

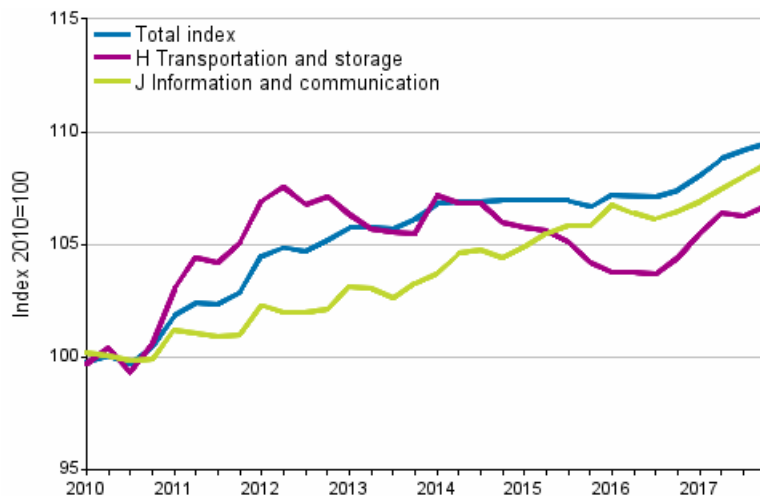
Producer Price Indices for Services

2017, 4th quarter

Producer prices for services grew by 1.9 per cent year-on-year in October to December

According to Statistics Finland, producer prices for services went up by 1.9 per cent in the fourth quarter of 2017 from the corresponding quarter of the year before.

Producer Price Indices for Services 2010=100, I/2010–IV/2017



Producer prices for services were pushed up particularly by higher prices of business and management consulting services and postal activities under universal service obligation from one year ago. The increase in the total index was also affected by higher prices of freight transport by road, as well as computer programming and related services. The rise was held back by lower prices of, for example, cargo handling and private security activities.

Compared to the third quarter, producer prices for services went up by 0.3 per cent.

Producer Price Indices for Services 2010=100, 4th quarter 2017

Industry	Point figure	Quarterly change,%	Annual change,%
TOTAL INDEX	109.4	0.3	1.9
H Transportation and storage	106.7	0.4	2.2
I Accommodation and food service activities	118.4	0.9	2.1
J Information and communication	108.5	0.5	1.9
L Real estate activities	111.6	0.3	0.4
M Professional, scientific and technical activities	107.6	-0.1	2.8
N Administrative and support service activities	116.0	0.2	0.8
P Education	116.2	0.9	1.4
Q Human health and social work activities	116.7	0.0	0.4
R Arts, entertainment and recreation	119.4	1.4	2.1
S Other service activities	113.3	0.4	0.8

Producer Price Indices for Services describe the price development in business services provided by enterprises to other enterprises and the public sector. The total index currently covers 57 per cent of the market services.

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Appendix table 1. Producer Price Indices for Services 2010=100, 4th quarter 2017

Industry (TOL 2008)	Index figure	Quarterly change,%	Annual change,%
TOTAL INDEX	109.4	0.3	1.9
H Transportation and storage	106.7	0.4	2.2
49 Land transport and transport via pipelines	107.4	0.2	1.9
4932 Taxi operation	115.0	0.0	1.4
4941 Freight transport by road	106.7	0.2	2.0
5020 Sea and coastal freight water transport	103.7	-0.5	0.7
52 Warehousing and support activities for transportation	102.3	-0.4	-0.2
5210 Warehousing and storage	110.5	0.0	1.4
5224 Cargo handling	96.6	-0.8	-1.4
53 Post and courier activities	145.5	3.0	9.4
5310 Postal activities under universal service obligation	152.2	3.2	10.4
5320 Other postal and courier activities	112.3	1.7	3.2
I Accommodation and food service activities	118.4	0.9	2.1
5510 Hotels	113.2	1.5	2.2
56 Food and beverage service activities	121.9	0.5	2.1
J Information and communication	108.5	0.5	1.9
58 Publishing activities	116.1	0.8	2.7
61 Telecommunications	88.1	1.1	4.4
62 Computer programming, consultancy and related activities	113.6	0.3	1.4
63 Information service activities	103.5	0.1	0.9
L Real estate activities	111.6	0.3	0.4
6820 Rents of office and business premises	112.1	0.3	0.4
6820A Rents of office premises	111.1	0.4	0.4
6820B Rents of business premises	112.9	0.2	0.4
M Professional, scientific and technical activities	107.6	-0.1	2.8
69 Legal and accounting activities	115.2	-0.1	1.1
6910 Legal services	115.1	0.1	1.8
6920 Accounting, bookkeeping and auditing activities; tax consultancy	115.2	-0.2	0.6
702 Management consultancy activities	110.0	-0.5	6.5
711 Architectural and engineering activities and related technical consultancy	106.5	-0.1	1.6
712 Technical testing and analysis	101.6	0.1	-0.4
73 Advertising and market research	101.7	0.2	0.6
731 Advertising	101.5	0.2	0.7
732 Market research and public opinion polling	105.6	0.0	-1.6
N Administrative and support service activities	116.0	0.2	0.8
7732 Renting of construction and civil engineering machinery and equipment	118.5	0.5	1.6
7820 Temporary employment agency activities	110.1	0.1	0.5
8010 Private security activities	117.5	0.2	-1.6
81 Services to buildings and landscape activities	117.6	0.1	0.8
811 Combined facilities support activities	120.0	0.2	1.2
812 Cleaning activities	115.1	0.0	0.5
P Education	116.2	0.9	1.4
85 Education	116.2	0.9	1.4

Industry (TOL 2008)	Index figure	Quarterly change,%	Annual change,%
Q Human health and social work activities	116.7	0.0	0.4
86 Human health activities	116.7	0.0	0.4
R Arts, entertainment and recreation	119.4	1.4	2.1
90 Creative, arts and entertainment activities	129.0	2.8	4.4
93 Sports activities and amusement and recreation activities	112.3	0.2	0.3
S Other service activities	113.3	0.4	0.8
95 Repair of computers and personal and household goods	118.4	0.4	1.2
96011 Washing and (dry-)cleaning of textile and fur products for enterprises	106.4	0.4	0.1

Appendix table 2. Producer Price Indices for Services 2005=100, 4th quarter 2017

Industry (TOL 2008)	Index figure	Quarterly change,%	Annual change,%
TOTAL INDEX	124.6	0.2	1.9
H Transportation and storage	124.6	0.4	2.2
49 Land transport and transport via pipelines	129.6	0.2	2.0
4932 Taxi operation	141.9	0.0	1.4
4941 Freight transport by road	128.6	0.2	2.0
5020 Sea and coastal freight water transport	113.3	-0.5	0.7
52 Warehousing and support activities for transportation	111.6	-0.4	-0.2
5210 Warehousing and storage	122.8	0.0	1.4
5224 Cargo handling	104.3	-0.8	-1.4
53 Post and courier activities	173.7	3.1	9.4
5310 Postal activities under universal service obligation	182.4	3.2	10.4
5320 Other postal and courier activities	131.0	1.7	3.2
I Accommodation and food service activities	122.0	0.9	2.1
5510 Hotels	117.3	1.5	2.2
J Information and communication	108.8	0.5	1.9
58 Publishing activities	130.1	0.8	2.7
61 Telecommunications	76.7	1.1	4.4
62 Computer programming, consultancy and related activities	124.8	0.3	1.4
63 Information service activities	110.0	0.1	0.9
L Real estate activities	127.3	0.3	0.4
6820 Rents of office and business premises	127.7	0.3	0.4
6820A Rents of office premises	123.7	0.3	0.4
6820B Rents of business premises	132.4	0.2	0.4
M Professional, scientific and technical activities	131.7	-0.1	2.8
69 Legal and accounting activities	145.2	-0.1	1.1
6910 Legal services	134.6	0.1	1.8
6920 Accounting, bookkeeping and auditing activities; tax consultancy	151.1	-0.2	0.6
702 Management consultancy activities	142.3	-0.5	6.5
711 Architectural and engineering activities and related technical consultancy	128.7	-0.1	1.6
712 Technical testing and analysis	135.8	0.1	-0.4
73 Advertising and market research	114.2	0.2	0.6
731 Advertising	114.0	0.2	0.7
732 Market research and public opinion polling	117.6	0.0	-1.6
N Administrative and support service activities	133.0	0.2	0.8
7732 Renting of construction and civil engineering machinery and equipment	127.3	0.5	1.6
7820 Temporary employment agency activities	129.4	0.1	0.5
8010 Private security activities	149.6	0.2	-1.6
81 Services to buildings and landscape activities	136.3	0.1	0.8
811 Combined facilities support activities	143.0	0.2	1.2
812 Cleaning activities	127.9	0.0	0.5
S Other service activities	112.0	0.4	0.8
96011 Washing and (dry-)cleaning of textile and fur products for enterprises	106.8	0.4	0.1

Appendix table 3. Producer Price Indices for Services 2010=100, BtoAll series

Year and quarter	Industry									
	50 Water transport			53 Postal and courier activities			61 Telecommunications			
	Index	q-on-q,%	y-on-y,%	Index	q-on-q,%	y-on-y,%	Index	q-on-q,%	y-on-y,%	
2010	I	98.8	3.2	5.4	101.6	0.4	0.5	101.5	-1.5	-3.3
	II	100.2	1.4	5.8	101.8	0.1	0.8	100.7	-0.8	-3.8
	III	100.8	0.6	3.3	98.3	-3.4	-2.7	100.7	0.0	-3.5
	IV	100.2	-0.6	4.6	98.3	-0.1	-2.9	97.0	-3.6	-5.8
	I-IV	100.0		4.7	100.0		-1.1	100.0		-4.1
2011	I	102.7	2.6	4.0	99.0	0.7	-2.6	96.8	-0.3	-4.7
	II	105.2	2.4	5.0	99.8	0.8	-2.0	95.4	-1.4	-5.3
	III	104.1	-1.0	3.3	101.1	1.4	2.8	95.8	0.5	-4.8
	IV	105.6	1.4	5.4	101.2	0.1	3.0	94.5	-1.4	-2.6
	I-IV	104.4		4.4	100.3		0.3	95.6		-4.4
2012	I	107.4	1.6	4.5	101.5	0.3	2.6	92.1	-2.5	-4.8
	II	109.0	1.6	3.7	101.5	0.0	1.7	90.1	-2.1	-5.5
	III	108.6	-0.4	4.3	105.1	3.6	3.9	89.4	-0.8	-6.7
	IV	107.8	-0.8	2.0	107.0	1.8	5.7	87.4	-2.3	-7.5
	I-IV	108.2		3.6	103.8		3.5	89.8		-6.1
2013	I	105.2	-2.4	-2.0	107.5	0.5	5.9	83.1	-5.0	-9.8
	II	104.5	-0.7	-4.1	109.7	2.0	8.1	81.6	-1.7	-9.4
	III	104.3	-0.2	-4.0	109.8	0.1	4.5	80.9	-0.9	-9.5
	IV	101.7	-2.5	-5.6	109.9	0.0	2.7	82.4	1.8	-5.7
	I-IV	103.9		-3.9	109.2		5.3	82.0		-8.6
2014	I	105.0	3.2	-0.2	119.7	9.0	11.3	83.0	0.8	-0.1
	II	102.7	-2.2	-1.8	119.5	-0.2	8.9	84.1	1.3	3.0
	III	103.8	1.1	-0.5	119.6	0.1	8.9	82.7	-1.6	2.2
	IV	102.5	-1.2	0.8	119.2	-0.3	8.5	79.1	-4.4	-4.0
	I-IV	103.5		-0.4	119.5		9.4	82.2		0.3
2015	I	104.2	1.6	-0.8	124.5	4.5	4.0	78.9	-0.3	-5.0
	II	108.8	4.4	6.0	124.7	0.2	4.4	79.0	0.1	-6.1
	III	105.7	-2.9	1.8	124.6	-0.1	4.2	79.5	0.7	-3.9
	IV	101.7	-3.8	-0.8	124.4	-0.2	4.4	78.7	-1.0	-0.5
	I-IV	105.1		1.6	124.6		4.2	79.0		-3.9
2016	I	98.7	-3.0	-5.3	127.1	2.2	2.1	78.3	-0.5	-0.7
	II	100.3	1.7	-7.8	129.5	1.9	3.8	78.3	-0.1	-0.9
	III	100.6	0.3	-4.8	129.5	0.0	4.0	77.9	-0.5	-2.0
	IV	103.0	2.3	1.2	130.3	0.6	4.8	77.3	-0.7	-1.7
	I-IV	100.6		-4.2	129.1		3.7	77.9		-1.3
2017	I	102.8	-0.1	4.2	132.8	1.9	4.5	78.0	0.9	-0.3
	II	106.1	3.2	5.8	137.4	3.5	6.1	78.9	1.2	0.9
	III	104.1	-1.9	3.5	137.2	-0.2	5.9	78.7	-0.3	1.0
	IV	102.1	-1.9	-0.8	141.6	3.2	8.7	79.2	0.7	2.4
	I-IV	103.8		3.2	137.2		6.3	78.7		1.0

BtoAll (*Business to All*) index series describe the price development of services produced by enterprises for all end users. In addition to the price development of the Business to Business (*BtoB*) services and services enterprises produce for the public sector, they also cover the price development of Business to Consumers (*BtoC*) services provided by enterprises to households.

Quality Description of Producer Price Index for Services

1. Relevance of statistical information

1.1 A summary of the information content and purpose of use of the statistics

Producer Price Index for Services describes the price development in business services provided by enterprises to other enterprises and the public sector. The index describes the relative change in prices compared to a certain base period.

The Producer Price Index for Services is compiled on product basis. The index describes development in the prices of certain types of services irrespective of the main industry of the producing enterprise. If a service enterprise also produces goods, its goods production is excluded from the scope of the Producer Price Index for Services. On the other hand, an enterprise that mainly produces industrial goods may also produce services in which case its services production is included in scope of the description of the Producer Price Index for Services.

One of the key purposes of the Producer Price Index for Services is to function as a deflator in national accounts calculations. With it the value of production or sales is converted to volume of production. Enterprises can use the data of the Producer Price Index for Services when comparing the price development of their purchases or sales with the average development of the industry.

1.2 Information source and classifications used

1.2.1 Information source

As a rule, price data for the Producer Price Indices for Services are collected from enterprises quarterly. Besides the data collected from enterprises, price data or point figures from Statistics Finland's other statistics are also exploited in the compilation of the Producer Price Indices for Services.

1.2.2 Classifications

The industrial classification used in the compilation is the Finnish Standard Industrial Classification TOL 2008, which has been confirmed by Statistics Finland and is based on NACE Rev. 2., the industrial classification of the European Union. As far as appropriate, the services of specific industries are classified into main groups according to the CPA product classification, which is the European Union's classification of goods and services by activity. Where necessary, detailed product classifications are used within the individual service product categories of the CPA.

1.3 Laws and regulations

The production of the statistics is based on the Statistics Act (280/2004) and on a Council Regulation (EC) concerning short-term statistics (No 1165/1998 and No 1158/2005). Only the data necessary for the calculation of the index but not available from another source are collected from data suppliers. Confidentiality is taken into account when releasing the data; it is not possible to identify from the results information or development concerning an individual enterprise.

2. Methodological description of survey

2.1. Compilation of the index

Statistics Finland's Business Register is used as the sampling frame for the Producer Price Indices for Services. In addition, Business Services Statistics is used in some cases. The Business Register contains data on the industry and turnover of enterprises. The Business Services Statistics describe the structure of turnover and services produced in certain branches of industry providing business services. The indices have been developed independently for individual service industries, which is why the used sampling method varies by industry. Depending on the industry, the data suppliers have been selected either by PPS (Probability Proportional to Size) sampling, judicious sampling or by combining judicious sampling and probability-based sampling. The services for the price monitoring have been selected in co-operation with service enterprises.

The Laspeyres price index formula is used in calculating the index. Geometric averages of price ratios calculated from the prices of individual service products are combined into indices for the main product groups of an enterprise, and then weighted into its overall index using a specific coefficient for each main group. The weighting coefficients are based on enterprises' turnover and its distribution between the main groups of the enterprise. The turnover figures used in the weighting are either obtained from the data reported by the enterprises themselves or from Statistics Finland's Business Register, and figures should represent only the turnover that stems from a certain industry.

The overall index is calculated by means of industry indices. The weights between different industries are based on national accounts data on the use of enterprises' and the public sector's services. The weight structure corresponds to the values of 2010.

Further information about compiling the Producer Price Indices for Services is available in the Methodological descriptions of the statistic.

2.2. Development and publication of new indices

Statistics Finland will enlarge the coverage of total index by developing indices for new services industries. Publication of new indices can commence once data concerning an industry have been collected from an adequately large number of enterprises for at least twelve months and once it has been verified that index figures depicting average price development in the industry can be sufficiently reliably calculated from the prices provided by the data suppliers.

The development of Producer Price Index for Services was started in 2000, and indices for new service industries are being devised continuously. In connection with the 2010=100 renewal, industries Passenger rail transport, interur-ban (TOL 2008: 491), Food and beverage service activities (TOL 2008: 56), Real estate agencies (TOL 2008: 6831), Education (TOL 2008: 85), Human health activities (TOL 2008: 86), Creative, arts and entertainment activities (TOL 2008: 90), Sports activities and amusement and recreation activities (TOL 2008: 93) and Repair of computers and personal and household goods (TOL 2008: 95) were included to the index.

The total index currently covers about 60 per cent of the market services. The service industries excluded from the overall index are wholesale and retail trade activities and financial and insurance activities.

3. Correctness and accuracy of data

The Producer Price Index for Services is calculated on the basis of over 17,500 prices collected from approximately 360 data suppliers. The number of prices and data suppliers varies by industry. Roughly 15,000 of price data concern the rents of office and business premises. The Producer Price Index for Services describes the relative change in prices compared to a certain base period.

4. Timeliness and promptness of published data

Indices are published on the 24th day or the weekday following it of the month following the end of the statistical reference quarter.

Depending on the industry, the time of collecting price data from enterprises may be the first, second or third month of the quarter under review. In some cases real charged unit prices are collected for the whole quarter under review.

5. Accessibility and transparency/clarity of data

Producer Price Indices for Services is a quarterly statistics. Indices are published on the 24th day or the weekday following it of the month following the end of the statistical reference quarter at 9 a.m.

6. Comparability of statistics

The time series of the overall index of producer prices for services starts from the year 2005. The length of the industry-specific time series varies depending on when the production of the industry index started.

7. Coherence and consistency/uniformity

Documentation on the Producer Price Index for Services is available on the home page of the statistics, and from the Statistics Finland's unit which produces the statistics (e-mail phti.tilastokeskus@stat.fi, tel. +358 29 551 1000 / Producer Price Index for Services).

Producer Price Indices for Services describe the price development in business services provided by enterprises to other enterprises and the public sector. Consumer services are thus excluded from the Producer Price Index for Services. The development of consumer service prices is described with the Consumer Price Index. Information about other price and cost indices is available on the homepage of indices at http://www.tilastokeskus.fi/til/hin_en.html.

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Source: Producer Price Indices for Services 2017, 4th quarter. Statistics Finland