



Statistical Office of the Slovak Republic



**GROSS NATIONAL INCOME (GNI)
INVENTORY - SK
AMENDMENT**

Bratislava, December 2010

GNI Inventory AMENDMENT

Based on the discussion between experts of the SOSR's national accounts department and of Eurostat the selected parts of GNI Inventory are adjusted by the amendment of the text (table) or by the replacement of the original text (table) by a new wording (table).

The hierarchy of adjustments is as follows:

- Summary cross-sectional adjustments,
- Adjustments of paragraphs – ascending,
- Adjustments of tables – ascending,
- Adjustments in Annexes – ascending,
- Annexes to Amendment.

Summary cross-sectional adjustments

Summary cross-sectional adjustments cover methodological adjustments which are reflected in the entire time series - not only in the reference year 2003. The following adjustments have been done:

1. Payments for sewage originally classified under D.29 have been recorded under P.11 including relevant editing
2. Payments for the registration of cars originally classified under D.29 a D.59 have been recorded under D.214 including relevant editing.
3. Recording of illegal activities – completed by data on smuggling of cigarettes and alcohol

Adjustments of paragraphs

§ 62

Original text is replaced by the new one.

Original text:

62. All activities related to the maintenance of registers are carried out in the complex methodology department of the SOSR. On 31 December 2005, nearly 425 000 enterprises, 560 000 legal units, 435 000 local units and 32 000 establishment units (KAUs) were registered. The SOSR maintains mainly the following registers:

- Register of Organisations,
- Register of Farms,
- Register of Accommodation Facilities,
- Register of Census Districts,
- Register of Spatial Units.

New text:

62. All activities related to the maintenance of registers are carried out in the complex methodology department of the SOSR. On 31 December 2005, nearly 493 871 enterprises, 576 403 legal units, 506 008 local units and 32 000 establishment units (KAUs) were registered. The SOSR maintains mainly the following registers:

- Register of Organisations,
- Register of Farms,
- Register of Accommodation Facilities,
- Register of Census Districts,
- Register of Spatial Units.

§ 91

Original text is replaced by the new one.

Original text:

91. The **sector of government S.13** in general covers all institutional units, which are other non-market producers, whose output is intended for individual and collective consumption and is mainly financed by the means of compulsory payments pursued by units belonging into other sectors and/or all institutional units dealing mainly with redistribution of national income and property. In accordance to the Register of organisations, 7 557 units belonged in 2003 into the sector of government S.13. The sub-sector of regional government (S.1312) does not exist in Slovakia.

New text:

91. The **sector of government S.13** in general covers all institutional units, which are other non-market producers, whose output is intended for individual and collective consumption and is mainly financed by the means of compulsory payments pursued by units belonging into other sectors and/or all institutional units dealing mainly with redistribution of national income and property. When the annual data for the compilation of national accounts are processed, the institutional units are classified according to the 50% rule in compliance with the ESA95 methodology. In case that more than 50% of their costs are covered by sales, the units become market producers and are classified into the sectors of non-financial or financial corporations. Reversely, if less than 50% of costs are covered by sales, the units are considered as other non-market producers and are classified into the sector general government. The 50% criterion is checked up each year by the means of accounting and statistical statements/questionnaires. Due to the stability of Register of Organisations the reclassifications are made after three years.

In accordance to the Register of organisations, 7 557 units belonged in 2003 into the sector of government S.13. The sub-sector of regional government (S.1312) does not exist in Slovakia

§ 255

Following sentence is amended at the bottom of § 255:

As creators of FISIM is considered only the sub-sector S.122 - other monetary financial institutions.

§ 256

Original text is replaced by the new one.

Original text:

256. The output of S.123 and S.124 reached the level of 30 538 million SKK. As far as the output calculation of sub-sectors S.123 a S. 124 is concerned, it is based on data received from statistical surveys. For this purpose, the indicator „Output of non-banking financial institutions“ was implemented into module 584 within the annual enterprise questionnaire on banking and non-banking financial institutions (Pen P5-01). This indicator is fulfilled directly by *non-banking financial institutions*. The output of non-banking financial institutions was consequently adjusted by part of leasing payments, which corresponded to the depreciation of fixed assets rented by leasing. The output for sub-sector S.124 was decreased by the output of Slovenska Inkasná Ltd. due to the reclassification of this company into the sector of central government S.1311.

New text:

256. The output of S.123 and S.124 reached the level of 18 409 million SKK. As far as the output calculation of sub-sectors S.123 a S. 124 is concerned, it is based on data received from statistical surveys. For this purpose, the indicator „Output of non-banking financial institutions“ was implemented into module 584 within the annual enterprise questionnaire on banking and non-banking financial institutions (Pen P5-01). This indicator is fulfilled directly by *non-banking financial institutions*. The output of non-banking financial institutions was consequently adjusted by part of leasing payments, which corresponded to the depreciation of fixed assets rented by leasing. The output for sub-sector S.124 was decreased by the output of Slovenska Inkasná Ltd. due to the reclassification of this company into the sector of central government S.1311. As far as financial leasing is concerned, the value taken over from the statistical questionnaire Pen P5-01 covered totals of leasing payments from the lessee, i.e. their capital part = depreciation as well as the so called financial surcharge = interest (according to the accounting rules for entrepreneurs valid until 2003). In terms of ESA95, output of financial leasing should reflect only a part of the financial surcharge (interest). This part of output has been revised in the entire time series. The objective of revision was the adjustment of output due to the proper recording of depreciation and interest. The following were considered as starting points for calculation: the total stock of assets rented in a form of leasing /durable tangible and intangible assets/ and data on total depreciation of assets of leasing companies. Both, the relative part of leasing payments on depreciation, which has corresponded to the depreciation of assets leased, as well as interest, were calculated. The assets leased by the means of financial leasing have been written-off by the lessor, i.e. the leasing company, in line with the accounting rules valid until the end of 2003. Since 1 January 2004 these assets are written-off by the lessee. It is based on the fact that since 1 January 2004 the measure of MF SR as of 11 December 2003, has

entered into force by which the accounting procedures and the accounting framework for businesses keeping their records in the system of double-entry accounting were settled. Since then the recording of financial leasing represents the income from financial leasing when assets are leased in line with ESA95. Having said that, the output of sector S.12 and intermediate consumption in sectors S11 and S.14 were adjusted.

§ 280

Original text is replaced by the new one.

Original text:

280. When calculating the particular cost items of imputed rent for dwellings, the starting point is the number of owner occupied dwellings surveyed within the 2001 census. Within this census it was discovered that from the total number of occupied dwellings (1 665 thousand dwellings) approximately 73% were owner occupied dwellings. The mentioned figure is each year updated according to the results of the statistics on the newly built dwellings. This statistics contains detailed data on the structure of newly built dwellings as well as on decreases in dwellings due to their demolition or changes in the reasons for their use, etc. Important information for the calculation of cost items is the replacement price of one dwelling. This figure was surveyed by a single statistical survey in real estate agencies covering the whole territory of the SR in 1996. Within this survey, the data on prices of dwellings sold in this time period were captured. Prices were surveyed for dwellings as if they were new and at the same time several aspects were taken into account, e.g. type of dwelling (family house – apartment in the residential house), size of dwelling (1-room, 2-rooms, 3-rooms, etc.), locality (rural vs. urban areas) etc. Data were surveyed only for the individual dwelling (less the impact of the prices of land and the garage, if any). The results obtained were updated in accordance to a similar survey in 2000. The number of owner occupied dwellings, as well as their disclosed price, allowed calculating the value of housing stock at replacement prices. For the forthcoming years (2002, 2003 ...) the value of dwellings was updated by the relevant price index for the housing construction.

New text:

280. When calculating the particular cost items of imputed rent for dwellings, the starting point is the number of owner occupied dwellings surveyed within the 2001 census. Within this census it was discovered that from the total number of occupied dwellings (1 665 thousand dwellings) approximately 73% were owner occupied dwellings. The mentioned figure is each year updated according to the results of the statistics on the newly built dwellings. This statistics contains detailed data on the structure of newly built dwellings as well as on decreases in dwellings due to their demolition or changes in the reasons for their use, etc. Important information for the calculation of cost items is the replacement price of one dwelling. This figure was surveyed by a single statistical survey in real estate agencies covering the whole territory of the SR in 1996. Within this survey, the data on prices of dwellings sold in this time period were captured. Prices were surveyed for dwellings as if they were new and at the same time several aspects were taken into account, e.g. type of dwelling (family house – apartment in the residential house), size of dwelling (1-room, 2-rooms, 3-rooms, etc.), locality (rural vs. urban areas) etc. Data were surveyed only for the individual dwelling (less the impact of the prices of land and the garage, if any). The reason

for this price restriction was the low price of land in general in Slovakia. According to the expert estimates the price of land in the country represents only 3 - 4% from the price of house. In the suburban areas and in larger cities, where the price of land is much higher, mainly the multi-storeyed residential houses are built what decreases the share of price of land in the total price of dwelling. The imputed output of garages is calculated separately, thus, within the survey the price of a possible garage had to be deducted from the price of dwelling in order to avoid the double counting of this item into the imputed rent.

The results obtained were updated in accordance to a similar survey in 2000. The number of owner occupied dwellings, as well as their disclosed price, allowed calculating the value of

§ 281

Original text of the 1 sentence is corrected by the new one.

Original text:

281. The results from statistical survey on cost on accommodation in rented houses, which was organised during 197-1999 by the Ministry of Construction and Regional development of the SR, were used for the calculation of intermediate consumption.

New text:

281. The results from statistical survey on cost on accommodation in rented houses, which was organised during 1997-1999 by the Ministry of Construction and Regional development of the SR, were used for the calculation of intermediate consumption

§ 343

Original text is replaced by the new one.

Original text:

343. According to the ESA95 methodology, the output of households with paid staff has to be included into the production for own final use. Until now this production was not figured out for the purposes of the compilation of national accounts for the SR.

New text:

343. The category P, which covers the private households employing the housing staff, e.g. servants, gardeners, etc., was not recorded in national accounts for 2003 while this type of activity those times simply did not exist in the SR.

§ 395

Original text is replaced by the new one.

Original text:

395. The main data sources for the calculation of compensation of employees in the sector of government are the administrative data sources being obtained from the statements on revenues and expenditures. This type of statement contains the cash data on revenues and expenditures, broken down by the codes of economic classification

New text:

395. The main data sources for the calculation of compensation of employees in the sector of government are the administrative data sources being obtained from the statements on revenues and expenditures. This type of statement contains the cash data on revenues and expenditures, broken down by the codes of economic classification.

The pension scheme for soldiers and policemen is ruled by the Law No. 328/2002 Coll., i.e. the Law on the social security system for soldiers and policemen and on changes and amendments of some other laws.

The Law, which governs the social security system for policemen and professional soldiers, consists of:

- 1) health insurance,
 - a) compensation of the salary of policeman or professional soldier during his temporary incapability for the performance of civil service (hereinafter „temporary incapability”),
 - b) sickness pay,
 - c) equalisation pay,
 - d) maternal pay.

- 2) accident insurance,

- 3) retirement insurance scheme
 - a) retirement allowance,
 - b) retirement benefit,
 - c) mortality benefit,
 - d) pension benefit,
 - e) disability retirement pension,
 - f) widow’s allowance,
 - h) orphan’s allowance.

- 4) social security services (recreational and spa care).

The level of benefits paid is related to the number of years in service and the average salary reached. The benefits paid are regularly valorised¹.

From the institutional security point of view, the pension scheme for police corps members is ensured by the Ministry of defence of the SR (specific department); as far as the soldiers are concerned, an independent institution under the auspices of the Ministry of defence, Social security office for soldiers, is responsible.

Both institutions are classified in the sector of government, in the sub-sector S.1311. The Ministry of Defence, as well as the Social security office for soldiers, submits the complete questionnaires run by the State treasury system, which serve for the completion of ESA95 items.

¹ For members of police $I = (1/2 \text{ of } y\text{-o-}y \text{ \% growth of CP} + 1/2 \text{ of } y\text{-o-}y \text{ \% growth of } \emptyset \text{ salary in economy})$; for members of military forces the valorisation of pensions depends on the $y\text{-o-}y \text{ \% increase of } \emptyset \text{ salary of members of military forces}$.

§ 490

Original text is replaced by the new one.

Original text:

490. This table contains inevitable adjustments of HBS data by definitions and ESA 95 methodology. The adjustments were made by using the administrative and other statistical sources.

Column 1 contains the sum of partial adjustments of the amount of FCH_(sum of columns 2+3+4 of analytical table 1A) within the calculations based on HBS. This column enters the *analytical table 1* as column 4.

New text:

490. This table contains inevitable adjustments of HBS data by definitions and ESA 95 methodology. The adjustments were made by using the administrative and other statistical sources.

Column 1 contains the sum of partial adjustments of the amount of FCH (sum of columns 2+3+4 of analytical table 1A) within the calculations based on HBS. This column enters the *analytical table 1* as column 7.

§ 492

Original text for the column 9 is replaced by the new one.

Original text:

Column 9_summarised FCH delineated in accordance to the national concept actually used in NA being calculated as the sum of items in columns (5-7+8).

New text:

Column 9_summarised FCH delineated in accordance to the national concept actually used in NA being calculated as the sum of items in columns (5+7-8).

§ 495

Original text is replaced by the new one.

Original text:

495. Calculation of expenditures on final consumption of NISH is linked to the calculation of their output, described in sub-chapter 3.7. The final consumption consists from the expenditures on:

- goods and services produced by non-profit institutions except for those, which are intended for own final use or are to be sold to other sectors, and goods and services produced by market producers and rendered by non-profit institutions to households

New text:

495. Calculation of expenditures on final consumption of NISH is linked to the calculation of their output, described in sub-chapter 3.7. The final consumption consists from the expenditures on:

- goods and services produced by non-profit institutions except for those, which are intended for own final use or are to be sold to other sectors, and goods and services produced by market producers and rendered by non-profit institutions to households.

The results of sample statistical survey on the acquisition of durable assets, organised in non-profit institutions, have confirmed that these entities did not perform any own account acquisition of durable assets. The reported values were negligible. This fact is related to the nature of their activity. The acquisition of durable assets in form of purchase of new or used durable assets, financed mainly from donations and contributions, is prevailing. The results of their own activity do not reach the level stated by the law on income tax for the inclusion into durable assets and are recorded as inventories (e.g. production of gifts or advertisement articles,...)

§ 637

Following sentence is amended at the bottom of § 637:

At the same time, the whole chapter is accompanied by the sub, which deals with the adjustments to ensure the completeness of the employment indicators.

At the same time, the GNI Inventory is completed by a new sub-chapter 7.4 – annexed to the Amendment as Annex 5.

§ 647

Following information is inserted before § 647:

It was not possible to use the results of fiscal audits in terms of additional calculations for hidden income because no detailed information from the Tax Authority was available. In addition, if the tax declaration (accounting statement) is fulfilled in compliance with the Law, there is no reason for the Tax Authority to search for inconsistencies in the reported data.

§ 710

Original text is replaced by the new one.

Original text:

710. Both, the sub-sectors S.122 – Other monetary financial institutions and S.123 – Other financial intermediaries except insurance corporations and pension funds, are assumed to be the creators of FISIM. The National Bank of the SR (S.121), investment funds and insurance corporations are not included into FISIM. Within the calculation of FISIM, the intermediate consumption of NBS is included into the intermediate consumption of commercial banks. FISIM is calculated as follows...

New text:

710. The sub-sector S.122 – Other monetary financial institutions is assumed to be the creators of FISIM. The National Bank of the SR (S.121), investment funds and insurance corporations are not included into FISIM. Within the calculation of FISIM, the output of NBS is included into the intermediate consumption of commercial banks. FISIM is calculated as follows...

Adjustments of tables

Table 141

Original table is replaced by the new one.

Original table

Adjustments of data on intermediate consumption in the sector of households.

Table 141

in mill. SKK

		50	51	52	Total G
Intermediate consumption (FO 1-01)		4 602	17 368	20 840	42 810
Undervaluation	-	31	468	1 189	1 688
Registered - not found out IC N5	+	171	668	801	1 640
FISIM	+	18	173	87	278
Leasing	-	61	202	342	605
Inward processing	+	0	32	0	32
Holding gains and losses	+	16	31	54	101
Intermediate consumption	=	4 715	17 602	20 251	42 568

New table

Adjustments of data on intermediate consumption in the sector of households.

Table 141

in mill. SKK

		50	51	52	Total G
Intermediate consumption (FO 1-01)		4 602	17 368	20 840	42 810
Overvaluation	-	31	468	1 189	1 688
Registered - not found out IC N5	+	171	668	801	1 640
FISIM	+	18	173	87	278
Leasing	-	61	202	342	605
Inward processing	+	0	32	0	32
Holding gains and losses	+	16	31	54	101
Intermediate consumption	=	4 715	17 602	20 251	42 568

Table 161

Original table is replaced by the new one.

Original table

Sectoral breakdown of output.

Table 161

in mill. SKK

	60	61	62	63	64	Total I
S.11	148 686	831	1 924	34 378	52 527	238 346
S.13	50	6	0	4 181	0	4 237
S.14	38 587	40	11	5 955	1 217	45 810
Total (I)	187 322	878	1 935	44 511	53 744	288 390

New table

Sectoral breakdown of output.

Table 161

in mill. SKK

	60	61	62	63	64	Total I
S.11	148 686	831	1 924	34 378	52 527	238 346
S.13	50	6	0	4 181	0	4 237
S.14	38 587	40	11	5 955	1 217	45 810
Total (I)	187 322	878	1 935	44 511	53 744	288 393

Table 194

New text is included before the table 194:

The recommendation Task force number R.1 hasn't been applied yet for the reference years 2003-2005. Recording of provisions like items of reducing premiums of reinsurers separately for life insurance and non-life insurance are applied in the National accounts according to the recommendation of Task force from the year 2006 included by reason of direct data availability from the administrative sources. By that time the total provisions of reinsurers were recorded on the basis of the recommendation of Eurostat like item of reducing the total intermediate consumption. We introduce an example for illustration:

New text is introduced below the table 194 and the new table 194a is amended.

Current recording of reinsurance commissions

The commissions from reinsurers are recorded in the algorithm of calculating output of reinsurers with negative sign like an item of reducing premium of reinsurers, i.e. it reduces total amount of output in line with recommendation of committee.

Calculation of intermediate consumption for S.124 Insurance and S.125.

Table 194a

in mill. SKK

2007		66	67.2	Total
Consumption of material, energy and services		9517	2181	11698
Payments for reinsurance services received	+	2830		2830
Non-life insurance service charge	+	167		167
Commissions from reinsurers	-	0		0
Costs on financial placement	+	1706		1706
Holding gains and losses on inventories (+/-)	+	-1		-1
FISIM allocated	+	631		631
Intermediate consumption S.124 Insurance and S.125	=	14850	2181	17031

Table 209

Original table is replaced by the new one.

Original table

Imputed rent in 2003.

Table 209

in mill. SKK

Total number of owner-occupied dwellings	1 260 631
Price per one dwelling (SKK)	1 142 888
Value of dwellings at replacement prices	1 440 760
Costs on maintenance and repairs	19 900
Consumption of fixed capital – service life 55 years	26 200
Net value of the housing fund	1 195 420
Net operating surplus	29 886
Imputed output of huts and garages	3 860
Total imputed output of housing services	79 839
Intermediate consumption	19 895
Imputed value added	59 944

New table

Imputed rent in 2003

Table 209

in mill. SKK

Total number of owner-occupied dwellings	1 260 631
Price per one dwelling (SKK)	1 142 888
Value of dwellings at replacement prices	1 440 760
Costs on maintenance and repairs	19 895
Consumption of fixed capital – service life 55 years	26 200
Net value of the housing fund	1 195 420
Net operating surplus	29 886

Imputed output of huts and garages	3 860
Total imputed output of housing services	79 839
Intermediate consumption	19 895
Imputed value added	59 944

Table 258

Original table is replaced by the new one.

Original table

Adjustments of data on intermediate consumption in the sector of households.

Table 258 in mill. SKK

		85
Intermediate consumption (Roc1-01)		3 881
Overvaluation	+	328
Registered -IC not found out N5	+	149
Fisim	+	5
Leasing	+	32
Inward processing	+	0
Holding gains and losses	+	7
Intermediate consumption	=	3 681

New table

Adjustments of data on intermediate consumption in the sector of households

Table 258 in mill. SKK

		85
Intermediate consumption (Roc1-01)		3 881
Overvaluation	+	328
Registered -IC not found out N5	+	149
Fisim	+	5
Leasing	+	32
Inward processing	+	0
Holding gains and losses	+	7
Intermediate consumption	=	3 681

Table 315

Original table is replaced by the new one:

Original table

Estimates of market services by COICOP based on different sources.

Table 315

in mill. SKK

	ECP 2003	Branch statistics	HBS	Market services
03 Clothing and footwear	784		329	784
03.1 Clothing	332		211	332
03.2 Footwear	452		119	452
04 Housing, water, electricity, gas and other fuels	18 611		17 636	20 611
04.1 Actual rents	7 376		7 895	7 980
04.3 Maintenance and repair of the dwelling	6 542		1 474	6 542
04.4 Water supply and miscellaneous services...	11 624		8 267	11 638
05 Furnishings	1 796		513	1 845
05.1 Furniture and furnishings, carpets...	221		124	221
05.3 Households appliance	1 025		211	211
05.6 Goods and services for routine household maintenance	286		130	286
06 Health	6 235		2 236	5 644
06.2 Out-patient services	5 993		2 041	5 402
06.3 Hospital services	242		194	242
07 Transport	21 320	16 325	14 609	21 735
07.2 Operation of personal transport equipment	8 542	5 283	4 300	8 542
07.3 Transport services	12 778	11 042	10 309	13 193
08 Communications	26 156	0	15 741	26 036
08.1 Postal services	760		383	1 364
08.3 Telephone and telefax services	25 396		15 358	24 672
09 Recreation and culture	31 327	30 652	14 132	32 359
09.1 Audio-visual, photographic and information processing equipment	898		146	898
09.2 Other major durables for recreation and culture	102		11	102
09.3 Other recreational items and equipment...	1 122		140	1 122
09.4 Recreational and cultural services	21 079	21 603	7 528	21 094
09.5 Newspapers, books and stationery				
09.6 Package holidays	8 126	9 049	6 307	9 143
10 Education	5 733	2 227	2 543	5 733
10.1 Pre-primary and primary education	886		437	886
10.2 Secondary education	480		308	480
10.3 Post-secondary non-tertiary education	123		92	123

10.4 Tertiary education	1 298		464	1 298
10.5 Education not definable by level	2 946	2 262	1 242	2 946
11 Restaurants and hotels	51 835	28 879	25 304	50 275
11.1 Catering services	47 414	25 566	23 819	46 245
11.2 Accommodation services	4 421	3 313	1 485	4 030
12 Miscellaneous goods and services	11 070	1 828	3 019	11 037
12.1 Personal care	8 123	1 828	1 777	8 123
12.4 Social protection	1 146		86	1 146
12.7 Other services n.e.c.	1 801		1 156	1 768
Total	181 534	79 911	96 014	180 481

New table

Estimates of market services by COICOP based on different sources.

Table 315

in mill. SKK

	ECP 2003	Branch statistics	HBS	Market services
03 Clothing and footwear	784		329	784
03.1 Clothing	332		211	332
03.2 Footwear	452		119	452
04 Housing, water, electricity, gas and other fuels	18 611		17 636	26 160
04.1 Actual rents	7 376		7 895	7 980
04.3 Maintenance and repair of the dwelling	6 542		1 474	6 542
04.4 Water supply and miscellaneous services...	11 624		8 267	11 638
05 Furnishings	1 796		513	718
05.1 Furniture and furnishings, carpets...	221		124	221
05.3 Households appliance	1 025		211	211
05.6 Goods and services for routine household maintenance	286		130	286
06 Health	6 235		2 236	5 644
06.2 Out-patient services	5 993		2 041	5 402
06.3 Hospital services	242		194	242
07 Transport	21 320	16 325	14 609	21 735
07.2 Operation of personal transport equipment	8 542	5 283	4 300	8 542
07.3 Transport services	12 778	11 042	10 309	13 193
08 Communications	26 156	0	15 741	26 036
08.1 Postal services	760		383	1 364
08.3 Telephone and telefax services	25 396		15 358	24 672
09 Recreation and culture	31 327	30 652	14 132	32 359

09.1 Audio-visual, photographic and information processing equipment	898		146	898
09.2 Other major durables for recreation and culture	102		11	102
09.3 Other recreational items and equipment...	1 122		140	1 122
09.4 Recreational and cultural services	21 079	21 603	7 528	21 094
09.5 Newspapers, books and stationery				
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10 Education	5 733	2 227	2 543	5 733
10.1 Pre-primary and primary education	886		437	886
10.2 Secondary education	480		308	480
10.3 Post-secondary non-tertiary education	123		92	123
10.4 Tertiary education	1 298		464	1 298
10.5 Education not definable by level	2 946	2 262	1 242	2 946
11 Restaurants and hotels	51 835	28 879	25 304	50 275
11.1 Catering services	47 414	25 566	23 819	46 245
11.2 Accommodation services	4 421	3 313	1 485	4 030
12 Miscellaneous goods and services	11 070	1 828	3 019	11 037
12.1 Personal care	8 123	1 828	1 777	8 123
12.4 Social protection	1 146		86	1 146
12.7 Other services n.e.c.	1 801		1 156	1 768
Total	181 534	79 911	96 014	180 481

Table 339 below the § 654

Heading of the table 339 for § 654 is adjusted in compliance with the new number of table – Table 339a

Original heading

Adjustments for exhaustiveness purposes by sectors within the particular methods of GDP estimation.

New heading

Adjustments by types of exhaustiveness in production approach in S.11 and S.14.

Table 339a

Adjustments in annexes

Annex 1

Text in the heading of table 1 for column 10 is will be replaced by a new text.

Original text in the heading of column 10:

Expenditures of residents in the economic territory

New text in the heading of column 10:

Expenditures of residents in the ROW sector

Annex 4

Text in the heading of table 5 for column 7 is replaced by a new text.

Original text in the heading of column 7:

Expenditures of residents in the economic territory

New text in the heading of column 7:

Expenditures of residents in the ROW sector

Annexes to Amendment (hereinafter AA)

Annexes to Amendment cover new documents, which are to be completed to the GNI Inventory to ensure the complexity of the document.

AA 1: Abbreviations

AA 2: Supervisory and control system in National Accounts compilation (new sub-chapter 1.10)

AA3: Employment (new sub-chapter 7.4)

AA4: Methodology of recording of taxes and social contributions according to ESA95 shifting to “time-adjusted” cash method

AA5: Report on the GNI Process Tables compilation

ANNEXES

Abbreviations

A31	industrial breakdown on 31 groups
A6	industrial breakdown on 6 groups
A60	industrial breakdown on 60 groups
AF5	Shares and other equity
AT	Austria
AZ	administrative data source
BCPB	Stock exchange on securities in Bratislava
BD	database
BEC	budgetary economic classification
BH	Household budgets
Bil (NBS) 1-12	Monthly balance of assets and liabilities for banking institutions
Bil (NBS) 2-12	Monthly profit and loss statement for banking institutions
BO	budgetary organisations
BoP	Balance of Payments
CFC	consumption of fixed capital
CIF	statistical value of goods at the time and place when they crossed the border of the importing state
CO	purchaser's prices
COFOG	Classification of the Functions of the Government
COICOP	Classification of Individual Consumption by Purpose for Households
COPC	Current Operating Performance Concept
COPNI	Classification of Expenditures of Non-profit institutions serving households by Purpose
COPP	Classification of Expenditures of Producers by Purpose
CPA	Classification of Products by Activity
CPI	Consumer price index
CR	Czech republic
CSO	Czech statistical office
CZ	Czech republic
CZK	Czech crown
DE	Germany
Dev (NBS) 12-12	Monthly statement of foreign exchange collections and payments in convertible currencies
Dev (NBS) 31-12	Monthly statement on foreign currency credits provided to clients by economic sectors in convertible currencies
Dev (NBS) 41-04	Quarterly statement on foreign currency deposits and credits received from clients by economic sub-sectors in convertible currencies
Dev (NBS) 61-01	Annual statement on foreign currency deposits and credits received from clients in convertible currencies
Dev 1-12	Monthly statement on foreign assets and liabilities
DRUHV	criterion of ownership
EC	European Commission
EDP	Excessive deficit procedure
ESA95	system of European Economic and Regional Accounts
EU	European Union

FATS	Foreign Affiliates Trade Statistics
FC	fixed capital
FCGG	final consumption of general government
FCH	final consumption of household
FDI	Foreign direct investments
FIFO	method (first in, first out)
FIN	financial (part of questionnaire)
FIN OST 4-04	Statement on the budget fulfilment of other entities, the budgets of which form the public budget
Fin PO 3-04	Statement on the fulfilment of budget and selected financial indicators of the subsidised organisations and state funds
Fin RO 1-04	Statement on the fulfilment of budget and selected financial indicators of the government budgetary organisations
Fin SAM 2-04	Statement on the fulfilment of budget and selected financial indicators of municipalities, supreme territorial unit and budgetary organisations under their auspices
FISIM	financial intermediation services indirectly measured
FNM	National Property Fund
FOB free on board the	statistical value of goods at the time and place when they crossed the border of the exporting state
FSU	file of statistical units
GB	Great Britain
GCF	gross capital formation
GDP	gross domestic product
GFCF	gross fixed capital formation
GNI	gross national income
HBS	Household budget survey
HLOKEC	main economic activity
HODPOV	assessment of the fulfilment of reporting duty of reporting unit
HOT-DECK	type of imputation (donor is chosen from the set of units of the updated file)
HS-CN	harmonised system of the combined nomenclature
HTP	Value-adding Process
IC	intermediate consumption
ICT	Information and Communication Technologies
IKF	identification code of form
IKP	identification code of item
IMF	International monetary fund
IMF	International Monetary Fund
INFOSTAT	Institute of Informatics and Statistics
Inv 3-04	Quarterly statement on begun and finished dwellings
IO	input-output
IOTs	Input-Output Tables
ISIC	International Standard Classification of Economic Activities
ITRS	International Transaction Reporting System
KATP	size category of the number of employees
KATT	turnover size category
KBB	Commodity stock-exchange in Bratislava

KP	Statistical Classification of Production (national version)
KVAL	Criterion for choosing a donor (donor data with no mistakes or abnormalities)
LFS	Labour force sample survey in the Slovak Republic
LIFO	(last in, first out).
LKAU	local kind-of-activity unit
MF SR	Ministry of Finance of the Slovak republic
MIG	Main Industrial Groupings
MLSAFSR	Ministry of Labour, Social Affairs and Family of the SR
MO 1-01	statistical questionnaires for municipalities
MOŠ - MIS 1-01	Annual statement on urban and municipality statistics
MOS-MIS	urban and municipality statistics
MPO Uč 1-01	Statement on assets and liabilities, revenues and expenditures of subsidised organisations MPO
N1	Producer should have registered (underground producer)
N2	Illegal producer that fails to register
N3	Producer is not obliged to register
N4	Registered legal persons not included in statistics
N5	Registered entrepreneur is not included in statistics
N6	Misreporting by the producer
N7	Statistical deficiency in data covers
NA	National Accounts
NACE	Classification of Economic Activities in the European Community
NBS	National Bank of Slovakia
NISH	Non-profit institutions serving to households
NLO	National Labour Office
NO Uč 1-01	Statement on revenues and expenditures of NPISH
NO Uč 2-01	Statement on assets and liabilities of NPISH
NPF	National Property Fund
NPISH	non-profit institutions serving households
NSNO 1-01	Annual questionnaire of non-profit institutions
NSNO 2-01	Annual questionnaire of small non-profit institutions
NSPO 1-01	Annual questionnaire of subsidised organisations
NSRO 1-01	Annual questionnaire of budgetary organisations
NUP	National Labour Office
NUP 1-01	Annual statistical questionnaire of the National Labour Office (valid up to 2003)
OECD	Organisation for Economic Cooperation and Development
OFM	Office for financial market
OKEC	Branch Statistical Classification of Economic Activities
P 13-04	Quarterly questionnaire on business statistics in small enterprises
P.1	Production
P.2	Intermediate consumption
P.3	Final consumption expenditure
P.6	Export of goods and services
P13-04	quarterly survey for small enterprises up to 19 employees
PBD	production database
Pen P3-04	· Quarterly enterprise questionnaire on banking institutions

Pen P5-01	Annual enterprise questionnaire on banking and non-banking financial institutions
PF Uc 1-01	Balance sheet for health insurance companies, Social Insurance Company and the National Labour Office
PF Uc 2-01	Profit and Loss statement for health insurance companies, Social Insurance Company and the National Labour Office
PHP	physical person (entrepreneur)
Pi6	fixed capital breakdown on 6 groups
PIM	perpetual inventory method
Pin P3-04	quarterly enterprise questionnaire of non-banking financial institutions
PL	Poland
PO	subsidised organisations
PO Obce	subsidised organisations under the auspices of municipalities
PO VUC	subsidised organisations under the auspices of supreme territorial units
Poi P3-04	Quarterly enterprise questionnaire on insurance
Poi P5-01	Annual enterprise questionnaire on insurance
PPI	Producers prices indices
PRIDANA	variable value added
Prod 3-04	Quarterly questionnaire on business statistics
PT	payment titles
RAS	Restrictive additive Schwarz method
RD	research and development
REGSTAT	database of regional statistics
RIE	Reinvested earnings
RO	budgetary organisations
RO Obce	municipalities and budgetary organisations under their reference
RO VUC	supreme territorial units and budgetary organisations under their responsibility
Roc 1-01	Annual questionnaire for productive branches with the number of employees 20 and more
Roc 1-01 Fin A	Section A of financial part of Annual questionnaire for productive branches with the number of employees 20 and more
Roc 1-01 Fin B	Section B of financial part of Annual questionnaire for productive branches with the number of employees 20 and more
Roc 1-01 Zav A	Section A of establishment part of Annual questionnaire for productive branches with the number of employees 20 and more
Roc 1-01 Zav B	Section B of establishment part of Annual questionnaire for productive branches with the number of employees 20 and more
Roc 2-01	Annual questionnaire of productive branches for reporting units with the number of employees from 0-19
Roc 3-99	Survey on entrepreneurs physical persons not registered in the Business Register
RoW	rest of the world
RT	retail trade
RTS	Retail trade sales
RU	Russia
SDR	Special Drawing Rights
SJs	reporting units

SKA	Slovenská konsolidačná, joint stock company
SLF	Slovak Land Fund
SLOVSTAT	Database of the Statistical Office of the SR
SMK	System of quality management
SNA93	System of National Accounts
SO	subsidised organisations
Socp 1-01	Annual statistical questionnaire of the Social Insurance Company
SONO Uc 1-01	Annual profit and loss statement for big NPISH
SOSR	Statistical office of the Slovak republic
SP	Social Insurance Company
SPE	Special Purpose Entities
SPF	Slovak Land Fund
SR	Slovak Republic
SRN	Germany
SSF	Social Security Funds
STAB	criterion expressing if reporting unit regularly submits questionnaires
SUF	state purposeful (earmarked) funds
SUT	Supply-Use Table
SZ	statistical survey
TF	Task force
U	uses
UA	Ukraine
Uc B1-01	Balance sheet on banks at full extent
Uc B2-01	Profit and loss statement on banks at full extent
Uc FNM SR 1-01	Statement on the formation and use and Balance sheet at full extent of the National property Fund
Uc FNM SR 2-01	Statement on the National property Fund budget withdrawal
Uc FO 1-01	Statement on revenues and expenditures for small entrepreneurs
Uc FO 2-01	Statement on assets and liabilities for small entrepreneurs
Uc NUJ 1-01	Balance sheet for non-profit institutions
Uc NUJ 2-01	Profit and Loss statement for non-profit institutions
Uc PF 1-01	Balance sheet of Social insurance company, health insurance companies, National Labour Office
Uc PF 2-01	Profit and loss statement for health insurance companies, Social Insurance Company and National Labour Office(up to 2003 for NLO)
Uc PF 2-01	Profit and Loss statement of Social insurance company, health insurance companies, National Labour Office
Uc POD 1-01	Balance sheet for business entities
Uc POD 2-01	Accounting profit and loss statement for business entities
Uc POI 1-01	Balance sheet of insurance companies
Uc POI 2-01	Profit and Loss statement of insurance companies
Uc ROPO 1-01	Balance sheet for budgetary, subsidised organisations, municipalities, supreme territorial units and state purpose funds
SFOV	supreme territorial units and state purpose funds
Uc ROPO 2-01	Profit and Loss statement for budgetary, subsidised organisations, municipalities, supreme territorial units and state purpose funds
SFOV	municipalities, supreme territorial units and state purpose funds
Uc ROPO 4-02	Profit and Loss statement for budgetary and subsidies organisations and municipalities
UCTOB	Criterion for length of accounting period

UFT	Office for financial market
UN	United nations
UPSVAR	Centre of Labour, Social Affairs and Family
USA	United states of america
V (NBS) 13-04	Quarterly statement on interest costs and revenues broken down by regions
V (NBS) 15-12	Monthly statement of collections and payments on non-residents accounts
V (NBS) 3-12	Monthly statement on credits in SKK
V (NBS) 5-12	Monthly statement on deposits and credits
VAT	value added tax
VBD	public database
VELKY	criterion of size
VERITEL	Veritel, joint stock company
VN	production (factor) costs
VSZ	East-Slovakian Steel Company
VVS	public universities
VYZNAM	criterion of importance
WT	wholesale trade
Z	resources
ZAV	establishment (part of questionnaire)
ZAV Bonn	Zentralamt Vermittlung Bonn
ZBD	source database
ZC	basic prices
Zdp 1-01	Annual statistical questionnaire of the health insurance companies
ZJs	establishment units
ZP	Health insurance companies

1.10 Supervisory and control system within the compilation of national accounts

Recently, the SOSR has implemented a quality management system according to the ISO 9001:2000. The internal legal rules are available at the internal SOSR's webpage. One of them is the directive SME 23-2006. This directive presents a standardised description of the organisation of labour in particular value-added processes – including the process of compilation of national accounts. It is broken down into four sub-processes and covers the entire procedure from the taking-over of the request until its fulfilment. The request is to be considered as all claims on the compilation and delivery of required data (e.g. data within the framework of the Transmission programme). The content of directive by the particular articles is presented below:

Article

- 1 Introductory provisions
- 2 Basic concepts and definitions
- 3 Breakdown of the process

Division I – Communication with client and determination of data acquisition approach

- 4 Basic data on sub-process
- 5 Arrival (recording) of request
- 6 Communication with client
- 7 Communication with suppliers on the request accomplishment
- 8 Transformation of request into an order and its confirmation
- 9 Ordering of resources
- 10 Compilation and updating of the Programme of state statistical surveys
- 11 Compilation of the Editor's programme
- 12 Registration in EU projects
- 13 Responsibilities

Division II – Preparation and performance of statistical surveys and data processing

- 14 Basic data on sub-process
- 15 Creation of technical project
- 16 Performance of statistical surveys and data processing
- 17 Validation of processed data and their release into ZBD
- 18 Storage and updating of data into ZBD
- 19 Verification survey
- 20 Performance of statistical surveys in from of projects

Division III – Creation of PBD/VBD and other working databases

- 21 Basic data on sub-process
- 22 Integration of data and generation of aggregates
- 23 Validation
- 24 Data storage
- 25 Co-operation with other units and external environment
- 26 Delivery and taking-over of internal data packages and information
- 27 Specifications in the creation of PBD / VBD and in other working databases in HTP300, 500 a 600

Division IV – Product creation and its dissemination

- 28 Basic data on sub-process
- 29 Product creation
- 30 Delivery and taking-over of internal data packages and information
- 31 Verification
- 32 Product dissemination
- 33 Specifications in the product creation and its dissemination in HTP300, 500 a 600

- 34 Final provisions

Within the **1st sub-process, Communication with client and determination of data acquisition approach**, the request is explored with regard to the availability of required data and information and the plausibility of their processing owing to the required deadlines and disposable resources is judged.

Within the **2nd sub-process, Preparation and performance of statistical surveys and data processing**, the collection, processing and validation of data from statistical surveys is done. The statistical data sources are regularly covered by the Programme of state statistical surveys, the data processing is running at particular workplaces of the SOSR and in the headquarters a source data base is working which serves as an input for the compilation of national accounts. Administrative data sources are ensured by the agreements between the SOSR and the administrator (State Treasury, DataCentrum, NBS) and from the contextual standpoint, they are yearly updated.

Within the **3rd and 4th sub-process**, the national accounts indicators are compiled from the source data. The delivery of indicators, in order to comply with the request, is approved by the director of national accounts or the director general of the section (Transmission programme, EDP notification, GNI questionnaire). Each year a Quality report is submitted within the delivery of GNI questionnaire in September, where all changes and current revisions, which have taken place in the given year, are documented. At the same time, the indicators of the process performance are assessed as the background information for the internal audit or the external audit (in 2006, the SOSR obtained the quality certificate according to ISO 9001:2000).

Within the framework of the quality management system, since 2006 the internal audits (IA) have been organised in each section of the SOSR. The strengths and weaknesses of the process as well as proposals for improvement are part of the IA report.

In 2006 the IA was done 2x; for the first time (February 2006) it was focused on the verification of compliance of QMS with the ISO 9001 standards and secondly (June 2006) it was concentrated on the verification of the fulfilment of correction and preventive measures based on the findings from 10 February 2006.

The IA as of 2007 (June 2007) was focused on the verification of fulfilment of the correction and preventive measures based on the findings from the last audit, checking of the perception of the value added, cost-effectiveness at interfaces and the examination of the compliance of QMS with the requirements of ISO 9001 standards.

The IA of 2008 (June 2008) was focused on the verification of fulfilment of the correction and preventive measures based on the findings from the last audit in 2007 and proposals for improvement formulated by other processes within audits in 2007, examination of the compliance of QMS with the requirements of ISO 9001 standards (focus on: efficiency of the

performance of managerial processes – control, effectiveness of internal communication) and on the evidence of obligatory documents of the assessment of quality of statistics required by the customer (Eurostat).

7.4 Employment

Labour Accounts can be described as a system of basic statistical indicators of the work, which are derived from the basic variables obtained by integration. Accounts of work consisting of a set of tables that provide a systematic and consistent view of the basic indicators related to employment, which are linked with each other in time series. Employment is to be observed in the domestic concept. Employment is expressed by the following basic indicators: the number of employed persons, the number of jobs, full-time equivalent employment, worked hours, compensation of employees. The indicators are further specified by sector and by economic status (whether employee or self employer). Further breakdown is by institutional sector, by region.

7.4.1 Sources

For compilation of employment indicators in the labour accounts are used different data sources that are available in the Slovak Republic, using the strengths of each particular source. Sources can be broken down into the sources of demand - especially enterprise surveys, administrative resources and the sources of supply - Labour Force Survey

7.4.1 .1 Enterprise surveys

This group includes surveys focused specifically on the area of employment (such as a survey on work and wages) and the surveys focused primarily on the output detection (structural surveys for large and small businesses and self employer). The advantage of the structural surveys is that the employment indicators are directly linked to indicators of output and value added.

It is mainly annual/quarter enterprise surveys about the work and wages/salaries. Annual survey (Praca 3-04) covers non-financial enterprises with more than 20 employees and other institution regardless of largeness, offers occupations data (divided into a main and secondary occupations and into gender as well) and data about the wages and salaries. Among main surveys belong annual structural survey in non-financial enterprise with more than 20 employees, less than 20 employees, financial institutions and self-employed. Annually is realized sample survey in non-profit oriented institutions serving to households.

7.4.1 .2 Labour force survey - LFS

Labour Force Survey in households (LFS) finds employment on the basis of the statements made by respondents from households.

The Labour Force Survey is continuous monitoring of the workforce on the basis of direct surveys in selected households. The basis of inquiry is the stratified selection of apartments, which uniformly covers the whole territory of Slovak Republic. Into the sample are placed 10 250 dwellings quarterly, representing 0.6% of the total number of permanently occupied dwellings in the Slovak Republic. The object of the survey are all persons aged 15 years and over living in households selected dwellings regardless of whether they have a permanent home, temporary residence or unreported, in addition to the institutional population. Each selected household remains in a sample of five consecutive quarters. All found data is converted to the actual Slovak population data taken from the survey of the movement of population.

7.4.1 .3 Administrative sources

Data are used from the tax authorities, i.e. tax returns of self employers, the data from the statistical register maintained by ŠÚSR, data from Social insurance, etc.

7.4.2 Harmonization of labour sources on the domestic concept ESA 95

In the process of different labour data sources harmonization are data adjusted and converted to the definitions used in the ESA 95, as well as in the ILO. The methods used in harmonization have been recommended by Eurostat. Process itself consists of several steps: *The first phase* is completing employment data, which represent the supply and demand of labour force. In the Slovak Republic supply side represent data found in the LFS, i.e. the economically active population, divided into employed and unemployed persons. Data from the demand side is assembled from information of statistical surveys in enterprises, respectively administrative resources.

In the second phase are data adjusted to the fullest related to coverage to match the definition of employment according to ESA95 and also to have been adapted to the domestic concept.

In the final phase data found on the side of supply are compared with the data on the demand side. Harmonization of the data leads to the final result for the individual indicators of employment.

Table 1 Description of adjustments made for estimate of total employment on the domestic concept in 2003

Employed persons with main (only) job from LFS – supply side – national concept	Employed persons – residents working abroad (-)	Employed persons – non-residents working in SR (+)	Women on maternity leave (-)	Adjustment of persons living in collective households (+)	Employed persons of our embassies and other institutions working abroad (+)	Employed persons of foreign embassies (-)	Employed persons in SR with main (only) job	Employed persons in SR with main (only) job including women on maternity leave – domestic concept
2 164,6	130,7	7,2	16,1	13,7	6,6	0,9	2 044,4	2 060,5

Table 2 Description of adjustments made for estimate of employees on the domestic concept in 2003

Employees with main (only) job from LFS – supply side – national concept	Employees – residents working abroad (-)	Employees – non-residents working in SR (+)	Women on maternity leave (-)	Adjustment of persons living in collective households (+)	Employees of our embassies and other institutions working abroad (+)	Employees of foreign embassies (-)	Employed persons in SR with main (only) job	Employed persons in SR with main (only) job including women on maternity leave – domestic concept
1 974,7	122,3	7,2	15,1	13,7	6,6	0,8	1 837,0	1 852,1

Table 3 Description of adjustments made for estimate of self employers on the domestic concept in 2003

Self employers with main (only) job from LFS – supply side – national concept	Women on maternity leave (-)	Self employers – residents working abroad (-)	Self employers in SR with main (only) job	Self employers in SR with main (only) job including women on maternity leave – domestic concept
216,9	1,0	8,4	207,4	208,4

7.4.3 Differences between enterprise surveys and Labour force survey

Individual surveys are different from each other:

- selection of statistical units (enterprise, factory, home)
- The coverage of the production units (firms and 20 employees, businesses of 20 employees, etc.)
- a reference period (year, quarter)
- type of variable employment (average indicator, status at end of the period)
- containing of employment variable (persons, jobs)
- use the concept (national or domestic)
- The completeness of coverage (includes unregistered activity, respectively. do not include), etc.

7.4.3 .1 Enterprise surveys

Demand (Enterprise surveys) is designed separately for each institutional sector. The main indicator of the business surveys is the "average registered number" of employed persons, which in practice means that it also includes people with the other job. In total for the whole economy this indicator represents the number of jobs. Therefore, employment data on the demand side *are adjusted on the number of person with main job and the other jobs*.

Data from the enterprise reporting corresponding to the "domestic" concept, therefore, further adjustments considering the concept are not made.

"Average registered number of employees" represents the number of stable and temporary employees in each occupational or civil status to an organization (it includes also members of the cooperative on condition that the participation of their membership is conditioned by their occupational status in the cooperative enterprises), irrespective of their actual present at work or their temporarily absent because of illness, holidays, military training, etc., as well as employees who were not working, for example because of stoppage, strike, or lock-out. The employees having part-time job are included. Women on maternity or additional maternity leave, persons practising military services (or compensatory civil services), apprentices and students performing operating practice are excluded.

In the context of harmonization the women on maternity leave are added to the number of employed persons

7.4.3 .2 LFS

Employment data found in the LFS are considered to be more complete in coverage of production activities, as well as the definition of employment. The definition of "worker" in the LFS corresponds to definition employed persons according to ILO and ESA1995. That means it includes persons with one or main job. At the same time, it is assumed that in these data are already included part of non-observed economy, especially in the informal sector.

"Employed" by LFS are all persons aged 15 and over who are working at least one hour for pay or profit (full-time or part-time job, permanent, temporary, casual or seasonal job) in the reference week, as well as contributing (unpaid) family workers, professionals in military service, persons in civil service and persons working abroad. Data on employed include persons not working in the reference week due to illness, holiday, maternity leave, study, weather conditions and strike or dispute, except persons on long-term unpaid leave from work. Persons on parental leave are not included among employed.

LFS covers of Slovakia's population, i.e. persons-resident with permanent residence in the territory of Slovakia. Foreigners staying temporarily (i.e., within 1 year) are not surveyed. It does not cover people living in institutional households (schools, hospitals, Social Welfare, Prison facilities, hotels, etc.). LFS identifies persons employed in "National concept" that identified the number of employed persons living in households in the Slovak Republic (even if they go to work abroad), which is different from the "domestic concept" used in the SNA. Data from the LFS is therefore necessary to adjust to the national accounts for the "domestic concept".

Only when the data on the demand and supply side are adjusted to the common concept and definition, they can be compared and possibly balanced. The number of persons employed (particularly the employees and particularly self-employers) with the main (respectively only job), identified on the supply and demand side are compared. Unidentified difference is considered to be the work of the agreement and unregistered work on the demand side.

A comparison of the number of employed persons identified in the LFS and enterprises showed that in some sectors, the differences are too high. The more causes could be:

- *Errors resulting from the sample.* Confidence interval calculated for each branch in the LFS identifies the extent of the interval, in which the estimates can fluctuate. At the level of two-digit branch classification (NACE) interval was significantly reduced
- *Errors in the classification.* The LFS information about the respondent's economic activity comes from himself, which can lead to large errors in the branch classification. Questioned their activities poorly placed in classification
- *Estimates and the grossing-up on the enterprise side.* The grossing-up, especially in small enterprises and the self-employers, they may also bring uncertainties in the branch integration. The grossing-up are mostly based on assumptions of average employment, the number of active enterprises in the registry, etc.
- *Categorization of company, respectively factory (KAU) to the branches of enterprise surveys done by his principal, the prevailing activity.* The inclusion in the LFS can be up to the level of local activity unit.

All these factors can significantly influence the differences in the number of persons employed in various branches identified in various surveys. Generally, data from business statistics are preferred, because of their quality on the branch classification is more reliable and the survey is more extensive. As these resources are not comprehensive, do not represent all small production units, particularly the informal sector, we accept the total

number of persons identified in the LFS and the difference is allocated into enterprise statistics such as improving their quality.

7.4.4 Differences in the indicators for the total employment reported in the LFS and enterprise statistics

We compared data for employed persons in the LFS and enterprise statistics on the basis of branches weights used in both surveys (using the branches breakdown of NACE Rev.1)

Main indicator of employment - employed persons also includes:

- The person on maternity leave
- The seasonal employees, but only during the season.

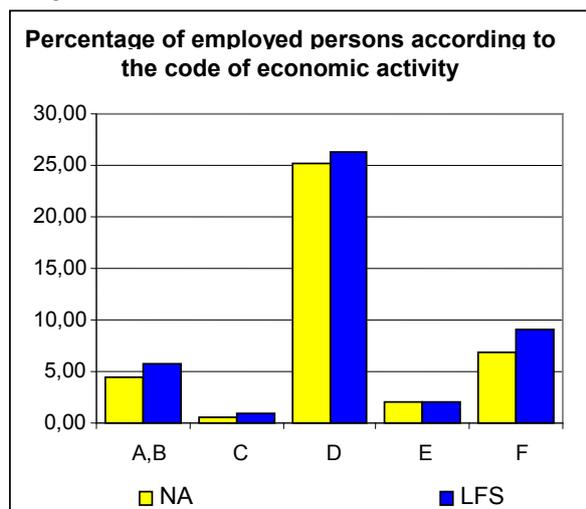
We compared the weight of an indicator of the main job of employees evaluated in individual branches, which provide labour accounts (domestic concept) with the data of the LFS (national concept).

Annex No.4 listed weight in the percentage of indicator Main job of employees and self-employers in various branches. In graphs 1 through 3 are visible differences between the two compared surveys in particular branches and for the whole economy.

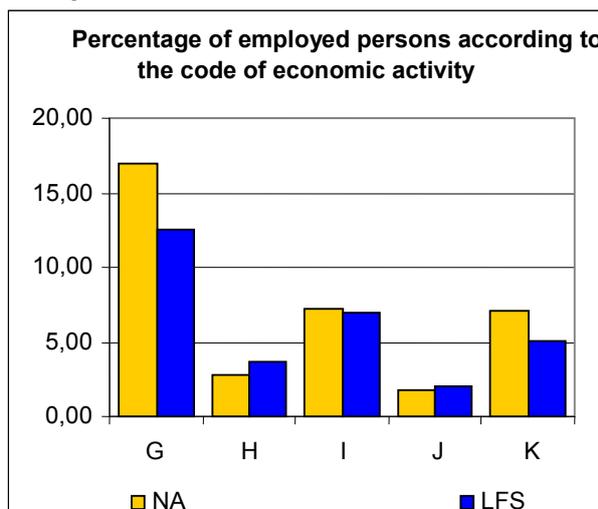
Table 4 Number of employed persons in 1000 (year 2003) and the percentage of the national economy

NACE	NA 2003 employment	LFS employment	NA 2003 employment	LFS employment
A,B	93	125	4,5	5,8
C	11	19	0,5	0,9
D	520	570	25,2	26,3
E	41	45	2,0	2,1
F	142	195	6,9	9,0
G	349	270	17,0	12,5
H	58	79	2,8	3,6
I	149	149	7,3	6,9
J	35	44	1,7	2,0
K	147	109	7,1	5,0
L	131	160	6,4	7,4
M	174	159	8,5	7,3
N	138	153	6,7	7,1
O	72	88	3,5	4,1
Total	2 060	2 165	100,0	100,0

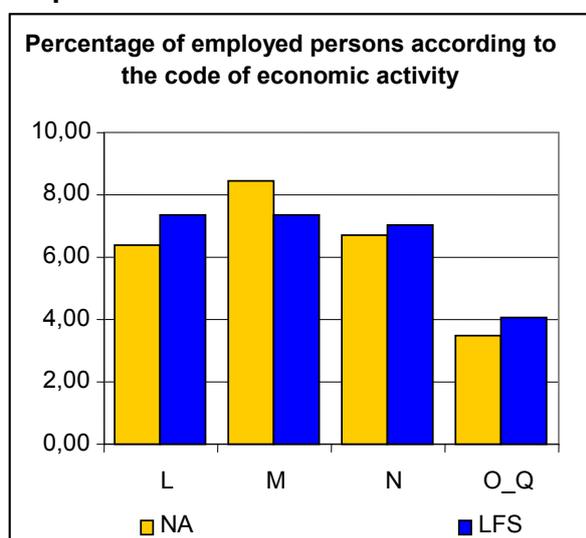
Graph 1



Graph 2



Graph 3



In evaluating the survey results for individual industries are more variations of corporate data in comparison with the results of the LFS occur:

- the branch group of F-Construction are data of enterprises about 2.1 lower than the figure of LFS,
- the branch group of G-Trade are data of corporate statistics about 5.5% higher than data in LFS
- the branch group K - Real estate, renting and business statistics, where data are about 1.9% higher than the data of LFS.

7.4.5 Conclusion

As we already mentioned The National accounts use for estimating of the employment, the hours worked and the compensations of employees in addition to enterprise data demographic and administrative resources as well. Their mutual confrontation helps to detect weaknesses, and also the defects in specific sources. In future, the linking of labour accounts with the system of national accounts will be used for constructing of the social accounting matrix of SR, which is affiliated with the labour market, enabling its widespread use for various types of economic analysis.

Recording of taxes and social contributions according to ESA95 Shifting to “time-adjusted” cash method

According to ESA 95, taxes and social contributions should be recorded on an accrual basis. In order to comply with this principle, Council Regulation 2516/2000 details the rules to be followed on the time of recording and the amounts to be recorded. Two methods can be used:

a) a method based on declarations and assessments – In this case, an adjustment needs to be made for amounts assessed or declared but unlikely to be collected. These amounts have to be eliminated from government revenue, either by using a tax-specific coefficient based on past experience and future expectations or by recording a capital transfer for the same adjustment (ESA 95 code D.995) to the relevant sectors.

b) 'time-adjusted' cash – the cash is attributed when the activity took place to generate the tax liability or when the amount of taxes was determined in the case of some income taxes. This adjustment may be based on the average time difference between the activity and cash receipt

When accrual recording of taxes and social contributions has been introduced in Slovak republic, it was decided to use the “coefficient method” because this method was recommended for countries with significant outstanding amount in the tax and social security system. However, this method is very demanding on data of good quality. Ministry of Finance together with Statistical Office made every effort to provide good estimate of accrual tax revenue using “coefficient method”. It should be noted that good results were achieved only due to number of discussions, revisions of input data and also involving an analytical capacity of Ministry of Finance – Institute of Financial Policy (IFP). IFP is responsible for tax revenue forecasting and hence has a good basis for independent check of results. Using the “coefficient method” is very time consuming (data collection, estimation of coefficients), because it is necessary to contact up to 10 institutions (except MoF and SO SR). For all that effort there is still some risk which can lead to incorrect results and possible revisions. There are also other problems of “coefficient method”. For example, in corporate income tax the tax returns can be (in some cases) also filed in September (e.g. in September 2006 declaration of tax related to tax liability for the year 2005). It was impossible to incorporate it in the accrual corporate income tax because of the same date of data aggregation and the proceeding notification.

Using “time-adjusted” cash will help us to stabilize time-series, improve our prognoses and above all to provide data of good quality for the purposes of EUROSTAT notification.

Proposed methodology of accrual recording

Time-adjusted cash method, from its definition, is based on detailed cash data. Proposed methodology reflects available and credible data, which were given by each of the relevant institution within the General Government (The Tax Directorate of the Slovak Republic, Social Insurance Agency, National Labour Office, Ministry of Health on behalf Health Insurance Companies, Ministry of Finance and also recently established State Treasury).

The Slovak Republic will apply new method only for those taxes and social contributions, which are currently recorded on accrual basis in the national accounts: PIT, CIT, VAT, Excise duties, social contributions paid to Social Insurance Agency and Health Insurance Companies. It is assumed that remaining part of the tax revenue will be on cash basis. Proportion of tax revenue currently recorded on cash basis in the national accounts is very

low, falling down from 12.9% of total tax revenue in 1995 to 6.6% in 2005. Moreover, this proportion contains a lot of relatively small taxes. It would be very difficult to describe legislation and gather necessary data and information for possible accrual recording of this part of tax revenue.

Structure of tax revenue according to the accrual recording			
	1995	2000	2005
A. Taxes on accrual basis	87.1	83.7	93.4
Personal Income Tax	13.2	16.9	14.8
Corporate Income tax	24.1	14.0	15.6
Value Added Tax	36.0	37.6	44.7
Excise Duties	13.7	15.1	18.3
B. Taxes on cash basis	12.9	16.3	6.6
C. TOTAL TAXES (A+B)	100.0	100.0	100.0

Year	Taxes on cash basis (%)	Taxes on accrual basis (%)
1995	12.9	87.1
1996	14.8	85.2
1997	16.1	83.9
1998	16.0	84.0
1999	17.3	82.7
2000	16.3	83.7
2001	12.2	87.8
2002	12.0	88.0
2003	11.8	88.2
2004	9.0	91.0
2005	6.6	93.4

Source: Statistical Office, Ministry of Finance

Key features of the new method:

1. Tax revenue on accrual basis:

- a) Personal Income Tax (dependent activity and business activity), Corporate Income Tax, Value Added Tax and Excise duties.
- b) Social Contributions paid to Social Insurance Agency (including contributions paid to National Labour Office till the end of 2003) and contributions paid to Health Insurance Companies
- c) Other tax revenue will be recorded on cash basis

2. Data availability

- a) Taxes – detailed monthly cash receipts since 1997
- b) Social contributions paid to Social Insurance Agency – monthly cash receipts since 1996
- c) Social contributions paid to Health Insurance Companies – monthly cash receipts since 1999
- d) Social contributions paid to National Labour Office – monthly cash receipts since 1998
- e) If no detailed cash data are available for above mentioned tax revenue, they will be recorded on cash basis (mainly period from 1993 till year where detailed cash receipts are available, usually 1997)
- f) Other tax revenue will be recorded on a cash basis.

Time-adjusted methodology – data availability								
	1993	1994	1995	1996	1997	1998	1999	2000 - 2005
Personal Income Tax	cash	cash	cash	cash	TA cash	TA cash	TA cash	TA cash
- PIT dependent activity	cash	cash	cash	cash	TA cash	TA cash	TA cash	TA cash
- PIT business activity	cash	cash	cash	cash	TA cash	TA cash	TA cash	TA cash
Corporate Income Tax	cash	cash	cash	cash	TA cash	TA cash	TA cash	TA cash
Value Added Tax	cash	cash	cash	cash	TA cash	TA cash	TA cash	TA cash
Excise Duties	cash	cash	cash	cash	TA cash	TA cash	TA cash	TA cash
Other taxes	cash	cash	cash	cash	cash	cash	cash	cash
SIA – social contributions	cash	cash	cash	TA cash	TA cash	TA cash	TA cash	TA cash
HIC – social contributions	cash	cash	cash	cash	cash	cash	TA cash	TA cash
NLO – social contributions	cash	cash	cash	cash	cash	TA cash	TA cash	TA cash

Cash – accrual taxes equal to cash execution

TA cash (time-adjusted cash) – accrual taxes calculated with time-adjusted cash execution

SIA – Social Insurance Agency, HIC – Health Insurance Companies, NLO – National Labour Office

Detailed description of computing of general government tax receipts on accrual basis

1. Personal Income tax – dependent activity

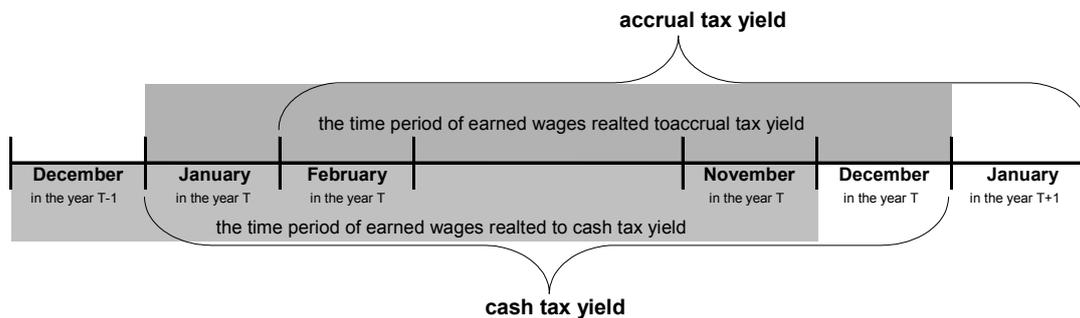
Personal Income Tax from dependent activity is a direct tax paid by employees from their incomes (wages, salaries, premiums ...).

Wages are paid out retrospectively for one period (usually one month). Taxes are therefore paid retrospectively, too. For example, the employee pays taxes in January from income related to December. According to the law, any income from dependent activity gained up to January 31, shall be included in the tax base for a tax period of calendar year (January – December).

Employee has to ask the employer to perform the annual clearing. If the employee fails to apply for the annual clearing, he/she shall be bound to file a tax return. In the case of filling the tax return, the rules are the same as for PIT from self-employed. Contrarily, the annual clearing has to be made until the end of the March end up of the tax period. The overpayment shall be paid to the employee by the employer after completing the annual clearing, but not later than the date of paying the wages related to April in the year, in which the annual clearing of tax advances is performed. Underpayment shall be deducted by the employer from the taxable wage of the relevant employee by the last day of the tax period, in which the annual clearing is performed.

Cash receipts from PIT - dependent activity in one calendar year (t) (from January until December) include the taxes paid from wages related to the period from December in the year (t-1) until November in the year (t).

Due to of the character of PIT - dependent activity, the accrual tax revenue should be calculated as sum of cash receipts from February until January in the next year. In this case, the accrual PIT from dependent activity will be related to wage earned in one calendar year.



The formula for calculation of accrual PIT - dependent activity is:

$$\text{Accrual } (t) = \text{cash receipts from February } (t) \text{ to January } (t+1)$$

Cash receipts of PIT – dependent activity (SKK mil.)	
Time period	Cash yield
February (t)	
March (t)	
April (t)	
May (t)	
June (t)	
July (t)	
August (t)	
September (t)	
October (t)	
November (t)	
December (t)	
January (t+1)	
ACCRUAL TAX (t) =	Σ

Disadvantage of this method is that the effect of annual tax clearing could be lost, because the annual clearing impacts the value of accrual tax in the next year.

The annual clearing is realized until the end of March. All effects (overpayments and underpayments) resulted from annual clearing will affect the cash and accrual value of PIT in the next year, not in the year, which these effects are related to. If the legislation does not change every year, these effects should be small, but if it does, the effect could be significant (see box).

BOX: Example of legislation change and its impact on accrual tax receipts

Since 2005, there exists a tax allowance for special purpose savings in Slovakia. It can be applied only in the annual clearing. For the first time it was applied in March 2006. Cash receipts from March to May 2006 were lower because of overpayments from annual clearing of the year 2005. Hence, the accrual tax in 2006 will be lower and accrual tax in 2005 higher, approximately SKK 1.0 billion.

Similar example is digressive tax allowance for taxpayer and for spouse, which probably will come into force in 2007. The tax allowance is going to decrease by the formula given by the law. But this decreasing will be taken into account only in annual clearing, not at monthly period. Proposed methodology will increase accrual tax receipts in 2008 by 1.0 billion instead of 2007.

2. Personal Income Tax – Business activity (self-employment)

Personal income tax from self-employment is a tax paid by advance payments. The advances are being paid by persons involved in the craft or small business. The amount of advances as well as the payment maturity (monthly, quarterly, yearly) depends on the last known tax liability. In case of a difference between the sum of advance payments paid by the tax payer within/during the year and the tax liability declared in the tax return, the overpayment or underpayment occurs. This has to be settled up within 40 days after the tax return has been filed. In case that individuals have another income from self-employment and dependent activity (capital gains and others), these individuals do not have to pay advances, but do have to pay the tax from this supplementary income directly when filing the tax return. The personal income tax from self-employment is the sum of tax liabilities from all the above mentioned types of taxpayers.

The tax revenue on the cash basis is the sum of advances in the period starting January and ending in December; the tax settlement and the sanctions (penalties and fines) in the common year. It is important to distinguish between the advances in the first three months, which are paid from the tax liability two years ago and the advances since April till December, which are being paid from the last known tax liability filed in the tax return. The tax settlement (over/under payment) is being reimbursed starting March till July. The Tax Directorate of the Slovak Republic differentiates all the above mentioned types of payments, which makes it possible to aggregate the tax on accrual basis from the payments, which are related to the same year.

$$\begin{aligned} \text{Accrual } (t) &= \text{Advances } \{\text{from January } (t) \text{ to December } (t)\} \\ &+ \text{Settlement } \{\text{from January } (t+1) \text{ to December } (t+1)\} \\ &+ \text{others}^2 \{ \text{from January } (t) \text{ to December } (t)\} \end{aligned}$$

² amercement, sanctions and other payments

Cash receipts from PIT - self-employment (SKK mil.)				
	advances	tax settlement	others *	SUM
	1	2	3	4=1+2+3
January (t)				
February (t)				
March (t)				
April (t)				
May (t)				
June (t)				
July (t)				
August (t)				
September (t)				
October (t)				
November (t)				
December (t)				
January (t+1)				
February (t+1)				
March (t+1)				
April (t+1)				
May (t+1)				
June (t+1)				
July (t+1)				
August (t+1)				
September (t+1)				
October (t+1)				
November (t+1)				
December (t+1)				
ACCRUAL TAX (t)				Σ

* amercement, sanctions, receipts from the previous years

In October_{t+1} completed data for tax settlement will not be available in the year *t+1*. For the purpose of accrual PIT from self-employment in year *t*, the MoF will predict the value of tax settlement for the whole year *t+1*. Due to this, for correct amount of accrual PIT it would be necessary to revise tax revenue again in April_{t+2}. In case, that more taxpayers will file the tax return at this time compare to the previous year and/or their tax liability differs markedly from the previous one a considerable inaccuracy may occur.

3. Corporate Income Tax

The corporate income tax works the same as the PIT from self-employment, it is being paid by advance payments. The amount of advances as well as the payment maturity (monthly, quarterly, yearly) depends on the last known tax liability. In case of a difference between the sum of advance payments paid by the tax payer within/during the year and the tax liability declared in the tax return, the overpayment or underpayment occurs. This has to be settled up within 40 days after the tax return has been filed.

The tax revenue on the cash basis is the sum of advances in the period starting January and ending in December; the tax settlement and the sanctions (penalties and fines) in the common year. It is important to distinguish between the advances in the first three months, which are paid from the tax liability two years ago and the advances since April till

December, which are being paid from the last known tax liability filed in the tax return. The tax settlement (over/under payment) is being reimbursed starting March till July. The Tax Directorate of the Slovak Republic differentiates all the above mentioned types of payments, which makes it possible to aggregate the tax on accrual basis from the payments, which are related to the same year.

$$\begin{aligned} \text{Accrual (t)} = & \text{Advances \{from January (t) to December (t)\}} \\ & + \text{Settlement \{from January (t+1) to December (t+1)\}} \\ & + \text{others}^3 \text{ \{from January (t) to December (t)\}} \end{aligned}$$

Cash receipts from CIT (SKK mil.)				
	advances	tax settlement	others *	SUM
	1	2	3	4=1+2+3
January (t)				
February (t)				
March (t)				
April (t)				
May (t)				
June (t)				
July (t)				
August (t)				
September (t)				
October (t)				
November (t)				
December (t)				
January (t+1)				
February (t+1)				
March (t+1)				
April (t+1)				
May (t+1)				
June (t+1)				
July (t+1)				
August (t+1)				
September (t+1)				
October (t+1)				
November (t+1)				
December (t+1)				
ACCRUAL TAX (t)				Σ

* amercement, sanctions, receipts from the previous years

In October_{t+1} completed data for tax settlement will not be available in the year *t+1*. For the purpose of accrual CIT in year *t*, the MoF will predict the value of tax settlement for the whole year *t+1*. Due to this, for correct amount of accrual CIT it would be necessary to revise tax revenue again in April_{t+2}. In case, that more taxpayers will file the tax return at this time compare to the previous year and/or their tax liability differs markedly from the previous one a considerable inaccuracy may occur.

³ amercement, sanctions and other payments

4. Value Added Tax

VAT is indirect tax, which taxes every sale of goods and services in all phases of production and distribution. VAT is paid by taxpayer, but tax burden is imposed on final consumers.

Within 25 days of the end of a tax period, a taxpayer shall be obliged to file a tax return, and to pay the due tax within the same time limit (*E.g. Firm will file a tax return by October 25 but it is related to September. At the same date firm has to pay tax liability*). If, during a tax period, a taxpayer becomes entitled to an excess deduction, he shall deduct this excess amount from the due tax in the next tax period. An excess deduction shall mean a positive difference between the total amount of deductible tax and the total amount of tax. If the taxpayer cannot deduct excessive deduction from its own tax obligation in the following taxation period, the tax office shall return the non-deducted excessive deduction or its non-deducted part no later than 30 days after filing the tax return for the taxation period following the taxation period, in which the excessive deduction was created. (*Firm will file a tax return for January in February and claim to return an excess deduction. In subsequent tax return for February, which firm will file in March, firm shall deduct excess amount from the due tax. If the excess amount is still higher than tax liability, tax office shall return the difference by end of April.*)

$$\begin{aligned} \text{Accrual (t)} &= \text{TAX COLLECTION BY TAX OFFICES \{from February (t) to January (t+1)\}} \\ &\quad - \text{EXCESSIVE DEDUCTION \{from April (t) to March (t+1)\}} \\ &\quad + \text{TAX COLLECTION BY CUSTOMS \{from January (t) to December (t)\}} \end{aligned}$$

Cash VAT (in SKK mill.)				
	Tax collection by tax offices	Excessive deduction (tax offices)	Tax collection by customs	Subtotal
	1	2	3	4=1+2+3
January (t)				
February (t)				
March (t)				
April (t)				
May (t)				
June (t)				
July (t)				
August (t)				
September (t)				
October (t)				
November (t)				
December (t)				
January (t+1)				
February (t+1)				
March (t+1)				
ACCRUAL VAT (t)				Σ

5. Excise duties

Excise duties are indirect taxes, which tax only selected goods. There are currently excise taxes on mineral oils, alcohol, wine, beer and tobacco products in the Slovak Republic. Excise duties are paid by producer or distributors; however tax burden is imposed on final consumers.

The rules of paying taxes are the same for all kinds of excises. A taxpayer, operating within the territory of EU25, is obliged to file a tax return within 25 day after tax period (tax period is usually one month). The taxpayer is also obliged to pay the due tax within the same time limit. Introduction of tax warehouses eliminated the amount of tax reimbursement that's why it is not necessary to break down cash collection further. The effect of tax reimbursement is negligible compared to the excessive deduction in VAT. If goods are imported from the territory which is not a territory of EU25 (third countries), an importer is obliged to pay excise duty immediately.

$$\text{Accrual (t)} = \text{Tax collection from tax return \{from February (t) to January (t+1)\}} \\ + \text{Tax collection on imports \{from January (t) to December (t)\}}$$

Cash receipts from Excise duties (SKK mil.)			
	Cash collection (tax returns)	Cash collection (import from third countries)	SUM
	1	2	3 = 1+2
January (t)			
February (t)			
March (t)			
April (t)			
May (t)			
June (t)			
July (t)			
August (t)			
September (t)			
October (t)			
November (t)			
December (t)			
January (t+1)			
ACCRUAL EXCISES (t)			Σ

6. Social Security Contributions

There are 5 types of income in the social security system. The rules for accrual recording are the same for Social Insurance Agency, Health Insurance Companies and National Labour Office⁴. The rules are very similar to PIT from dependent activity because social contributions are paid from wages.

⁴ National Labour Office was abolished as of 1.1.2004.

Accrualisation technique of social contributions – time-adjusted cash	
Social Insurance Agency (SIA) / Health Insurance Companies (HIC)/National Labour Office (NLO)	
Types of income:	Technique of time-adjustment:
1. Social Contributions from economically active persons	accrual income (m) = cash receipts (m+1)
2. Outstanding social contributions	accrual income (m) = cash receipts (m)
3. Contributions on behalf of certain groups	accrual income (m) = cash receipts (m)
4. Internal transfer within SIA	accrual income (m) = cash receipts (m)
5. Penalties	accrual income (m) = cash receipts (m)

note : (m) - month

1. Social Contributions from economically active persons:

Social contributions are paid by employees, employers and self-employed. Cash receipts of social contributions need to be time-adjusted so that the cash is attributed when the activity took place to generate the liability. The time difference between the activity and cash receipt of contributions is one month. Annual social contributions on accrual basis in year (t) are equal to the sum of cash receipts from February (t) to January (t+1). This category includes also voluntary insured persons.

$$\text{Accrual (t)} = \text{cash receipts from February (t) to January (t+1)}$$

2. Outstanding social contributions:

Outstanding social contributions receipts are receipts of contributions due in previous years (i.e. are not related to current year). As Ministry of Finance does not have information regarding the period, that are the receipts of outstanding contributions related to, we propose not to time-adjust these receipts.

$$\text{Accrual (t)} = \text{cash receipts from January (t) to December (t)}$$

3. Contributions on behalf of certain groups:

When government pays social and health contributions on behalf of legally defined groups of population (unemployed, dependent children etc.), there is no time difference between accrual incomes and cash receipts, because government pays in the same period as the liability arises. Thus there is no need for time-adjustment of receipts stemming from the contributions paid by state to social security funds.

$$\text{Accrual (t)} = \text{cash receipts from January (t) to December (t)}$$

4. Internal transfer (only SIA):

Social Insurance Agency pays old-age insurance on behalf of disabled persons what is de facto an internal transfer within SIA. Similarly as in the case of government paying on behalf of certain groups, there is no time difference between accrual incomes and cash receipts.

$$\text{Accrual (t)} = \text{cash receipts from January (t) to December (t)}$$

5. Penalties:

Similarly as in the case of outstanding social contributions receipts, Ministry of Finance does not have information regarding the period, that are the receipts of penalties related to. Thus, we propose not to time-adjust receipts of penalties.

Disadvantage of using time-adjusted cash

In September 2006, the annual clearing of 2005's advances for the account of health insurance (annual clearing) took place for the first time in Slovak history (there is no annual clearing for social insurance in Slovakia). According to the latest information, the result of the annual clearing will be positive for General Government. It means, that people has to pay off their underpayments. Thus, when using time-adjusted cash, accrual incomes in 2006 will be overvalued and accrual income in 2005 undervalued. We do not expect significant year-on-year change of underpayments, therefore the problem of annual clearing exists only in 2005/2006.

Social contributions – time-adjusted cash						
	Social Contributions	Outstanding social contributions	Government (paid from state budget)	Internal transfer (within SIA)	Penalties	SUM
	1	2	3	4	5	6 = 1+2+3+4+5
January (t)	////					
February (t)						
March (t)						
April (t)						
May (t)						
June (t)						
July (t)						
August (t)						
September (t)						
October (t)						
November (t)						
December (t)						
January (t+1)		////	////	////	////	////
Social contributions (t)						Σ

Report on GNI Process tables compilation

1. PROCESS TABLES – OUTPUT APPROACH

Within the framework of GDP compilation by output approach in 2003 these data sources were used in percentages of GDP as follows:

Surveys and censuses	44,7 %
Administrative records	31,4 %
Combined data	0,5 %
Extrapolation and models	9,5 %

Data are withdrawn mainly from the statistical surveys in accordance to Programme of State Statistical Surveys. Entering data are information from fulfilled questionnaires including results of imputations of non-response, and in the case of sample surveys data grossed up to the whole file of active units. Next data source is based on data of financial statistics, banking and insurance statistics and statistics of other bodies of general government.

The largest representation (up 5% of gross value added) where these data sources are used we can find in industries shown in the table:

Surveys and censuses			
Name of industry	Sections of NACE (A17)	% of gross value added	GVA in million SKK
Manufacturing	D	18,4	201 800
Electricity, gas and water supply	E	5,2	56 403
Wholesale and retail trade	G	6,6	72 767
Transport, storage and communication	I	7,1	78 004

Administrative records most frequent used in output approach are data from bookkeeping and financial statements submitted to the Ministry of Finance of the Slovak Republic.

The largest representation (up 3% of gross value added) where these data sources are used we can find in industries shown in the table:

Administrative records			
Name of industry	Sections of NACE (A17)	% of gross value added	GVA in million SKK
Wholesale and retail trade	G	3,6	39 348
Financial intermediation	J	3,4	37 309
Public administration and defence, comp. social security	L	4,2	46 292
Education	M	3,1	34 049

Data from extrapolation and methods in output approach are used for estimates of dwelling services of owners of dwellings and in calculation of consumption of fixed assets using PIM method (perpetual inventory method).

The largest representation (up 3% of gross value added) where these data sources are used we can find in industries shown in the table:

Extrapolation and models			
Name of industry	Sections of NACE (A17)	% of gross value added	GVA in million SKK
Real estate, renting and business activities	K	6,5	70 900
Public administration and defence, comp. social security	L	3,1	34 007

Total adjustments in output approach represent approximately 14% of the final GDP estimate.

Data validation adjustments present a decrease of the basic estimates approximately by 22 332 million SKK and were applied for industry of financial intermediation. The reason was adjustment of entering data for output calculation in the sector of financial corporations (S.12) after inclusion of the results of national accounts revision for financial leasing – adjustment of output of leasing companies by the amount presented capital part of leasing payments as well as adjustment for calculation of intermediate consumption in the sectors of non financial corporations and households.

Conceptual adjustments present a decrease of the basic estimates approximately by 14 203 million SKK, and were applied in all industries of economy due to the following adjustments: tax adjustments, allocation of FISIM into users sectors, calculation of consumption of fixed capital using PIM method, active inward processing, holding, fees for financial services, subsidies on products, threshold for acquisition value of fixed assets, activation of costs for development.

Explicit cut-off adjustments present an increase of the basic estimates approximately by 46 034 million SKK and were applied nearly in all industries of economy due to the grossing up data for units not covered by survey and own accounts production in the sections A and F of NACE.

Explicit exhaustiveness adjustments present an increase of the basic estimates approximately by 136 817 million SKK and were applied nearly in all industries of economy due to the provision of accounts exhaustiveness according to relevant instructions on exhaustiveness (not registered producers, drugs and prostitution, under-evaluation of output, over-evaluation of intermediate consumption, tips).

Balancing adjustments in 2003 were not identified for output approach. Wrong data, arisen within the process of balancing were continuously classified in the column for data validation.

Representation of data sources and adjustments in percentages of GDP compiled by GDP output approach in current prices

Output approach SK 2003

Basis for national accounts figures						Adjustments			
Surves and censuses	Administrative records	Combined data	Extrapolation and models	Other	Total	Data validation	Conceptual	Exhaustiveness	Balancing
44,7	31,4	0,5	9,5		86,1	0	-1,2	15,1	

2. PROCESS TABLES – EXPENDITURE APPROACH

Within the framework of GDP compilation by expenditure approach in 2003 these data sources were used in percentages of GDP as follows:

Surveys and censuses	69,4 %
Administrative records	23,6 %
Combined data	0,9 %
Extrapolation and models	10,6 %
Others	0,7 %

Similarly as in the output approach, data are withdrawn mainly from the statistical surveys in accordance to Programme of State Statistical Surveys. Entering data are information from fulfilled questionnaires including results of imputations of non-response, and in the case of sample surveys data grossed up to the whole file of active units. Next data source is based on data of financial statistics, banking and insurance statistics and statistics of other bodies of general government.

Representation of these data sources used for the main components of expenditure approach of GDP compilation in percentages of GDP is shown in the table:

Surveys and censuses		
Components of GDP	% GDP	million SKK
Final households consumption	55,4	671 377
Gross fixed capital formation	13,7	165 644

Administrative records most frequent used in expenditure approach are data from bookkeeping and financial statements submitted to the Ministry of Finance of the Slovak Republic.

Representation of these data sources used for the main components of expenditure approach of GDP compilation in percentages of GDP is shown in the table:

Administrative records		
Components of GDP	% GDP	million SKK
Final households consumption	1,9	23 060
Final consumption of general government	20,5	248 173
Gross fixed capital formation	2,8	33 710
Exports of goods	66,2	803 037
Imports of goods	68,2	826 625

Data from extrapolation and methods in expenditure approach are prevalingly used for estimates of final household consumption in the area of dwellings – imputed rent, and in some commodities of the household consumption as are alcoholic beverages, tobacco and transport, as well as in calculation of gross fixed capital formation for the sector of households.

Representation of these data sources used for the main components of expenditure approach of GDP compilation in percentages of GDP is shown in the table:

Extrapolation and models		
Components of GDP	% GDP	million SKK
Final households consumption	8,6	104 720
Gross fixed capital formation	2,1	25 542

Information from other sources as mentioned above present mainly data from other fully processed statistical systems. In particular it is going on data from the balance of payments, which is centrally processed by the National Bank of Slovakia. The Statistical Office of the SR uses these data within the expenditure approach of GDP calculation as the basis for compilation data on exports and imports of services.

Representation of these data sources in percentages of GDP is shown in the table:

Others		
Components of GDP	% GDP	million SKK
Exports of services	10,0	120 836
Imports of services	9,2	112 140

Total adjustments in expenditure approach represent approximately –5 % of the final GDP estimate.

Data validation adjustments present an increase of the basic estimates approximately by 68 678 million SKK and were mainly related to the adjustments of entering data for the calculation of gross fixed capital formation based on commodity flows data.

Conceptual adjustments present a decrease of the basic estimates approximately by 172 535 million SKK, and were applied for all components of expenditure approach of GDO calculation. For the area of final consumption data were adjusted due to the modification of retail turnover by purchases realised by subjects other than private households and were grossed up by purchases of private households realised in wholesale. For the area of gross fixed capital formation, data were adjusted because of calculation of data for entertainment, literary and artistic originals, and because profit margin calculation in the case of fixed assets acquired by own account production. For the area of changes in inventories data were adjusted with respect to holding gains/losses. For the area of exports and imports of services, there were made methodical adjustments related to premiums and FISIM allocation, and in the area of exports of goods solving of foreign debt was taken into account.

Explicit cut-off adjustments present an increase of the basic estimates approximately by 26 354 million SKK (agriculture production for own final use) and were applied due to the grossing up data for COICOP group 01 food.

Explicit exhaustiveness adjustments present an increase of the basic estimates approximately by 14 471 million SKK and were applied due to the provision of accounts exhaustiveness according to relevant instructions on exhaustiveness in all commodities final

household consumption as well as in exports/imports of goods and services (drugs, prostitution, tips, over-evaluation of intermediate consumption in S.14).

Balancing adjustments in 2003 were continuously classified in the column for data validation.

**Representation of data sources and adjustments in percentages of GDP
compiled by GDP expenditure approach in current prices**

Expenditure approach SK 2003

Basis for national accounts figures						Adjustments			
Surveys and censuses	Administrative records	Combined data	Extrapolation and models	Other	Total	Data validation	Conceptual	Exhaustiveness	Balancing
69,4	23,6	0,9	10,6	0,7	105,2	5,7	-14,2	3,3	

3. PROCESS TABLES – INCOME APPROACH

Within the framework of GDP compilation by income approach in 2003 these data sources were used in percentages of GDP as follows:

Surveys and censuses	24,9 %
Administrative records	22,6 %
Combined data	0,5 %
Extrapolation and models	20,7 %

Similarly as in the output and expenditure approach, data are withdrawn mainly from the statistical surveys in accordance to Programme of State Statistical Surveys. Entering data are information from fulfilled questionnaires including results of imputations of non-response, and in the case of sample surveys data grossed up to the whole file of active units.

Representation of these data sources in percentages of GDP is shown in the table:

Surveys and censuses		
Components of GDP	% GDP	million SKK
Compensation of employees	24,9	301 428

Administrative records most frequent used in income approach are data from bookkeeping and financial statements submitted to the Ministry of Finance of Slovak Republic.

Representation of these data sources used for the main components of income approach of GDP compilation in percentages of GDP is shown in the table:

Administrative records		
Components of GDP	% GDP	million. SKK
Compensation of employees	13,0	157 645
Taxes on production and imports	11,4	137 644
Subsidies	1,7	20 964

Data from extrapolation and methods in income approach are used for estimates of fixed capital using PIM method, which creates a part of gross operating surplus. The value of total consumption of fixed capital in 2003 was 251 001 million SKK, which represents 20,7% of GDP.

Total adjustments in income approach represent approximately 1,7% of the final GDP estimate.

Data validation adjustments were not applied.

Conceptual adjustments were not applied.

Explicit cut-off adjustments present an increase of the basic estimates approximately by 4 011 million SKK and were applied due to the grossing up data for units not covered by survey in calculation of compensation of employees within the sector of households.

Explicit exhaustiveness adjustments present an increase to the basic estimates approximately by 17 724 million SKK and were applied due to the provision of accounts exhaustiveness according to relevant instructions on exhaustiveness in calculation of compensation of employees within the sector of non-financial corporations and the sector of households.

In the column **Balancing adjustments** for income approach there are shown values of net operating surplus for the sectors of non-financial and financial corporations as well as values of net of mixed income for the sector of households.

Representation of data sources and adjustments in percentages of GDP compiled by GDP income approach in current prices

Income approach SK 2003

Basis for national accounts figures						Adjustments			
Surveys and censuses	Administrative records	Combined data	Extrapolation and models	Other	Total	Data validation	Conceptual	Exhaustiveness	Balancing
24,9	22,6	0,95	20,7		68,7		0	1,7	

4. GROSS NATIONAL INCOME

Within the transition from GDP to GNI following data sources were used in 2003 for individual components:

For calculation of **compensation of employees received from the rest of the world**, data from statistical survey based on the number of residents legally working in abroad as well as information on average wages in relevant countries were used. At the same time these data were adjusted for exhaustiveness.

For calculation of **compensation of employees paid the rest of the world**, data based on information from balance of payments were used, and grossed up for exhaustiveness in the Statistical Office of the SR.

Data on **Property income received from/paid to the rest of the world** were directly taken from the balance of payments whereas property income attributed to the policy holders are calculated in the Statistical office of the SR.

Data on **taxes on production and imports as well as subsidies** in relation to the rest of the worlds were not fulfilled because in 2003 the Slovak republic was not EU member yet.