Public Education

Presentation

This note relates to the metadata of the annual follow-up production account. Thus, it describes the definition, range, sources, and methodology used in preparing annual follow-up production accounts.

Definition and Scope

Definition

The role of Public Education is to provide educational services for free or at an economically insignificant price; that is, it is a non-market output, similar to public administration. This industry is mainly oriented to Government consumption, which demands and "consumes" this service for account of households.

The following variables are measured: Gross Output, Intermediate Consumption, and Value Added for the Public Education industry.

Public Education excludes all those educational industries whose main objective is recreation, rather than the obtention of a skill or knowledge aimed at a future labor, technical or professional performance. All industries related to regulatory issues (developed by the pertinent ministry) are also excluded.

Sub-industries / Sub-accounts

The Production Account of Public Education considers all educational levels: Pre-school education involves infant and child care nationwide, supervised and financed by the National Board of Child Care Centers (JUNJI). At school level, no distinction is made between primary and secondary education, since there are some establishments which include the three educational levels. This distinction is made according to their respective administrative supervisory bodies. Schools are thus classified in: Municipal Schools, Subsidized Schools (privately run and receiving government subsidies), and “Delegated Management” Schools (technical-vocational high schools run by union bodies or associations such as the Federation of Chilean Industry (SOFOFA), Chilean Association of Steel and Metal-mechanical Industries (ASIMET), Chilean Agricultural Association (SNA), among others.) Post-secondary education includes Public Universities, primarily funded by direct fiscal credit.

Source Data

Administrative Records

- Source Name: Budget Statements from the Municipal Sector.
  Reporting Institution: Office of the Comptroller General.
  Data used: Current Income and Expenditure of the Educational Sector.
  Frequency: Annual.

- Source Name: Budget Execution Balance.
  Reporting Institution: National Board of Child Care Centers (JUNJI).
  Data used: JUNJI’s operating Income and Expenditure.
  Frequency: Annual.

Economic Surveys

- Source Name: Survey on Schools.
  Reporting Institution: Regionally representative sample of Subsidized Schools, as
per school enrollment numbers. Data gathered by the Central Bank. Data used: Operating Income and Expenditure, school enrollment numbers, and employment. Frequency: Annual.

- Source Name: Survey on Schools. Reporting Institution: Universe of bodies running “Delegated Management” Schools. Data gathered by the Central Bank. Data used: Accounting records (operating income and expenditure) and statistical records (school enrollment numbers and employment) of the educational sector. Frequency: Annual.

**Balance Sheets and/or Financial Statements**


**Statistical Forms & Reports**


**Other Statistics**


**Compilation method**

The compilation method to transform source data into the production account consists of the following stages:

**Aggregation, imputation and validation**

**Validation and Imputation**

Validation is carried out by analyzing ratios per industry and confronting with the
answers received in previous years from the same agent.

Imputations are made based on financial information on income, operating costs, and record data on value added of sample average of similar entities (size, kind of education provided, fee, geographical location). The historical behavior of ratios such as value added/gross output, intermediate consumption/gross output, students/teachers, and gross output/students is also considered.

Classification
The information used for preparing the Production Account of the Public Education industry is sorted as per the International Standard Industrial Classification Rev. 3 (ISIC Rev.3). Products associated to this industry are classified in terms of the Central Product Classification (CPC).

Estimation Procedures
Generally, the procedures used for estimating the production account depend on the information sources available:

- In the benchmark compilation, every five years, there is often more complete information available; it is then possible, with the source data, to determine the “best level” for the production account components.
- There is generally less complete information for annual follow-up compilation. So, in order to obtain the “best change”, prices, quantities, and values from the source data above detailed are used as indicators, whose changes are applied to the levels of the 2003 benchmark production account, by extrapolation, deflation, infactation, and identities.

The key aspects of the calculation procedure for the main aggregate transactions or variables of the Public Education annual follow-up production account are shown below.

i) Gross Output (GO). Value at constant prices is determined by extrapolation, using quantity indexes. Value at current prices is obtained by the IC+VA identity.

ii) Intermediate consumption (IC). Value at constant prices is determined by deflation of values at current prices. Value at current prices is determined by extrapolation, using value index.

iii) Value Added (VA). Value at constant prices is obtained by the double-indicator method. Value at current prices is determined by extrapolation, using value index as indicator.

Data Reconciliation
To verify consistency of results, inter-temporal behavior of series is analyzed in both nominal and real terms, so that trend changes and specific phenomena of the benchmark year are identified. Migratory movements of school enrollment numbers to and from the public and the private system are particularly relevant for analysis.

The aggregate Public Education account is submitted to the transversal processes within the supply-use table framework of annual follow-up production accounts.

Data Access
Publication
Annually, this industry is a component of the Personal Services group of the CBCH’s publications. In the aggregate production account table, this industry is disseminated within the total Education aggregate. In benchmark compilation years, when dissemination is done for 73 industries, Public and Private Education are disseminated on a disaggregated basis.
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<th>Value Added and GDP</th>
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