Data sources for compilation of the import use table

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The import use table is an important component of SUT. It describes the structure and main uses of imported goods and services. The import use table is widely used in economic analysis, for example:

- the degree of economy’s dependence on the import of certain products
- the impact of the structure and value of imported goods on wholesale and retail prices
- assessing the impact of changes in customs policy on consumption and price levels.
Preparation of the tables

- The import use table is compiled by the input-output department, in cooperation with international trade and balance of payments departments.
- Data from the following departments are used:
  - enterprise statistics by industry
  - national accounts
  - public finance statistics
  - and others.
- When needed, meetings are held to solve current issues and reach decisions.
Main data sources.

- The import use table is compiled on the basis of information obtained as a result of:
  - statistical surveys
  - analysis of financial reports of enterprises
  - as well as data from administrative sources (customs, taxes, registration of vehicles, etc.).

- A special statistical survey:
  - of produced output and used material and supplies
  - main uses of the imported commodities (raw materials-capital investment-final consumption).
  - import of services.
Goods importers

- Importers of goods are divided into:
  - direct - import goods for direct use
  - indirect - import goods for resale to other consumers.

- The allocation of importers into direct and indirect is done with the help of the CBS enterprise register:
  - importers that are identified in the registry as wholesale and retail trade enterprises, are considered indirect
  - the rest are defined as direct importers
  - there are also exceptions: companies that import commodities both for direct use and for resale.

- The list and volume of goods imported by direct and indirect import enterprises is determined on the basis of customs data.
Direct import use

The use of direct import of goods is determined on the basis of description of the goods (according to customs data) and the industry of the receiving enterprise (importer) according to the enterprise register.

Example:
✓ Electric company imports turbine to install at the power plant:
  • type of use: capital investments
  • recipient industry (consumer) - Production of electricity.
❖ Capital investments in fixed assets in the Electricity Production industry.

If necessary, a comparison with other sources of information (for example, with results of the analysis of enterprises financial reports) is conducted.
Indirect import use

- The use of indirect import of goods and, if necessary, the industry of the recipient (consumer) is determined through statistical surveys.

- The statistical survey on the type of use of imported goods is conducted every few years as part of the preparation of the input-output table and the benchmark SUT.

- These statistical survey are carried out in Israel since 1965.

- The last statistical survey was conducted for years 2006 and 2014.
A survey of the use of imported goods (1)

- The purpose of the survey is to determine the distribution of imported goods in three main use types:
  - intermediate consumption with distribution by industries in which the goods are used
  - capital investments in fixed assets with the distribution by industries, in which the investments are made
  - final consumption.
- The statistical survey is conducted by CBS under the supervision of the international trade statistical department, organizational supervision, and with participation of the input-output department.
- The survey is preceded by extensive preparatory work (sampling, questionnaire, personnel).
A survey of the use of imported goods (2)

- The problems of classification.
  - The distribution of goods that have several use directions.
    ✓ For example: sugar (rice etc.)
    o intermediate consumption in food industry
    o final consumption by households
    o other uses.
  - The distribution of goods on the basis SNA rules
    ✓ For example: building materials
    o final consumption, when work are performed by the house owner
    o intermediate consumption, when same work is performed by a building company.
- To make a decision additional information and expert estimates are used.
Survey of produced output and used raw materials and supplies (1)

- The purpose of the survey - to assess the volume of industrial production and used raw materials and supplies.
- The survey target - a sample of industrial enterprises.
- The survey includes three questionnaires:
  - First - general economic information for the enterprise (on the basis of financial reports data; etc.)
  - Second - divided into two parts
    - Produced output and main sales channels: domestic market and export. The sales on the domestic market are distributed by use type and industry; etc.
    - Purchased raw materials and their origin: domestic market or import; etc.
  - Third – use of imported goods (on the basis of information from the customs on goods imported by the enterprise).
Survey of produced output and used raw materials and supplies (2)

■ This is a complex and laborious statistical survey is conducted under the supervision of the input-output department, with the participation of other CBS departments.

■ The results of the survey are one of the main sources for SUT compilation, and particularly the import use table.

■ The survey requires funding and training of staff.

■ The last statistical survey was conducted for the years 2006 and 2014.
Use of data from administrative sources.

- Example: the distribution of imported vehicles by type of use.
- The distribution is based on Transport Ministry information on vehicle registration.
- Register of vehicles contains data about the vehicle and its owner (enterprise or household).
- The analysis is performed by categories of vehicles.
- Data about the owner are compared with the enterprise register.
  - If the owner is listed the enterprises register the vehicle is considered as capital investment of the owner industry.
  - Otherwise – included in the consumption of the Household sector.
- There are exceptions (for example, registration of the enterprise – use the household).
The “bottom up” approach is used for processing of the survey results.

Initially, the import value of each good for each importer is split by use types and further by receiving industry (consumers).

In the next stage, the data for each good are aggregated by types of use and industries.

Then the obtained results are aligned to the total values of imported goods.
Import-export of services survey (1)

- Survey purpose:
  - obtaining information about the volume of international trade in services.
  - distribution of imports (exports) of services by type, for example:
    - software
    - research and development
    - legal and accounting services
    - and other (advertising, education, medical ..).
- The survey target - sample of enterprises from different industries (except: agriculture, tourism, transport and processing of diamonds) involved in international trade of services.
**Import-export of services survey (2)**

- The questionnaire includes:
  - General information about the enterprise and scope of its activities
  - Revenues from sales of services abroad - by type (export)
  - Expenditure on the purchase of services abroad - by type (import)
  - Services for processing goods (property of others)
  - Merchanting of goods (not crossing the border)

- Provides definitions of the terms used and detailed instructions for completing.

- This statistical survey is conducted annually under the supervision of the balance of payments department, with the participation of other CBS departments.
Conclusion

- Compilation of the Import use table is based on comparative analysis of data from statistical surveys and administrative sources.
- Practice shows that despite attempts to establish certain rules for distribution of imported products by type of use, there are exceptions.
- The quality of decisions taken for non-standard cases depends on the professional experience of staff.
THANK YOU FOR YOUR ATTENTION

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