fixed Capital formation

Net lending/net borrowing

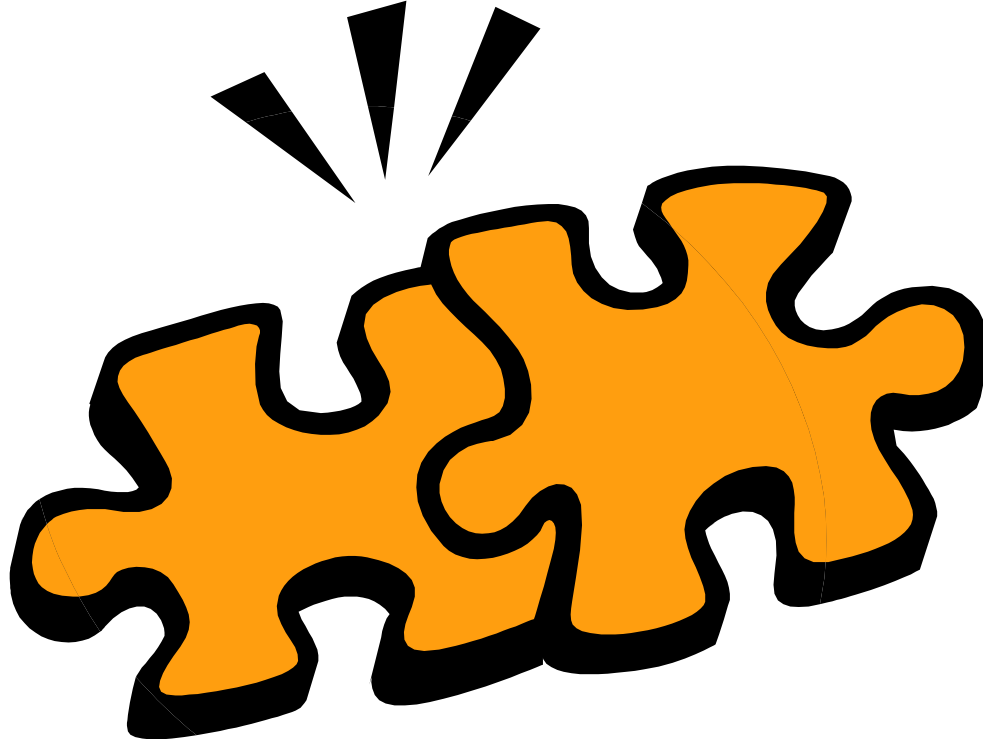
Finacial accounts net lending/net borrrwing

Hoding gains and losses, other changes in assets

Wealth



Consistency



How to solve the problems?

- Consistent data in the statistics going into National Accounts, increasing data quality.
- Supply and use tables
- Confrontation of data from different sources, productivity, earnings per hour, price and volume indices, etc.



Balancing GDP, Supply and use tables



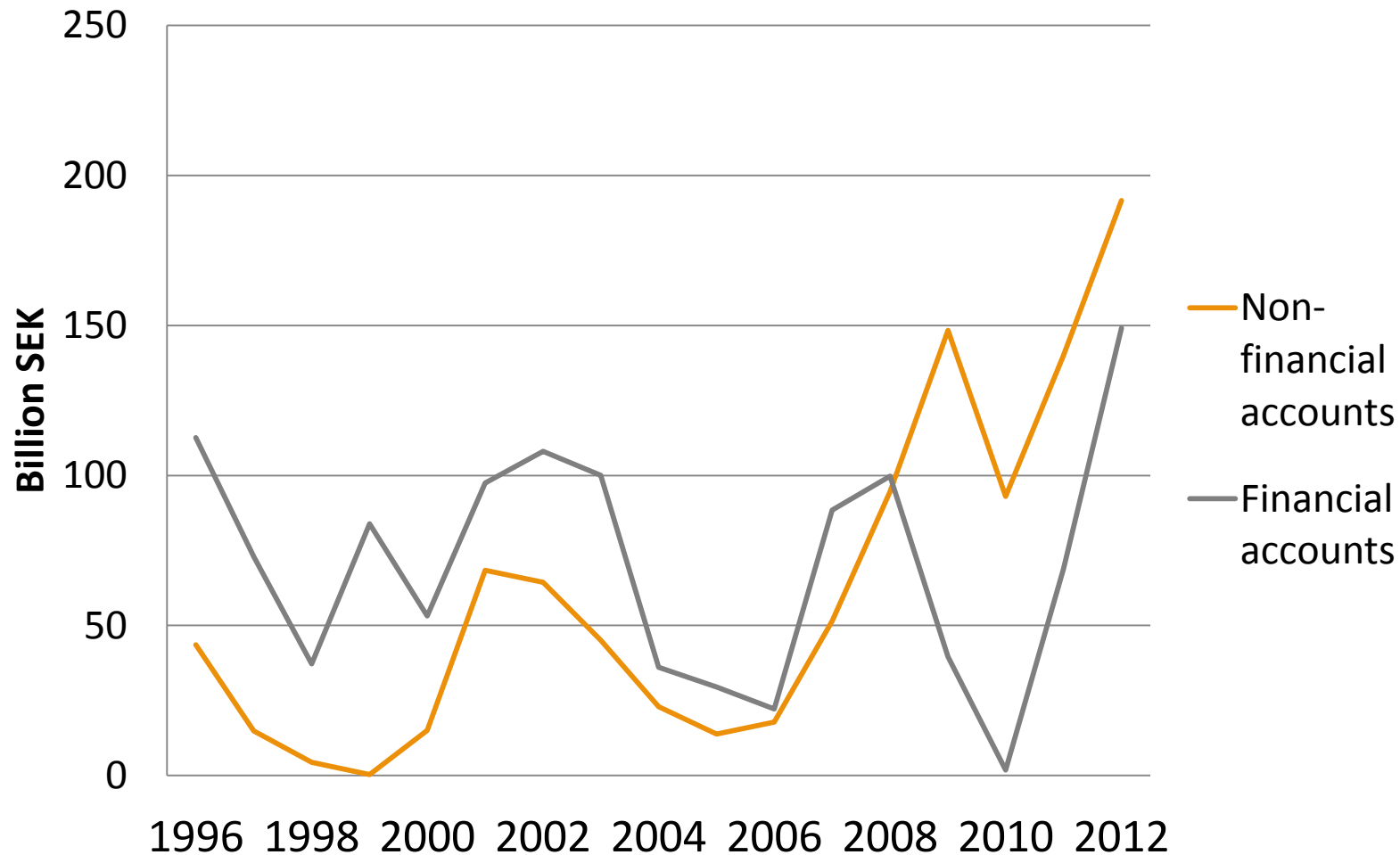
| | Year X current prices | Year Y current prices | Year Y constant prices =t-1 | Volume growth Y/X |
|-------------------------------|--------------------------|--------------------------|-----------------------------------|----------------------|
| Supply (S) | | | | |
| <i>Production</i> | 24 100 | 22 050 | 21 000 | -13% |
| Imports | 11 600 | 11 550 | 11 000 | -5% |
| Total | 35 700 | 33 600 | 32 000 | -10% |
| | | | | |
| Use (U) | | | | |
| IC | 29 700 | 30 975 | 29 500 | -1% |
| Changes in inventories | 200 | 210 | 200 | 0% |
| <i>Exports</i> | 5 800 | 8 505 | 8 100 | 40% |
| Total | 35 700 | 39 690 | 37 800 | 6% |
| | | | | |
| Residual = S-U | 0 | -6 090 | -5 800 | |



Net lending/net borrowing Household and NPISH



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Exhaustiveness and production boundary



Production boundary

- Economic territory
- Registered (market and non-market)
- Production of goods for own final use
- Hidden economy
- Illegal activities

Transactions based on mutual agreement

Hidden economy & Illegal activities

In Sweden, hidden economy about 3% of GDP and illegal 0,15%.

Hidden economy

- Investigations made by the tax authority

Illegal activities

Prostitution, drugs, smuggling, illegal gambling

- Project finalized 2005
- Literature reviews (SOU, SoRaD, CAN)
- Contacts with experts
- Report referred for consultation

Non-market production in government sector

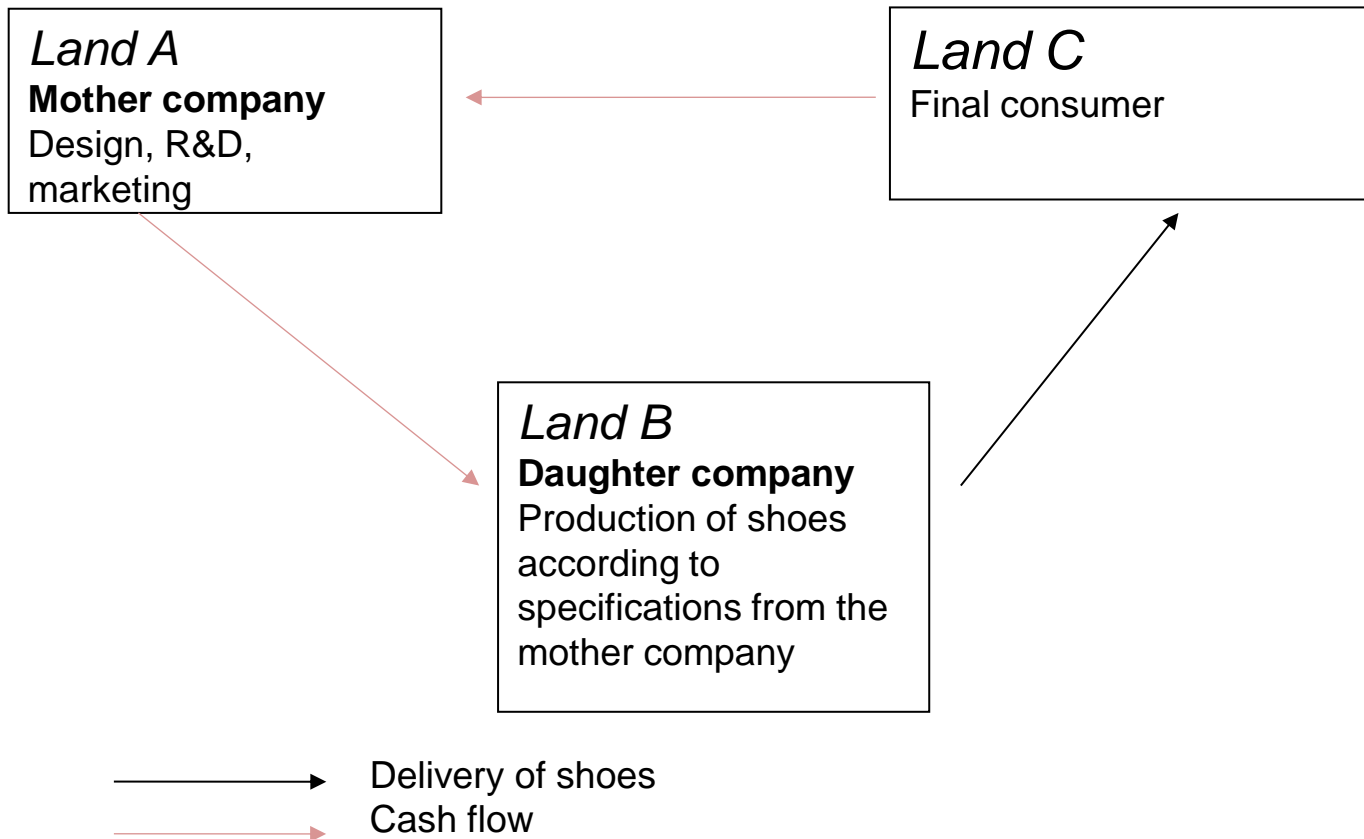
- Non-market production = no prices
- $V = p * q$, find a measure of q
- Output indicators, individual production
- Requires very detailed information

Output measures now used

- Healthcare - DRG
- Education – number of pupils + grades
- Child and elderly care – no of persons
- Social insurance systems
- Cultural services – number of visits
- All indicators weighted together



Global production



Consistency between annual and quarterly accounts



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