

IV. NOTES ON METHODOLOGY FOR THE REAL SECTOR TABLES

Table 1 Gross domestic product (*current prices*)

Gross domestic product (GDP) - current prices is a final product of the production activity of the resident production units and it is a sum of gross value added of specific institutional sectors or specific activities, at constant prices, increased by sales tax (VAT) and customs, decreased by subventions of products (which are not divided by activities).

Gross value added at basic prices is basic category of Gross domestic product. It represents the balance between gross output and intermediate consumption.

Gross output is a value of goods and services produced in the course of one year, regardless whether or not the whole quantity is sold or partially added to stocks. It consists of three types of output: market output, market output for own use and non-market production.

Intermediate consumption is value of the products and market services which are used by the producer as inputs in the production process, excluding fixed capital consumption, i.e. depreciation, in order to produce other products and services. This category includes the consumption of current purchases, stock consumption and the consumption of own products and services in the production process.

The data on sources of value added and the cost structure of the Gross domestic product, according to the production approach, at current prices, are presented by sectors according to the National classification of activity - NACE.

Data is presented on annual level.

Source: State Statistical Office of the Republic of Macedonia

Table 2 Industrial Output

Data are collected through monthly reports that are submitted by the enterprises registered in the section of industry, as well as the economic agents involved in the industry activities, which are part of the industrial enterprises.

The indices of production are calculated on the basis of the data from the monthly reports.

With the Annual report for industry until 1998 and the Monthly report for the industry until 1999, data were collected according to the Single classification of activities - SCA, but from 1999, i.e. 2000, they are collected according to the National classification of activities - NACE.

Industrial production volume index is calculated on the basis of production, i.e. by strict activity with classification of the products in adequate branch.

The following items are used for the calculation of the index:

- average monthly completed production and the structure of the production in the base year;
- total monthly production in the current year;
- nomenclature of the products for the monthly report of the industrial production;
- weighted coefficients for each product;
- weighted factors that express the structure of the production, i.e. the share of each branch in the total industrial production in the Republic of Macedonia.

Source: State Statistical Office of the Republic of Macedonia

Table 3 Trade turnover and Construction

Retail trade turnover is expressed as retail sales of trade companies, including the stores of the production companies and hand - craft stores, bakeries and butcher shops. Market trade between agriculture producers and consumers that is followed by special research, is not included.

After the end of every quarter, the monthly data on retail trade by months are corrected with respect to the obtained results from the quarterly reports of all economic agents involved in retail trade of goods.

The retail trade turnover is considered to be a value of the sold (delivered) goods to the final consumers through stores and shops for cash, consumer credit, transfer order and crossed cheque of the companies and other business subjects.

The wholesale turnover is considered to be the wholesale trade carried out by trade companies and storages of the production companies.

Processing of the data is on a monthly level.

Construction

The monthly data on value of completed construction works present the effective hours of trade companies in the construction industry of the Republic of Macedonia, including the largest trade companies of buildings and civil engineering.

The value of completed construction works is expressed by current prices and it presents the completed activities (regardless if they are paid or not paid). The data obtained are on the basis of temporary monthly situations that are submitted by the constructors.

The data for the value of contracted construction works refer to all construction works in the reporting year, that the company plans to finish within the reporting year.

Source: State Statistical Office of the Republic of Macedonia.

Table 4 Public revenues and expenditures

Public revenues

Public revenues are consisted of Central Government budget revenues and revenues of non-budget funds.

Government budget revenues include:

- primary revenues (tax and non-tax revenues);
- capital revenues;
- transfers and donations;
- revenues from budget financing.

In the non-budget revenues, revenues of social funds (Pension Fund and Disabled Insurance, Health insurance Fund and Employment Fund) and the revenues from the Road Fund are included.

Public expenditures

Public expenditures are consisted of Central Government budget expenditures and expenditures of non-budget funds.

Government budget expenditures include:

- current expenditures (wages and salaries, goods and services, transfers, interest);
- capital expenditures and net lending;
- reserves;
- deposited funds from the budget in the Fund for Monetary policy support with the NBRM (up to June 2003, when this account has been closed), and
- expenditures for budget financing.

In the non-budget expenditures, expenditures of social funds (Pension Fund and Disabled Insurance, Health Insurance Fund and Employment Fund) and the expenditures from the Road Fund are included.

The data presented are on monthly level.

Source: Ministry of Finance.

Table 5 Employment and wages

Data for employees and "net pay" are calculated on the basis of monthly reports from state owned (social), joint, cooperative and private companies and firms in the Republic of Macedonia.

Employment

Employees are considered to be individuals who have work agreement with legal entities, regardless of the type of the work agreement (for a limited, or indefinite working period) and regardless of whether the individual is employed full or part time.

The data do not include employees in the Ministry of Internal Affairs and Ministry of Defense, persons who work on call-up agreement, persons who work on their own business-profession and their workers and individual farmers.

Starting from September 2001, the data on workers by activities are published according to the National classification of activities - NACE (where the activities are not divided on economic and non-economic sector).

Wages

The concept average "Net pay" applies to average monthly incomes per employee, for full-time work, shorter or longer than full-time work (overtime work). Total net pay includes: net pay from the company (or other legal entity) for annual vacation, public holidays, up to seven days paid leave; paid leave for educational purposes, up to 60 days sick-leave etc; allowances added to net pay from other organizations and institutions for time spent on army service, civil duties, etc; payment added to net pay in reported month for previous months (delayed payments).

The net-wage does not include payments to workers from joint consumption assets, payments based on material costs (daily wages, travel costs, payments for transportation from the living place to the working place etc.), payments for sick leave longer than 60 days and payments for call-up agreements.

Starting from May 2001, the data on wages are published according to National classification of activities - NACE.

Source: State Statistical Office of the Republic of Macedonia.

Table 6 Prices and costs of living

Costs of living indices are special kind of indices of retail prices of articles and services for personal consumption, and are calculated according to the specific structure of consumption of non-agricultural households.

The **retail prices** are prices by which retail traders, individual producers and service providers sell the goods and the services to the final consumers, including the Value added tax.

The producers' price for industrial products is the price at which the production companies sell the largest quantities of their goods on the domestic market - loaded free on rail, or it is the price based on which the producer trades with other producers, or trade companies.

The indices of the prices are calculated by the system of weighted prices with the structure of values of products realized on the domestic market.

Data are presented on monthly level.

Source: State Statistical Office of the Republic of Macedonia.