

Measurement of non market service: Output and outcomes

The long way that led to the idea of introducing direct output methods in national accounts for measuring non market services of government has become quite broadly accepted, since its explicitly mentioning in SNA93.

The attention has now been drawn on the best practices to implement the calculation by introducing the quality issue that, nevertheless, represents a relevant part of the volume change of the output.

As far as quality measures are concerned education, stratified by level, is one of the areas in which relevant advancements could be reached. A wide variety of measures that are related to outcomes have become available. Nevertheless there is still a debate on their use for the quality correction.

Our proposal is concerned with the application of different quality corrections outcome based for education. Italy is using a quality correction since the ESA95 first implementation. The idea is now to compare the actual method with more complex quality measures to give an evaluation of the impact of alternative hypothesis.

Given the relative high weight of education in the non market output it would be of interest to compare the effect of several measures in the calculation of relevant aggregates such as Government final consumption expenditure and GDP in volume terms. It should be done separately for scholastic education and university education because of the different framework of providing the two services.