

Announcement:
Revision of Annual Report on National Accounts for 2017 (Flow Accounts)
As a Result of Reflecting Revision of Monthly Labour Survey

January 25, 2019
Department of National Accounts
Economic and Social Research Institute (ESRI)

Due to a revision of Monthly Labour Survey by the Ministry of Health, Labour and Welfare, we subsequently make revisions to data on compensation of employees in the annual report on national accounts for 2017 (Flow Account)¹. At the same time, we revise the data on compensation of employees (nominal/original series) for the 2nd and 3rd quarters of 2018.

As we revise data only for the period from 1st quarter of 2016, please note that the revised series do not link to the series for the period prior to 2016². Revised historical data prior to 2016 will be released as soon as possible after the upcoming publication of the Quarterly Estimates of GDP for Nov.-Dec.2018 (scheduled provisionary on February 14th,2019).

For more information on Flow Accounts revision, please refer to the following ESRI homepage.

- Annual Report on National Accounts for 2017 (Flow Accounts)
https://www.esri.cao.go.jp/en/sna/data/kakuhou/files/2017/2017annual_report_e.html

- Quarterly Estimates of GDP
https://www.esri.cao.go.jp/en/sna/data/sokuhou/files/2018/qe183_2/gdemenuca.html

¹ When incorporating the revision of Monthly Labour Survey, we reflect the most recent weights of the number of employees before December of 2017. We further adjust the series to smooth the level difference due to a sample rotation of Monthly Labour Survey. This adjustment has already been implemented since last November, the release of the Quarterly Estimates of the 3rd quarter of 2018.

² Japan's national accounts (JSNA) adopts expenditure approach to publish headline estimates of GDP. In particular, GDP based on expenditure approach is estimated by adding up the market values of all expenditures for individual final goods and services, including private final consumption expenditure, and gross capital formation. Therefore, current revision of compensation of employees doesn't affect the headline GDP.

<Revisions of major statistics³>

(1) Compensation of employees

	① Revised Estimates (January 25,2019 Release)		② Initial Estimates (December 10,2018 Release)		Extent of Revision (①－②)	
	Level (Trillion Yen)	Annual Growth Rate (%)	Level (Trillion Yen)	Annual Growth Rate (%)	Level (Trillion Yen)	Annual Growth Rate (%pt)
FY 2016	271.2	—	270.5	2.4	0.7	—
FY 2017	276.3	1.9	275.6	1.9	0.7	0.0

(2) Household saving rate

	① Revised Estimates (January 25,2019 Release)	② Initial Estimates (December 25,2018 Release)	Extent of Revision (①－②)
	(%)	(%)	(%pt)
FY 2016	2.8	2.5	0.2
FY 2017	2.5	2.3	0.2

(3) Compensation of employees (Nominal・Original・Quarterly)

		① Revised Estimates (January 25,2019 Release)		② Initial Estimates (December 10,2018 Release)		Extent of Revision (①－②)	
		Level (Trillion Yen)	Annual Growth Rate (%)	Level (Trillion Yen)	Annual Growth Rate (%)	Level (Trillion Yen)	Annual Growth Rate (%pt)
CY 2016	1Q	57.5	—	57.3	2.6	0.2	—
	2Q	69.8	—	69.5	2.6	0.2	—
	3Q	64.4	—	64.2	2.7	0.1	—
	4Q	78.7	—	78.5	2.8	0.2	—
CY 2017	1Q	58.3	1.5	58.2	1.6	0.1	▲0.1
	2Q	71.0	1.7	70.8	1.8	0.2	▲0.1
	3Q	65.6	1.8	65.4	1.8	0.1	▲0.0
	4Q	79.9	1.5	79.7	1.4	0.2	0.1
CY 2018	1Q	59.8	2.6	59.7	2.6	0.1	▲0.0
	2Q	73.7	3.8	73.4	3.7	0.3	0.1
	3Q	67.3	2.6	67.2	2.7	0.1	▲0.1

³ The published data before this revision remains available on the ESRI homepage for reference.

https://www.esri.cao.go.jp/en/sna/data/kakuhou/files/2017/2017annual_report_e.html