

# Services producer prices - Base 2005 - Stopped series

Producing organisation: INSEE

- [Read the “Informations Rapides” related to this indicator.](#)

## Introduction

A few years ago, INSEE began developing services to businesses producer price indices, covering a range of service activities approved by the National Council for Statistic Information (CNIS) in 1997. Since 2000, the scope of this monitoring has grown consistently, and more comprehensive indices will be available shortly.

## Objectives

The calculation of price indices is a national and European necessity. The business services producer price indices are covered by the European regulation on short-term statistics (the “STS” regulation) and its 2005 amendments.

At a national level, the price indices are used as deflators by national accountants, as short-term indicators by economists and analysts from different sectors, and also by companies and local authorities, as reference figures for indexing contracts.

It is important to note that Insee makes a large number of price indices available, but does not take any official stance on the uses of an index and the choice of indicators, both of which are decisions entirely in the hands of the co-contracting parties.

## Definition

The business services producer price indices measure the evolution of transaction prices, excluding VAT and other taxes, for work provided by service companies and sold on the French market. They are thus assessed using the base price concept.

## Scope covered by the index

In accordance with the recommendation of the CNIS (May 2007), the scope of business sectors which must eventually be covered by producer price indices was extended to include the following sectors from NAF rév. 2: section H for Postal and courier activities; section E, Water supply; sewerage, waste management and remediation activities; section J, Information and communication; section L, Real estate activities; section M, Professional, scientific and technical activities; and Section N, Administrative and support service activities.

## Methodology

Price monitoring began over a decade ago (1997).

In December 2007, the coverage ratio of business service producer prices within the parameters requested by the CNIS was 70% (turnover of the 2000 branches covered by the total turnover 2000 index for sectors included in the CNIS recommendations of 1997).

The business services producer price indices are chain-linked Laspeyres indices (constant weighting). They are weighted with reference to the 4-figure CPF product classification, and to the product figures of the branch as calculated by the national accountants. The breakdowns of these weighting operations within different branches are determined by the turnover of the businesses surveyed by the researchers, or by external sources (for example, for advertising and legal activities).

The indices are calculated from the quarterly price quotations of some 7,900 services, which are collected from a representative sample of over 1,400 businesses, as part of the compulsory survey "Industry and business services price monitoring". The base levels are generally reviewed every 5 years; the sample businesses are taken from the most recent annual business survey files, with additions and changes made on advice from experts or on the basis of information provided by professional unions.

For more detail, please consult Insee Methods No 89 from October 1999.

For more detail on the base levels and the 2000 reference, please see monthly statistics report (bulletin mensuel de statistique) no. 9 from September 2003.

The methodology applied conforms to international recommendations recently specified in a joint methodological guide published by OCDE and Eurostat (Methodological Guide for Developing Producer Price Indices for Services 2005).

In application of the regulation (EC) No [1158/2005](#), indices at the requested level of aggregation have been transmitted to Eurostat on a quarterly basis since 2007.

## **Publication**

The indices are declined in 2005 base and in the new classification CPF Rev. 2 (revision 2) as of April 2009.