Why Produce Supply-Use Tables?

Role and Purpose of SUTs

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What I will cover:

- What are Supply-Use Tables
- Statistical Benefits
- Analytical Benefits
- Possible Extensions
What Are Supply-Use Tables?

- Part of the wider Input-Output Table ‘family’, Supply-Use Tables (SUTs) are designed to support the production of GDP through coherent and regular benchmarking of estimates.

- Matrices by production and industry showing the production processes and transactions for particular products or industries.

- Scalable to country circumstance and economy (using standard product and industry classifications).
What Are Supply-Use Tables?

- The supply table describes the supply of goods and services, which are either produced in the domestic industry or imported.

- The use table shows where and how goods and services are used in the economy. They can be used either in intermediate consumption or in final use; which in turn is divided into consumption, capital and exports.

- Furthermore the use table shows the income generated in the production process.
Statistical Benefits

- Supply and use tables serve primarily statistical purposes and provide an integrated framework for checking consistency and completeness of data.

- In order to make GDP calculations more reliable, statisticians use three different methods: production, income and expenditure.

- These three methods may generate different results. In order to eliminate those differences and to find the most accurate result, statisticians use supply-and-use tables as a balancing framework that reconciles the three methods of GDP.
Statistical Benefits

- The balanced estimates produced are used to benchmark the National Accounts. Using the SUT to produce benchmarks provides rigor:
  - Exhaustive and complete coverage
  - Make the best use of all available data
  - Correct for coverage and other data source issues
  - Produce three coherent measures of GDP
Analytical Benefits

- SUTs are also useful in their own right as a data set

- They show the links between domestic industries, plus links to imports and exports, thus enabling important studies of economic policy

- They typically provide the first ‘product’ view of interactions within the economy. This is important for analysis focused on products rather than industries
Possible Extensions

- SUTs are a foundational piece of statistical infrastructure, in addition to ensuring National Accounts quality they are typically the starting point for:
  - Input-Output Tables (particularly symmetrical product by product tables)
  - Global production studies – TiVA and GVCs
  - Environmental Accounts and Extensions
  - Satellite Accounts including Tourism and Non-Profit Satellite Accounts