



METHODOLOGICAL EXPLANATION

Janja Kalin, Ida Repovž Grabnar

SATELLITE ACCOUNTS FOR CULTURE

This methodological explanation relates to the data releases:

- Experimental statistics: Satellite accounts for culture, 2019 and 2022, Slovenia



November 2024



Content

1	PURPOSE	3
2	LEGAL FRAMEWORK.....	3
3	UNIT DESCRIBED BY THE PUBLISHED DATA.....	3
4	SELECTION OF OBSERVATION UNIT	3
5	SOURCES AND METHODS OF DATA COLLECTION	3
6	DEFINITIONS	4
7	EXPLANATIONS	7
8	PUBLISHING	9
9	REVISION OF THE DATA	9
10	OTHER METHODOLOGICAL MATERIALS	9

1 PURPOSE

The purpose of publishing the data is to show the economic structure of culture and present the importance of culture in the economy with the help of key macroeconomic indicators such as the share of culture in total value added and gross domestic product, production and use of cultural products, investment, employment, etc.

The data are published as experimental statistics because the statistical survey is new and the measuring instruments and methodology for data preparation and calculation of indicators are still being developed.

2 LEGAL FRAMEWORK

- [Annual Programme of Statistical Surveys \(LPSR\)](#) (only in Slovene)
- [National Statistics Act](#) (OJ RS, No. 45/95 and 9/01)

3 UNIT DESCRIBED BY THE PUBLISHED DATA

The units described by the published data are the transactions of economic entities related to culture in the territory of Slovenia. Transactions are observed from the point of view of supply on the domestic market (production and import), use (intermediate consumption, final consumption, capital formation, and exports), and cost structure.

4 SELECTION OF OBSERVATION UNIT

Included are institutional units of all sectors of the economy connected with cultural activities.

The data calculation covers all units in accordance with the concept of production according to the System of National Accounts (SNA) and the European System of National and Regional Accounts (ESA).

The selection of observation unit is complete.

5 SOURCES AND METHODS OF DATA COLLECTION

Data are annual referring to 2019 and 2022 and are experimental statistics in the survey Satellite Accounts for Culture.

Various administrative sources, results of statistical surveys and other information were used.

The main sources of data for estimating the categories:

- Annual financial statements of enterprises and other organisations obtained from the Agency of the Republic of Slovenia for Public Legal Records and Services, data from tax records of the Financial Administration of the Republic of Slovenia
- Balance of the special part of the budget of the Republic of Slovenia and analytical data on municipal budget expenditure for cultural programmes obtained from the Ministry of Finance
- National accounts statistics
- Culture statistics
- Other administrative sources and statistical information

6 DEFINITIONS

Classification of Products by Activity (CPA) classifies products and services by activity in which they are produced. According to the CPA, the set of goods and services determines the total of culture, and individual fields and subfields of culture.

Total culture, also called culture in a broader sense (the so-called culture and creative sector), includes nine cultural fields: cultural and natural heritage, performing arts, visual arts, books and periodicals, audio-visual activities, advertising, architecture and design, cultural education, and cross-sectional and unclassified. The number of products and services according to the CPA is 238.

Core culture or culture in the narrower sense includes the following cultural areas: cultural and natural heritage, performing arts, visual arts, books and periodicals, and audio-visual activities.

Cultural and natural heritage includes four subfields of culture: in addition to cultural heritage in the narrower sense (protection of historical buildings, monuments, etc.), there are also archives, museums with libraries and natural heritage (zoological and botanical gardens, protection of natural values).

Performing arts include the production and staging of artistic performances and services and products in support of the activity, such as musical instruments, printed sheet music, electronic music recordings, etc.

Visual arts include two subfields: photography (photography, photo processing and other photographic services, camera production and other equipment) and other visual arts (original works of painters, graphic artists and sculptors, equipment for them, costume jewellery, etc.).

Books and periodicals include three subfields: books (original works of authors, publishing of printed and e-publications, retail, printing and bookbinding, etc.), periodicals (publishing of newspapers and other serial

publications, printing and retailing of periodicals, press agencies, etc.) and publishing services (printing of postcards, drawings, calendars, printing equipment, etc.).

Audio-visual activities include three subfields: film and video, radio and television, and other AV field (computer games, Internet portals, audio recording and recordings, leasing, as well as equipment for this activity, etc.).

Advertising includes the production of advertising films and videos, radio and television advertising time, direct advertising and other advertising services.

Architecture and design includes, within the architecture subfield, any architectural design, urban, spatial and landscape planning, plans, drawings and services related to architecture; and the subfield of design includes industrial design, interior design and other specialized design, etc.

Cultural education includes music education at all levels and education of cultural programs within all levels of regular and online education as well as dance schools and services of dance and music teachers, etc.

Cross-sectional and unclassified includes various services in the field of culture, tourist and congress activities, services of cultural associations, etc.

Institutional sectors

Institutional units are grouped into sectors according to the type of producers and their principal activity and functions that indicate economic behaviour.

Market producers consist of non-financial and financial corporations. These are institutional units that are independent legal entities whose principal activity is market production of goods and services. Additionally included are entrepreneurs from the household sector.

The general government sector includes all institutional units that are non-market producers whose output is intended for individual and collective consumption, and are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth. The general government sector is divided into subsectors: **central government, local government** and social security funds.

The non-profit institutions serving households sector (NPISH) consists of non-profit institutions that are separate legal entities that serve households and are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general government and from property income. Examples of NPISH are trade unions, professional and learned societies, political parties, religious societies, cultural societies, sports clubs, charities, etc.

The household sector consists of individuals or groups of individuals as consumers and as entrepreneurs who produce marketable goods and non-financial and financial services (market producers).

Transactions are determined by the ESA 2010:

Production is the value of products and services produced within a production unit in a calendar year. It includes production intended for sale on the market, production for own final consumption and other non-market production. It is valued at basic prices. The basic price is the value received by the manufacturer from the customer for a unit of the manufactured product or service, from which all taxes are deducted, and subsidies on products related to this unit are added.

Intermediate consumption consists of goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and services are either transformed or used up in the production process.

Gross fixed capital formation consists of acquisitions (purchases) of new and used fixed assets, reduced by disposals (sales) of used fixed assets and increased by transaction costs of used fixed assets. Fixed assets also include intellectual property products.

Compensation of employees is defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during an accounting period. It is gross wages and salaries, personal remunerations and employers social contributions. Employers social contributions include actual (compulsory and voluntary) and imputed social contributions. Imputed social contributions comprise payments by employer to employees during the absence from work due to sickness, etc. Personal remunerations consists of expenses for food, transport to and from work and reimbursement for annual vacation.

Taxes on products are taxes that are paid per unit of a specific product or service and are calculated when the goods are produced, sold or imported (value added tax, excise duties, import duties and other special taxes on products and transactions).

Other taxes on production consist of all taxes that enterprises incur as a result of engaging in production, independently of the quantity or value of the goods and services produced or sold. Other taxes on production may be payable on the land, fixed assets or labour employed in the production process or on certain activities or transactions.

Subsidies are current unrequited payments, which general government or the institutions of the EU make to resident producers, with the objective of influencing their levels of production, their prices of products or the remuneration of the factors of production. There are two types of subsidies. **Subsidies on products** are subsidies paid per unit of a product or service. They can be paid upon production, sale or import of a product or service. **Other subsidies on production** include other subsidies that the company can get from the state as a result of its involvement in production.

Final consumption expenditure consists of expenditure incurred by resident institutional units on goods or services that are used for the direct satisfaction of

individual needs or wants or the collective needs of members of the community. Final consumption expenditure consists of final consumption expenditure of households, non-profit institutions serving households and the government.

Supply is the sum of domestic production at basic prices, imports and net taxes on products (taxes less subsidies).

Use is the sum of intermediate consumption, final consumption expenditure, capital formation and exports.

7 EXPLANATIONS

7.1 CLASSIFICATIONS

Classification of Products by Activity (CPA) is taken into account when collecting and processing data. More information on classifications is available at <http://www.stat.si/StatWeb/glavnanavigacija/metode-in-klasifikacije/klasifikacije>

The data are shown by institutional sectors as defined by the Standard Classification of Institutional Sectors (SKIS): <http://www.stat.si/StatWeb/Methods/Classification>.

7.2 DATA PROCESSING

DATA EDITING

Data are edited by using appropriate systematic and individual corrections.

Data are edited at the macro level by using the aggregate control method. The discrepancies detected at the macro level are corrected at the micro level.

For more, see the general methodological explanations [Statistical data editing](#).

WEIGHTING

Weighting was not performed.

SEASONAL ADJUSTMENT

Seasonal adjustment is not applicable.

DATA PROCESSING OTHER

The data of various administrative and statistical sources are processed in accordance with the ESA 2010 methodology.

The calculations are based on the methodology of the supply and use tables, input-output tables (<https://www.stat.si/statweb/File/DocSysFile/8290/03-076-MP.pdf>), which are part of national accounts and are based on definitions and principles of the European System of Accounts (ESA 2010). Within satellite accounts for culture, only goods and services recognised as cultural within the Classification of Products by Activity (CPA) are taken into account.

Administrative sources are linked by identifiers.

7.3 INDICES

Indices are not published.

7.4 PRECISION

The precision is not calculated.

7.5 OTHER EXPLANATIONS

The methodology of satellite accounts for culture is based on the supply and use tables, which are part of the national accounts. In using the CPA classification, we limit ourselves to those goods and services that are recognised or determined as cultural. This means that the set of goods and services determines the scope of culture, basic culture, and individual fields and subfields of culture. The set includes typical cultural goods and services by activity (such as performing arts, etc.) as well as goods and services that support or are a tool for cultural activities to exist (such as microphones and stands thereof, manufacture of musical instruments, etc.).

A brief explanation of the input-output methodology explains:

- 1) The supply table shows the supply of goods and services in the field of culture, which is equal to the sum of domestic production and imports;
- 2) The use table shows the use of goods and services, both intermediate consumption (input for the production of other goods and services) and final use (consumption by households, non-profit institutions serving households (NPISH), the general government, gross capital formation and exports).

This method allows the calculation of many macroeconomic indicators standard for national accounts.

The published data are shown at current prices.

8 PUBLISHING

- First release (Culture – Satellite accounts for culture): “Experimental statistics: Satellite accounts for culture, 2019 and 2022«.

9 REVISION OF THE DATA

9.1 PUBLISHING OF PRELIMINARY AND FINAL DATA

The data are the result of experimental collection, so they are not defined as having the "temporary/final" status.

9.2 FACTORS INFLUENCING COMPARABILITY OVER TIME

There are no breaks in time series, so all points in time are comparable.

Methodological explanation on revision of statistical data is available at <http://www.stat.si/dokument/5299/RevisionOfStatisticalDataMEgeneral.pdf>.

10 OTHER METHODOLOGICAL MATERIALS

Methodological materials on SURS's website are available at <https://www.stat.si/statweb/en/Methods/QuestionnairesMethodologicalExplanationsQualityReports>.

- Questionnaire:
 - SURS does not collect data for this survey by using a questionnaire.
- Methodological explanations:
 - Input - output tables, supply and use tables

Theme: Gross Domestic Product and National Accounts, Subtheme: Supply and use tables, input-output tables

- European System of Accounts ESA 2010, <http://ec.europa.eu/eurostat/documents/3859598/5925693/KS-02-13-269-EN.PDF/44cd9d01-bc64-40e5-bd40-d17df0c69334>