



**MONTENEGRO
STATISTICAL OFFICE OF
MONTENEGRO**

METHODOLOGICAL GUIDELINES
OTHER SERVICES

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The legal basis for the implementation of other services survey is the Law on Official Statistics and Official Statistical System of Montenegro ("Official Gazette of Montenegro", No. 18/12 from 30. 03. 2012) and Annual Plan for statistical surveys, 2010.

Law on Official Statistics and the system of official statistics reporting units are obliged to give information and individual data obtained in the survey are protected and can be used only for statistical purposes.

METHODOLOGICAL GUIDELINES

The aim of the statistical survey

The purpose of the statistical survey on turnover in trade and other services is the quarterly statistical monitoring of turnover (income from sale of goods and services) in service activities as well as the measuring of the dynamics of its change. The quarterly compilation of the turnover index is intended for a simple monitoring of change flows in economic development. It is suitable for short-term observations and analyses of the economic development. Just like in other short-term conjunctive statistics, the basic purpose is not the level of a particular phenomenon but rather its dynamic of change.

This survey will substitute all former quarterly surveys that partly covered areas of the services sector (sections G and I), while monitoring will be extended to other yet non-included services.

In addition, the purpose of the survey is also the rationalisation of data collection, the reduction of the burden to reporting units, shortening of reporting deadlines, simplification of questionnaires, reduction of survey costs, avoiding of duplicity in the coverage of reporting units and publishing of different results for one and the same phenomenon.

Variables

The survey collects data on turnover in other services, number of employees and hours worked.

Questionnaire

Questionnaire is available on the website

<http://www.monstat.org/eng/page.php?id=1111&pageid=1111>

Reporting units

Reporting units are business entities (legal entities and tradesmen) classified in the Statistical Business Register by their main activity into the following service activities:

45.2	Maintenance and repair of motor vehicles Wholesale trade, except of motor vehicles and motorcycles
49	Land transport and transport via pipelines
50	Water transport
51	Air transport
52	Warehousing and support activities for transportation
53	Postal and courier activities
58	Publishing activities
59	Motion picture, video and television programme production, sound recording and music publishing activities
60	Programming and broadcasting activities
61	Telecommunications
62	Computer programming, consultancy and related activities
63	Information service activities
64	Financial service activities, except insurance and pension funding
65	Insurance, reinsurance and pension funding, except compulsory social security
66	Activities auxiliary to financial services and insurance activities
68	Real estate activities
69	Legal and accounting activities
70	Activities of head offices; management consultancy activities
71	Architectural and engineering activities; technical testing and analysis
72	Scientific research and development
73	Advertising and market research
74	Other professional, scientific and technical activities
75	Veterinary activities
77	Rental and leasing activities
78	Employment activities
79	Travel agency, tour operator reservation service and related activities
80	Security and investigation activities
81	Services to buildings and landscape activities
82	Office administrative, office support and other business support activities
85	Education
86	Human health activities
87	Residential care activities
88	Social work activities without accommodation
90	Creative, arts and entertainment activities
91	Libraries, archives, museums and other cultural activities
92	Gambling and betting activities
93	Sports activities and amusement and recreation activities
94	Activities of membership organisations
95	Repair of computers and personal and household goods
96	Other personal service activities

Data refer to the business entity as a whole (total turnover), that is, they also comprise the turnover of secondary activities if an enterprise is engaged in them.

Coverage of reporting units

The survey is based on the sample method. The Statistical Business Register was used to create a sample framework. The framework for 2012 consists of 4449 business entities and 510 business entities (large, medium-sized and small ones) were selected into the sample. The survey covered all large and medium-sized business entities (employing 50 and more persons), while micro-sized and small business entities were selected by using the random stratified sample. The stratification of a sample was carried out according to the prevailing activity and size of a business entity. The prevailing activity was defined for every business entity in line with the Nace Rev.2.

The criterium for defining the size of a business entity was the number of persons in employment. By size, business entities were classified as follows:

- Size class 1: 1 – 9 persons in employment
- Size class 2: 10 – 49 persons in employment
- Size class3: 50 – 249 persons in employment
- Size class 4: 250 and more persons in employment.

Method of data collection

Data are collected by using the reporting method. A report on each business entity is given on two copies of the USLUGE form.

One copy stays in the reporting unit for its needs and the other is sent to the competent statistical office within a timetable specified by that office, in line with the Annual Implementation Plan of Statistical Activities.

Except sending by mail, reports may be submitted by e-mail directly to the Statistical office of Montenegro-Monstat (the form is available in either Word or Excel formats) or by telefax. Selected business entities are obliged to submit questionnaires containing data for the previous quarter to competent statistical offices at least 21 days after the end of that quarter.

Data sources for the creation of the questionnaire

Data sources for the creation of the USL-1 questionnaire are bookkeeping and other documentation of a business entity. Exceptionally, if a reporting unit does not have a precise bookkeeping or other source, it is necessary to conduct an expert data estimation as good as possible.

Organisation of the survey conduct

The conduct of the survey is done by the Montenegro Bureau of Statistics, statistics departments of the Montenegrin Bureau of Statistics in counties.

The Croatian Bureau of Statistics prepares uniform statistical standards and instruments for the conduct of surveys, processes, publishes and disseminates in other ways results to users in the country and to international institutions. The Bureau prepares all that is necessary for the correct and successful conduct of surveys. For that purpose, it prepares an address book of reporting units, prints questionnaires, instructions and other materials, delivers them to statistics departments, takes over the questionnaires, controls the coverage, prepares reports to be processed (controls the fullness and computing and logical quality of data given on the questionnaires), enters data and processes them and finally publishes the survey data. It also makes sure that the uniform standards and instructions are met and that all work related to the survey is carried out in terms of quality. It provides the expert support to statistics departments, as well as to reporting units, gives instructions for the conduct of surveys and organises trainings if necessary.

The statistics departments of the Montenegro Bureau of Statistics - Monstat submit questionnaires and other materials to the reporting units according to the address book, give them instructions related to filling in the questionnaires, collect the filled-in questionnaires, code identification data, control the fullness and accuracy of the data submitted on the questionnaires, submit the checked material to the Statistical office of Montenegro according to the defined time schedule and carry out other work set by the Statistical office of Montenegro in relation to the survey conduct.

Reporting units fill in the questionnaire according to the Instructions given on the questionnaire and then return them to the competent statistical office according to the time schedule defined by that office.

Data are electronically processed at the level of the Republic of Montenegro. Data will be published in the First Release, the Quarterly Statistical Report and the Statistical Yearbook.

Definitions and methodological notes

Turnover (variable 120 according to the Eurostat methodology on short-term statistics)

Turnover comprises the totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties. Turnover includes all duties and taxes on the goods or services invoiced by the unit with the exception of the VAT invoiced by the unit vis-a-vis its customer and other similar deductible taxes directly linked to turnover.

Turnover also includes all other charges (transport, packaging, etc.) passed on to the customer, even if these charges are listed separately in the invoice. Reduction in prices, rebates and discounts as well as the value of returned packing must be deducted. Price reductions, rebates and bonuses conceded later to clients, for example at the end of the year, are not taken into account.

Income classified as other operating income, financial income and extraordinary income in company accounts is excluded from turnover. Subsidies received from public authorities or the institutions of the European Union are also excluded.

The turnover is expressed in current prices valid at the making out of a bill.

According to this definition, the items generally **included** are:

- invoiced services provided,
- sales of by-products,
- invoiced charges for packaging and transport,
- invoiced hours worked to third parties for labour only subcontracting,
- invoiced mounting, installations and repairs,

- invoiced instalments (stage payments),
- invoiced development of software and software licences,
- sales of supplied electric power, gas, heat, steam and water,
- sales of waste and scrap materials.

Credit sale is also included.

Subject to the treatment of income classified as **other operating income, financial income and extraordinary income** in company accounts, the items generally **excluded** are:

- commissions,
- leases and rentals,
- leases for own production units and machines if used by third parties,
- leases of company-owned dwellings,

- receipts for licence-fees,
- receipts from staff facilities (for example from a factory canteen),
- the supply of products and services within the observation unit,
- sales of own land and fixed assets,
- sales or leases of own properties,
- sales of shares,
- interest receipts and dividends,
- subsidies,
- other extraordinary income.

The above items may be **included** if they generate turnover in the **principle field of operation** of the observation unit.

Commission is expressed as a turnover in mediation activities (activities of agencies etc.). A reporting unit presents the **overall turnover from its activities**, both from principal and secondary ones if any.

Data processing

Data are collected on sample basis, after which they are used for the estimation of the whole monitored population in line with the respective statistical methodology. The basis for estimates is data obtained from business entities included in the survey, who submitted data. These data are then recalculated by using ponders (weights) for the whole target population. The weight is calculated as a sum of sample and non-response ponders. The sample ponder is calculated as a reciprocal value of selection probability, while the non response ponder is calculated as a relation between the number of units in the sample and the number of units' responses and non-responses. In case of untypical data (extraordinary large data in the stratum), the weight obtained that way is also multiplied by a ponder that diminishes their effect on final estimations. Weighting is carried out by strata that are defined by activity groups and size class of enterprises.

There are units selected into the sample that do not meet the survey requirements due to the method of sample selection, reorganisations or other changes in their operation (they have not started operating yet, they have gone bankrupt, they are not engaged in monitored activities etc.). All such units are considered unsuitable. The relation between the numbers of units in the sample is expressed by the level of their acceptability. Since the number of acceptable units changes over quarters, their level of acceptability is also a subject to change. Moreover, the number of units that responded the questionnaire is also different in every quarter. The non-response units, although acceptable, that is, those which run business, are counted as non-response.

Units that do not respond the questionnaire are treated in a way that data are imputed to them, taking into account data on the turnover that they submitted in a previous quarter and given the calculated average proportion between turnovers presented in a current and in a previous quarter of enterprises that responded and that are located in the same stratum. If a new enterprise does not respond the questionnaire, its data are estimated by taking into account other responses in the same stratum and registry data on this enterprise.

Data are weighted due to a difference of probabilities of the selection of a unit into a sample and weights are additionally corrected in regard to the proportion of newly-created enterprises and enterprises that stopped running business.

In order to define the status of reporting units, the following codes are used:

status 0 – runs business, declines to submit a report

status 1 – runs business, report submitted

status 2 – unregistered, stopped running business

status 3 – not engaged in service activities that are the object of the survey

status 4 – dormant

status 5 – bankruptcy, liquidation

status 6 – unsubmitted questionnaire

status 7 – reserve

status 8 – reserve

status 9 – other.

Method of presenting of results

Results are issued in the form of nominal turnover indices, that is, the turnover expressed in current prices Indices are presented in three forms:

- original (unadjusted) indices

Frequency of data collection and publishing

Reference period is a period for which data are collected and published (previous quarter).

Data will be published on a quarterly basis. As a rule, first results are published 60 days after the end of a quarter (t+60) in the First Release and on the CBS web site.

Revised data are published with results for next periods. Data can be revised up to one year after the end of the quarter.

Dissemination of results according to the National Classification of Activities

Since 1 January 2008, a new classification of activities, NACE Rev. 2., has been introduced in all EU Member States, which replaced the classification version NACE Rev. 1.1. In the Montenegro, the national version of NACE Rev. 2. has been introduced under the title KD 2010, which is completely in line with the European classification of activities. The new classification introduces many changes and additions caused by structural changes in economy in recent years. The change in the very structure of the classification is very important because the subsection level is completely removed (two-letter classification level).

The publishing of data on service activities according to the KD 2010. from this survey will be started in the 2012.

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