SUT extensions

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STATISTICS CANADA ONE HUNDRED YEARS AND COUNTING

> STATISTIQUE CANADA CENT ANS BIEN COMPTÉS



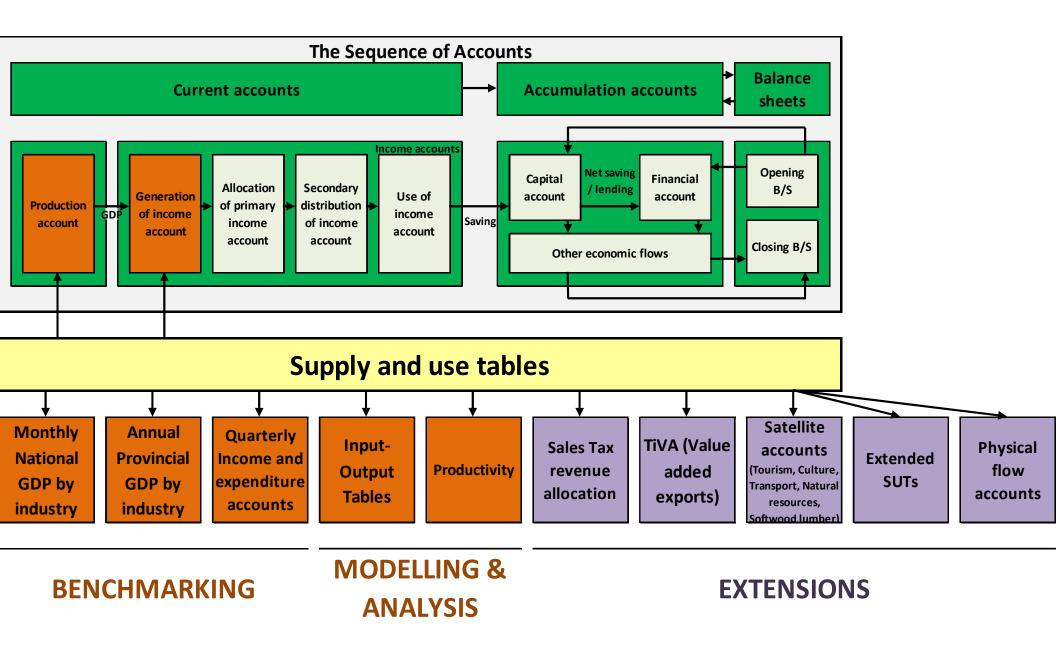
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Uses of SUTs in Canada







Recap: Uses of SUTs

Conventional uses

- Benchmarking
 - Quarterly Income and Expenditure Accounts
 - Monthly National GDP by industry
 - Annual Provincial GDP by industry
 - Sector accounts
- Symmetric Input-Output Tables

Extensions

- Satellite accounts
 - Tourism Satellite Account
 - Culture Satellite Account
 - Transportation Satellite Account
 - Natural Resources Satellite Account
 - Softwood Lumber Satellite Account
- Extended SUTs
- Global value chains
 - TiVA (Trade in value added)
 - Value added in exports



Focus on the Transportation Satellite Account

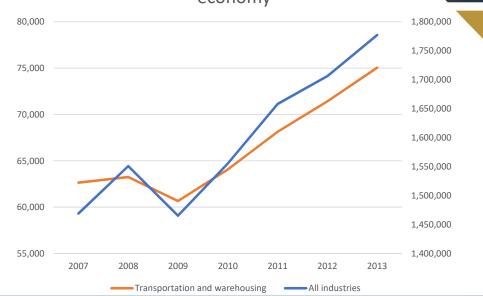




Importance of transportation

- Transportation is an important activity and important sector in the economy, contributing \$75 billion (4.1%) to total Canada value added in 2013
- It has a direct impact on the economy-wide demand for energy, infrastructure needs and on our environmental footprint

Gross Value Added of the Transportation sector in comparison with total Canadian economy



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For-hire vs own-account

- But is this measure truly reflective of the total GVA of transportation as an activity?
- Transportation services can be categorized as either:
 - For-hire services (services rendered on a fee basis); or
 - Own-account services (services produced for own use e.g. a retailer using their own fleet of trucks)





For-hire vs own-account

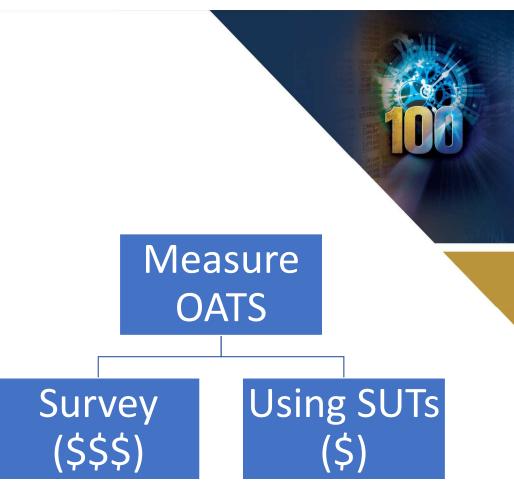
- SUTs only measure 'for-hire' transportation services that are sold on the market
- Own-account transportation activity does not explicitly appear in industry output since there is no observable sale of a transportation service that takes place
- As such, the total contribution of the transportation activity taking place in the economy is currently not directly observable in the SUTs
- By how much would the output of the transportation sector increase if own-account transportation services (OATS) were added?





How to measure OATS?

- It would be difficult to ask a respondent how much OATS they are generating (because there is no explicit revenue generated)
- It may be possible, however, to obtain a measure of the transportationrelated expenses e.g. gasoline, diesel, compensation of truck drivers
- Could be:
- 1. Special survey with specific questions on transportation costs
- OR
- 2. By making some assumptions and using the SUTs and other sources







The Transportation Satellite Account (Canadian Transportation Economic Account)

- Based on the supply, use and input-output accounts
- Reorganization and an extension of these accounts to provide a detailed and comprehensive view of transportation activities.
- Explicitly measures the contribution of own-account transportation to the economy for the main four modes (air, rail, water, truck).
- Fully integrated with Canada's macroeconomic accounts
- Adds 4 new own-account industries and 4 new own-account products added to the existing 230 industries and 490 products of the Canadian SUTs



Condensed CTEA – Supply table

TEA 2013 - Supply table																											
	TEA 2013 - Supply table Output																										
R2013 Products (billions) in basic prices	Agriculture and forestry	es duarrying, and forest facturing facturing facturing facturing and forest and forest and be and forest and the facturing facturing facturing facturing facturing facturing factor and forest and forest and forest and forest and factor and fac															Information and Cultural Industries	Professional and administrative services	Firance	Health and education	Leisure and hospitality	Other Services (except Public Administration)	Government	Non-Profit Institutions Serving House holds	Total Domestic Supply	imports	Total Supply at basic prices
										for-hire				own-a	ccount												
								air	rail	water	truck	other	air	rail	water	truck											
Agriculture and forestry	79				2							-						-	-	-	-		0		81	12	93
Mining, Quarrying, and Oil and Gas Extraction		214	0	1	2							0						-	-	-	-		0		217	44	260
Utilities		0	45		0							-						-	-	-	-		10		56	0	56
Construction				320								-						-	-	-	-		-		320	-	320
Manufacturing	0	1		-	611	2	1	-	-	-	-	0	-	-	-	-	0	0	-	-	0	-	1	-	617	447	1,064
Wholesale Trade	0	0	0		9	134						0					0	2	-	-	-		0		145	1	146
RetailTrade		0				0	130	0	0		0						0	0	1	-	1	5	0	1	138	1	140
Transportation and warehousing	1	-		-	2	-	-	21	12	5	47	61	1	1	1	39	0	-	-	-	0	-	1	-	192	14	206
for hire	1				2			21	12	5	47	61					0	-	-	-	0		1		150	14	164
air	0	-	-	-	-	-	-	20	-	-	-	0	-	-	-	-	-	-	-	-	0	-	0	-	20	8	28
rail	-	-		-	-	-	-	-	12	0	-	-	-	-	-	-	-	-	-	-	-	-	0	-	12	0	13
water	-	-	-	-	-	-	-	-	-	5	-	0	-	-	-	-	-	-	-	-	-	-	0	-	5	0	5
truck	1											-						-	-	-	-		-			2	2
other	-	-	-	-	2	-	-	1	0	0	2	61	-	-	-	-	0	-	-	-	-	-	1	-	66	4	70
own-account												-	1	1	1	39		-	-	-	-		-		41	-	41
air												-	1					-	-	-	-		-		1		1
rail												-		1				-	-	-	-		-		1	-	1
water												-			1			-	-	-	-		-		1		1
truck												-				39		-	-	-	-		-	_	39	-	39
Information and Cultural Industries		-	-		2	1	_	0			-	0					84	4	0	-	-		1	0	92	9	100
Professional and administrative services	0	7	2	1	16	10	7	0	0		0		-	-	-	-	11	228	148	0	1	1	26	0	459	36	495
Finance	0	0	2	2	1	3	1	0	0		0		-	-	-	-	1	1	363	-	2	0	5	1	384	14	398
Health and education	- 0	-	-	-	- 0	-	- 1	- 0	- 0	- 0	-	-	-	-	-	-	0	0	-	72	-	- 0	24	6	103	2	104
Leisure and hospitality	0	0	-	-	2	- 5	1	0	U	U	- 0	0	-	-	-	-	0	0	0	-	92 1	0 37	2	3	103	23	126 57
Other Services (except Public Administration) Government	- 0	-	-	-	- 2	-	- 5		-	-		- 1	-					-	- 1	-	- 1	- 37	403	- 1	56 403	- 1	403
Non-Profit Institutions Serving Households	-	-	-	-	-	-	-	-	-	-		-	-	-			-	-	-	-	-		403	30	403		30
Total	80	222	49	324	646	155	145	21	13	- 5	48	- 65	- 1	- 1	- 1	- 39	97	235	513	72	- 98	43	480	43	3,395	604	3,998
IUtar	00	222	49	524	040	155	145	21	15	3	40	60	1	1	1	57	57	200	212	12	50	45	400	45	3,325	004	3,330

													т	EA 201	3 - Use t	able																		
Intermediate consumption Final uses																																		
R2013 Products (billions) in basic prices	Agriculture and forestry	Mining, Quarrying, and Oil and Gas Extraction		Construction	Manufacturing	Wholesale Trade	Retail Trade					Transportation and warehousing						Information and Cultural Industries	Professional and administrative services	Finance	Health and education	Leisure and hospitality	Other Services (except Public Administration)	Government	Non-Profit Institutions Serving Households	Total Industry Use	Household final consumption expenditure	it institutions serving hous sumption expenditure	rnments fina	ross fixed capital	Changes in Inventories	International exports	Total Use	GDP at Market Prices
			<u> </u>							for-hir					n-accour		_	_					_		_									
Antipulture and forester:	45	0	0	1		0	0	air	rail 0		truck	other 0		rail	water			_	0	0	0	-	0		_				+		3		93	
Agriculture and forestry	15	20			38 89	0	0		0	0	0	0		-		-	0	0	0	0	0	2	0	1	0	56 135	11 3		-	- 9	3		93 260	
Mining, Quarrying, and Oil and Gas Extraction Utilities	1	20				_	1	0	0	0	0	1		0	_	_	~	0	1	4	1	1	1	4	1	30	24			9	- 1	113	260	
Construction	1	2		_		_	1	0	1	0	0	1	_		_	-	_	0	1	16	0	1	0	7	0	36	24			283			320	
Manufacturing	18	22					3	6	2	1	9	6						9	12	8	6	17	4	27	4	475	208		-	69	9	302	1,064	
Wholesale Trade	3	4					1		0	0	1	1			-	-		1	2	1	1	2	1	7	1	64	41		-	14		27	146	
Retail Trade	1	0				0	ō		ō	ő	Ó	0			_	_	_	1	1	1	1	5	1	6	1	37	104			- 2	0		140	
Transportation and warehousing	5	6		10		14	9		1	2	11	7			_		_	2	7	6	1	3	2	11	1	137	33		-	2		34	206	
for hire	2	3					3		1	2	11	7			0		_	1	4	5	1	1	1	8	1	96	33		-	2	-	34	164	
air	0	0					0	0	0	0	0	1	-	0	0	0	0	1	2	2	0	0	0	1	0	10	13		-	-	-	4	28	
rail	0	0					0		0	0	0	1		0	(0	0	0	0	0	0	0	0	0	6	1		-	-	-	5	12	
water	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0		0	0	0	0	0	0	0	0	0	3	0	-	-	-	-	2	5	
truck	2	1	0	3	10	1	0	0	0	0	8	3	0	0	(0	0	0	0	0	0	0	1	0	31	6	-	-	1	-	10	49	
other	0	1	0	1	11	5	3	4	1	1	3	1	0	0	()	2	1	1	3	0	0	0	5	1	45	12	-	-	-	-	13	70	
own-account	3	3	0	5	6	7	6					-						0	3	1	0	2	1	3	0	41							41	
air		0		0								-							-	-	-	-		0		1							1	
rail	0	0	0	0	0							-							0	-	-	-		÷		1							1	
water	1	0	0	0	0							-						0	0	-	-	0		0		1							1	
truck	2	2		-	6		6					-						0	3	1	0	2	1	2	0	39						.	39	
Information and Cultural Industries	0	1					3	0	0	0	0	1			-	-		15	6	9	1	2	1	6	1	58	36		-	0	0		100	
Professional and administrative services	3	25				25	22	1	1	0	3	5			· · · · ·	-		9	37	89	4	8	4	32	3	340	11		-	51	-	35	437	
Finance	2	3					17	1	0	0	2	3				_		4	12	26	4	6	3	9	4	125	299		-	17	-	15	456	
Health and education	0	0					0		0	0	0	0				-		0	1	0	0	0	0	50	0	53	49		-	-		2	104	
Leisure and hospitality	0	0	-	-	_		2	1	0	0	0	1	_		_	_	_	1	4	3	1	2	1	4	1	23	91		-	-	 -	11	126	
Other Services (except Public Administration)	1	2		_	_	-	0		0	0	1	2		0	· · ·			1	4	4	1	1	1	5	1	29	28		-	-	-	0	57	
Government	0	0	0	0	0	0	0	0		0	0	0	0		(,	0	0	0	1	-	0	0	4		6	2		394	-	 -	1	403	
Non-Profit Institutions Serving Households	50	00	10	102	100		50				27	-	0	-				_	-	-	-	-	47	1	10	1.604	3			443	-	-	30 3.998	
Total Intermediate use	50	88	13	182	466	64	59	14	5	4	21	29	0	0	1	1	9 /	44	87	170	22	50	17	174	18	1,604	945	26	394	443	14	572	5,998	
Value-added																																		
Taxes of products	1	1	0	2	1	1	1	0	0	0	2	1	0	0	0		2	0	1	7	2	1	0	2	1	25	90	-		17	-	0		133
Subsidies on products	- 1	- 0	-	- 0	-	- 0			- 0	- 0	- 0				-	-	_	1 -	1 -	- 0	- 2	- 0 -	ō	-	-	12	-	-	-	-		-		- 12
GVA	31	134	-	-		-	85	7	7	2	19	39		0	_	_	_		-	337	51		_	303	24	1,777	1.1	-		-		-	-	1,777
Subsidies on production	- 1									- 0	- 0	- 0				_		2 -	1 -	- 0 -	- 0 -	- 0 -	1	-		5								- 5
Taxes on production	2	2		8	-	_	4		0	ō	1	2			-	_	_	1	1	48	1	1	ō	5	0	87	1							87
Wages and salaries	7	30					56	4	3	1	10	19			0) 1		18	89	75	22	32			20	829	1							829
Employers' social contribution	1	4					6		1	0	1	4						3	7	10	2	3	1	42	3	132	1							132
Gross mixed income	10	0	0	20			3	0	0	0	2	1			0)		1		137	14	2	3	-		216	1							216
Gross operating surplus	12	98	22	24	68	34	16	2	4	0	5	13	0	0	()	5 3	30	30	67	13	9	5	61	1	518								518

Condensed CTEA – Use table

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Data sources

- Supply and use tables
- Supply and demand of primary and secondary energy in natural units
 - Annual Survey on End-Use of Refined Petroleum Products
 - Annual Survey of Secondary Distributors of Refined Petroleum Products
- Population census





Methodology: General steps

- 1. Estimate the inputs (IC and GVA) used by non-transportation industries for OAT activity by mode.
- 2. Move these inputs from the non-transportation industry's use tables to the new OATS industry's use tables by mode.
- 3. Calculate gross output for the OATS industries by aggregating all inputs under one OATS output product for each mode.
- Re-balance the non-transportation industries' use tables by replacing the inputs removed with the newly created OATS output products as an intermediate expense, such that the output=input identity is once again satisfied.





Methodology: Step 1 in more detail

- Identify Transportation-Related Inputs (TRIs)
 - Products primarily used to for transportation e.g. diesel, tires
- Determine TRIs used for own-account transportation
 - From total supply of the TRI product, determine the portion used as IC
 - Split IC by purpose of use (transportation vs non-transportation)
 - Split by mode the IC used for the purpose of transportation (air, water, rail, trucking)
 - Subtract for-hire use to obtain use for own-account
- Spread to industries using employment of transport workers from census
- Estimate non-TRI and value added inputs using ratios from the for-hire industries by mode.





Results: OATS use by Industry

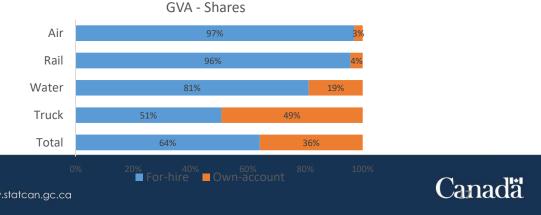
- Own-account transportation output in air, rail, water and trucking is collectively estimated to be \$41.4 billion (\$19.3B in gross value added)
- Industries using the most OATS are wholesale, manufacturing, retail and construction.

						019100	
	Industry (\$million)	Air	Rail	Water	Truck	Total	
	11 – Agriculture & forestry	0	26	652	2,099	2,777	
r,	21 – Mining, Oil & Gas	307	232	51	2,366	2,956	
	22 – Utilities	0	16	7	156	178	
ē	23 – Construction	39	82	29	4,673	4,823	
-	3A – Manufacturing	0	213	54	5,705	5 <i>,</i> 973	
	41 – Wholesale Trade	0	0	124	7,354	7,477	
	4A – Retail Trade	0	0	0	5,797	5,797	
	51 – Info & Cultural	0	0	0	292	293	
	5A – Professional / admin	0	3	3	2,852	2,858	
	5B – Finance	0	0	0	1,190	1,190	
	60 – Health & education	0	0	0	362	362	
	70 – Leisure & hospitality	0	0	15	2,295	2,310	
	81 – Other Services	0	0	0	1,319	1,319	
	GS – Government	301	0	13	2,493	2,808	
	NP – NPISH	0	0	0	269	269	
	Total	647	572	949	39,223	41,391	adä

Results OATS GVA by Mode

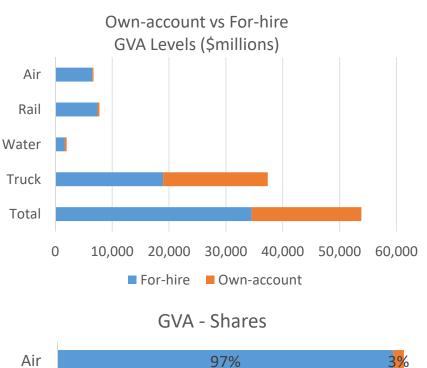
- In 2013, the GVA of the for-hire air, rail, water, and truck transportation industries in Canada was \$34.5B(64%) billion.
- The GVA of the own-account air, rail, water, and truck transportation industries was \$19.3 billion(36%).
- By mode, the largest contribution to OATS • GVA is seen in trucking at 49%, the smallest in air at 3%

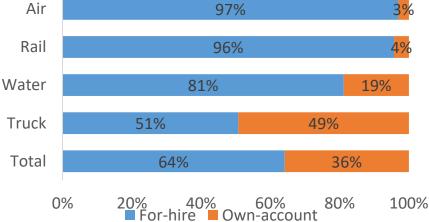




Results: OATS GVA by mode

- In 2013, the GVA of the <u>for-hire</u> air, rail, water, and truck transportation industries in Canada was \$34.5B (64%) billion.
- The GVA of the <u>own-account</u> air, rail, water, and truck transportation industries was \$19.3 billion (36%).
- Adding OATS increases the GVA of the various modes of transport by:
 - Air: 3%
 - Rail: 4%
 - Water: 23%
 - Trucking: 97%
 - Total: 56%





Resources

- <u>Article on the release of the 2013 Canadian Transportation Economic</u> <u>Account</u>
- <u>Canadian Transportation Economic Account: Sources and Methods</u>







THANK YOU!

For more information, please visit <u>www.statcan.gc.ca</u>



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