



Compilation of Other Services Sector for GDP/ QGDP



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Outlines

- Definition of GDP
- Classification of Industries by ISIC
- Compilation of Other Service Sector
- NPISH & AEIS Survey
- GDP & GNI
- New Dimension: QGDP
- Usefulness & Limitation

Gross Domestic Product (GDP)

Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

GDP is to measure by three Approaches:

1. Production Approach :

- $\text{Output} - \text{Input} = \text{Value Added}$

2. Expenditure Approach :

- $\text{Consumption} + \text{Gross capital Formation} + \text{Exports} - \text{Imports}$

3. Income Approach :

- $\text{Compensation of employees} + \text{consumption of fixed capital} + \text{Taxes less subsidies on products} + \text{Operating surplus.}$



Classification of Industries by ISIC R. 4

Industrial Activity is classified and GDP estimates are published according to the International Standard Industrial Classification (ISIC) R. 4 of all economic activities.

The 19 ISIC sectors are used as follows:

- 1. Agriculture, forestry and fishing**
- 2. Mining and quarrying**
- 3. Manufacturing**
- 4. Electricity, gas, steam and air conditioning supply**
- 5. Water supply; sewerage, waste management and remediation activities**
- 6. Construction**
- 7. Wholesale and retail trade; repair of motor vehicles and motorcycles**
- 8. Transportation and storage**
- 9. Accommodation and food service activities**
- 10. Information and communication**
- 11. Financial and insurance activities**
- 12. Real estate activities**
- 13. Professional, scientific and technical activities**
- 14. Administrative and support service activities**
- 15. Public administration and defence; compulsory social security**
- 16. Education**
- 17. Human health and social work activities**
- 18. Arts, entertainment and recreation**
- 19. Other service activities**



Compilation of Other Service Sector (GDP)

Various Survey Findings:

- ❖ NPISH (Non-Profit Institutions Serving Household) Survey.
- ❖ AEIS (The Annual Establish & Institution Survey).

Economic Census:

- ❖ Total Person Engage for other service Sector
- ❖ Total Establishment for other service Sector



NPISH & AEIS Survey

NPISH (Non-Profit Institutions Serving Household) Survey

- Professional Associates
- Trade Union
- Employees association
- Religious institutions
- NGO's
- Voluntary Organisation
- Sports/Club
- Cultural institution & others

AEIS (The Annual Establish & Institution Survey)

- Repair Footwear & Leather Goods
- Electrical Repair Service
- Repair Watch Clock & Jewellery
- Carpentry Repair
- Welding & Repair of Iron & Steel
- Repair of Personal & HH Goods
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Compilation of Other Service Sector (QGDP)

VAT from NBR:

- Gold/ Silversmith
- Beauty Parlour
- Repair or Servicing of Goods
- Tailoring Shop
- A.C Saloon
- Laundry etc.

& Survey Trend....



Compilation of National Accounts (Cont..)

- Compilation of National Accounts by BBS since 1972-73
- Estimates are based on 1993 SNA/2008 SNA
- Estimate at Current and constant prices
- Revision and Rebasing of National accounts estimate
- Estimation of Major National Accounts Aggregates (GDP, GNI, consumption, Investment, Savings etc.)
- 1972-73 to 1984-85 (SNA68), 1984-85 (rebasing) to 1995-96 (Revision and Rebasing (SNA 93), 1995-96 to 2005-6 (SNA 93 & SNA 2008) and 2005-6 to 2015-16 (SNA 2008),

Gross Domestic product (GDP) & GNI

- **Gross Domestic product (GDP)** is the value of all goods and services produced in a specific period of time (one year) minus the goods and services consumed in the production process during that period within the territory of a country.
- It is the most important aggregate derived from the production account. It reflects the aggregate production of an economy.
- It helps to measure the level of economic development and the rate of economic growth, the change in consumption, saving and investment of the total economy.
- GDP estimates are compiled at current and constant prices to facilitate economic analysis in real terms
- $\text{GDP} + \text{Net Factor Income from abroad} = \text{GNI}$

New Dimension: QGDP

- Quarterly Gross Domestic Product (QGDP) or QNA is an integrated and consistent system of macroeconomic accounts designed to describe the entire system of production on a **quarterly basis**;
- Concepts, definitions and classification of QGDP and Annual GDP are same, only difference between QGDP and Annual GDP is the reference period.
- QGDP provides a picture of current economic developments that is **more timely and frequent** than provided by Annual Gross Domestic Product (GDP) and more comprehensive than that provided by individual short-term indicators;



Why Need QGDP

- A Vital indicator for planning and policy purposes
- Early identification of changes in trend;
- Timely implementation of economic policies;
- Framework for business cycle analysis;
- Better forecasts, including early estimates of annual accounts;
- For analyzing the effect of particular event (such as strike);
- For macroeconomic model building;
- For estimating of behavioral relationship;

Usefulness

- QGDP provide a clear and understandable picture on the current performance of the economy that is **more timely** than Annual GDP;
- It can reflect the short term **movement of the economy**;
- It can provide us with a framework for **assessing, analyzing and monitoring economic developments** in a timely fashion and systematic manner;
- QGDP yields quarterly time series data on leading **macroeconomic aggregates**;
- QGDP also yields basic data that can be effectively used in **business-cycle analysis and economic modeling analysis**;
- QGDP is of paramount importance when inflation and change of relative prices are considerably higher;
- QGDP is able to show four times more observations relating to leading economic indicators than Annual GDP.

Limitation

- **New Surveys and Case Studies for meet up the under coverage**
- Base Year Change and rebasing of GDP After 05/10 Year Regularly
- Base Year Change and rebasing of All Indices in Regular Basis
- Methodological Development
- Resource Mobilization
- Institutionalization of Technical Expertise
- Capacity Building
- Meet up the existing Data Gaps
- **Inadequate Survey**

Thank You