

Sources and Methods for the 2014 Seychelles National Accounts estimates (December 2015)

Overview of methodology and data sources for the compilation of 2014 GDP estimates

The overall methodology has been changed with some improvements to the methods and indicators used and revisions to the underlying data available.

The methods used can be summarised as follows, in order of preference, although data quality considerations also play a role in the methodology decisions for each estimation component.

For current prices:

- a. Direct compilation from financial statements, or the GFS. This approach was mainly limited to the financial sector, major public enterprises, budgetary government and Taxes on Production and Imports.
- b. Growth based on turnover indicators, primarily VAT tax collections, and a survey of the largest construction companies.
- c. Inflation using the most suitable price index available.
- d. Growth based on compensation of employees.

For constant prices:

- a. Volume indicators.
- b. Deflation using the most suitable price index available.
- c. Taxes moved with constant price growth (or output), for the taxable activities.
- d. Midpoint between growth implied by deflation of current price estimate and change in employment numbers.
- e. Taxes moved with growth in GDP at basic prices, where the taxes cannot be linked to specific estimation components.
- f. Judgement based estimates, where none of the above methods was deemed suitable.

Table: Data and methods used for compilation of 2014 GDP, by estimation component.

ISIC group	GDP estimation component	Current price method (CP)	Constant price method (KP)
A01	Agriculture	Estimated on trend since 2006. Direct estimate in NA_Agriculture.	Deflated by using relevant CPI component for agriculture.
A03	Fishing	Inflated by using CPI Fish.	Moved with domestic fish catch volumes (artisanal plus semi industrial)
B	Mining and quarrying	Not separately estimated. Included with companies in Manufacturing (C23) or Construction	
C10	Manufacture of food - Tuna Cannery	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.
C10	Manufacture of food - Other	Growth rate in employment numbers.	Deflated by using relevant CPI component.
C11-12	Manufacture of beverages and tobacco - Beverages	Direct compilation from financial statements. Quantity revaluation using relevant CPI.	Deflated by using relevant CPI component.
C11-12	Manufacture of beverages and tobacco - Tobacco	Quantity revaluation, using CPI tobacco.	Deflated by using CPI tobacco.
C23	Manufacture of concrete, rock products, glass etc	Inflated by using relevant CPI component.	Implicit growth rate Sum of evidence based estimates.
C13-22, 24-33	Manufacturing, other	VAT growth rate	Deflated by using relevant CPI component.
D	Electricity, gas, steam and air conditioning supply	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.
E36	Water supply; sewerage, waste management and remediation activities	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.
E37-39	Water supply; sewerage, waste management and remediation activities – Other	Direct compilation from financial statements, plus estimates	Deflated by using relevant CPI component.
F	Construction	Growth rate from turnover survey for three largest companies supported by growth rate in the value of	Deflated by using relevant by construction cost index.

		imported construction materials.	
G	Wholesale and retail trade; repair of motor vehicles and motorcycles – fuel (domestic market)	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.
G	Wholesale and retail trade; repair of motor vehicles and motorcycles - fuel (re-exports)	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.
G	Wholesale and retail trade; repair of motor vehicles and motorcycles- Other	Quantity revaluation, using CPI all items	Deflated by using relevant CPI component.
H	Transportation and storage	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.
H	Water Transportation	VAT growth rate	Deflated by using relevant CPI component.
H	Transportation and storage - remainder	Growth rate in employment numbers.	Deflated by using relevant CPI component.
I55	Hotels	Inflated by using relevant CPI component.	Movement in the Hotel Volume Index
I56	Restaurants & Beverage serving activities	VAT growth rate	Deflated by using relevant CPI component.
I56	Other food service activities	VAT growth rate	Deflated by using relevant CPI component.
J	Information and communication	Inflated by using relevant CPI component.	Volume indicator: index of telecommunication services based on production survey.
K	Financial and insurance activities - Banks	The Central Bank is treated as non-market so value added is based on the sum of costs method. Direct compilation from financial statements for Other banks. Source: CBS.	Deflated by using relevant CPI component.
K	Financial and insurance activities - Insurance	Direct compilation from financial statements. Value added at basic price.	Deflated by using relevant CPI component.

K	Financial and insurance activities - Other	Compensation of employees – QNA growth rate	Deflated by using relevant CPI component.
L	Real estate activities	Inflated by using relevant CPI component.	Estimated at 50% of employment growth.
L	Residential rentals	Not separately estimated. Implicitly included where the rent is paid to businesses, but the rent paid to households is not currently included.	
L	Owner Occupied dwellings	2006 Benchmark value from Household Budget Survey “ <i>imputed rent</i> ”, less 10% for intermediate consumption (i.e. repairs) Quantity revaluation, using CPI rent	Deflated by using relevant CPI component.
M	Professional, scientific and technical activities	VAT growth rate	Deflated by using relevant CPI component.
N	Car hire	Inflated by using relevant CPI component.	Moved with total visitors arrival (including cruise ships)
N	Other Tourism related	Inflated by using relevant CPI component.	Moved with total visitors arrival (including cruise ships)
N	Administrative and support service activities-Other	Inflated by using relevant CPI component.	Implicit growth rate
O	Public administration and defence; compulsory social security - Budgetary Government	Compensation of employees, from Government Finance Statistics.	Deflated by using relevant CPI component.
O	Public administration and defence; compulsory social security - remainder	Compensation of employees: based on NBS employment statistics	Deflated by using relevant CPI component.
P	Education - Budgetary Government	Compensation of employees, from Government Finance Statistics;	Deflated by using relevant CPI component.
P	Education - remainder	Compensation of employees: based on NBS employment statistics	Deflated by using relevant CPI component.
Q	Human health and social work activities	Compensation of employees, from Government	Deflated by using relevant CPI component.

	- Budgetary Government	Finance Statistics;	
Q	Human health and social work activities - remainder	Compensation of employees: based on NBS employment statistics	Volume indicator: employment numbers
R	Arts, entertainment and recreation	Compensation of employees – QNA growth rate	Deflated by using relevant CPI component.
S	Other service activities	Compensation of employees – QNA growth rate	Deflated by using relevant CPI component.
T	Activities of households as employers and undifferentiated producers	Not estimated	
	<i>less intermediate FISIM</i>	FISIM allocated to users, by assumed ratios.	Deflated by using relevant CPI component.
	<i>Taxes on products</i>	Direct compilation from Seychelles Revenue Commission (SRC)	Extrapolate using growth rate in Value added.
	<i>Subsidies on products</i>	Direct compilation from fiscal reports Source: Ministry of Finance	Extrapolate using growth rate in Value added.

