

Activities of Eurostat in the field of Short term Statistics

In the Short-term Statistics Regulation, two indicators have been foreseen to cover services, turnover and number of persons employed. The implementation of the Regulation is nearing completion and Eurostat expects data to arrive in the near future from the Member States. Today, about half of the Member States, supply the information already. Unfortunately, European aggregates are generally not yet possible because some major Member States are still in the final phase of implementation. According to the current planning, a full implementation is expected to be achieved until June 2003.

Although, the completion of the existing Regulation is the prime objective of Eurostat, it has become evident that a rapid evolution beyond the current Regulation is required. The issue of the measures to be taken has been explored in repeated Working Party meetings for short-term statistics, in a meeting of the EU business statistics directors and in a special seminar on short-term service statistics in February/March 2002. Eurostat co-operates very closely with the ECB on this subject.

The result of these considerations have been entered into a report to the Statistical Programme Committee, a combined report to the CMFB and the preparation of a report to the EFC. A modified version of the report to the CMFB is presented to the Voorburg Group by Mr. Nardelli of the ECB and Mr. Schäfer of Eurostat.

The main focus will be on the development of a service price index, the addition of further indicators on services, a reduction of the reference period to a monthly index, at least for turnover, and not least an improved timeliness. A number of task forces and studies have been launched to explore the feasibility and costs of these measures. Most actions are done in close co-operation with the EU Member States. On service prices a joint OECD/Eurostat task force has been created. It will reunite for the first time during the Voorburg Group meeting in Nantes.

Activities of Eurostat in the field of Information Society Statistics

Eurostat prepared with the OECD in 1999 a definition of ICT products in terms of CPA and of economic activities in terms of NACE. A definition of the content sector was furthermore elaborated. A proposal for an interim voluntary breakdown of NACE was prepared and discussed with Member States in the Information Society Working Group meeting in autumn 2001. The proposal was further elaborated in later meetings.

Eurostat participated in OECD work on defining a key set of variables for e-commerce surveys and on setting up a narrow and wide definition of e-commerce. In 2000 Eurostat prepared pilot surveys on e-commerce and ICT usage of enterprises, which were carried out in 13 Member States, mostly in the first half of 2001. A second round of surveys, with a close harmonisation of the questionnaire with the OECD model was prepared in 2001 and carried

out in 2002 in 15 EU countries and Norway. A data-linking project was launched at the end of 2001 with the UK.

In 2001 Eurostat prepared furthermore pilot surveys on ICT usage in households, which were carried out in the first half of 2002 in 11 EU countries.

The e-commerce enterprise survey outlines and model questionnaires were further developed during 2002 in order to launch a new round of surveys in 2003. 14 EU countries and 2 EFTA countries are expected to participate in the 2003 survey round. Developments as regards the OECD model surveys and in the field of eEurope indicators were taken into consideration.

The household survey questionnaire was also further developed in 2002 to take into account new needs stemming from eEurope related policies (e. g. need for data on broadband Internet access). The next round of Community ICT usage household surveys will be carried out in mid 2003.

ICT related surveys (e.g. on computer services) are furthermore being carried out within the SBS frame.

A Council regulation is in preparation by Eurostat to provide a legal basis for Information Society statistics on a European level.

An Information Society questionnaire and a corresponding glossary was developed and sent out annually since 2001 in order to collect existing data on the Information Society from Statistical Offices.

Studies on specific methodological aspects like measurement of broadband penetration, e-skills, e-security, ICT expenditure and ICT investment have been launched in 2002

Activities of Eurostat in the field of Demand for Services Statistics

Eurostat is presently preparing work on statistics on the demand for services. The first level of the analysis will involve breaking down the SBS variable 'total purchases of goods and services' into a reasonable number of relevant (services) products.

The second level of the analysis (outsourcing) would involve an estimation of the costs of the in-house production of those services products.

The third level of the analysis (intangibles) would then necessitate the total demand for certain services (e.g. marketing, management consultancy) to be split between current consumption (purchases) and (intangible) investments. The aim is to collect data for the reference year 2003

Activities of Eurostat in the field of Improvement of data on labour productivity.

The objective of the study is to analyse ways "to improve the data availability and quality on labour productivity, as there is a certain political pressure to have this data available". The current data availability concerning the SBS employment variables must be improved. In addition, the quality of data needs to be improved in order to have better/less flawed labour productivity comparisons between Member States.

First results are expected in 2003

Activities of Eurostat in the field of business services statistics.

Financial grants have been used to facilitate development in this priority area and further motivate Member States to participate in the development project. In the first phase of the project 10 Member States participated: Denmark, Spain, France, Ireland, Italy, Luxembourg, Portugal, Finland, Sweden and the United Kingdom. Austria has joined the second phase. The business services covered are computer services (NACE Rev.1 division 72), auditing and consultancy services (classes 74.12 and 74.14), market research (class 74.13), architectural and engineering services (group 74.2) and advertising services (group 74.4)

The first phase of the project, which was completed during spring 2002 in most Member States, involved methodological development of all above mentioned business services. Questionnaires on each business services have two main elements:

- a) Turnover by product and
- b) Turnover by client

In addition, there are questions on some basic economic and employment variables.

The collection of information on enterprise turnover by product permits analyses on each product's relative importance in the turnover, product specialisation and consistency of enterprise statistics. On the other hand, information on enterprise turnover by client enables analyses on type and location of client and client specialisation. The economic variables make it possible to extend the analysis to productivity issues.

In the second phase, which is currently under way, computer services will be surveyed once again. Additional surveys will be conducted on auditing and consultancy services, market research, architectural and engineering services and advertising services. The reference year for all these surveys will be 2001.

At the beginning of June 2002 preliminary data on computer services became available in Eurostat's New Cronos database for 8 Member States (Ireland and Italy will deliver their data late summer 2002). In addition, these data have been analysed and presented in a Statistics In Focus (SIF). The first analysis gives an overview of the main products and clients within this sector.

Later in 2002 SBS data on employment and value added will become available, permitting a more in-depth analysis of e.g. product specialisation and its impact on labour productivity. This analysis will be reported in a more comprehensive publication along with statistics on business demography and foreign control in computer services.

Revision of NACE and CPA 2007

The European Activity classification NACE Rev.1 was updated in 2002 for implementation in the Member States 1.1 2003. The update was merely a small adjustment. The next change is planned for 2007. The key objective for the revision

2007 will be the development of a modern classification system which will truly reflect economic reality. This means a true revision where, in principle everything is open for change.

The emphasis is expected to be on new and emerging activities such as the information society, but also generally on services, where the present NACE is underdeveloped. Statistics on manufacturing, which accounts for 20% of employment in the EU, are presently detailed to 241 distinct economic activities. Statistics on hotels and restaurants, transport, storage and communication, financial intermediation, real estate, renting and business services, which together account for 22% of employment in the EU, are detailed to only 35 distinct economic activities.

Eurostat has started the process with consultation of all data producers and users to collect information on their needs and expectations.

Convergence with the North American Industry Classification System (NAICS)

The North American system NAICS which is used in Canada, Mexico and USA is not compatible with NACE/ISIC.

To improve this unsatisfactory situation on 14 June 2000, a project to study the potential for greater convergence between the General Industrial Classification of Economic Activities within the European Communities (NACE) and the North American Industry Classification System (NAICS) was initiated under an agreement signed by the heads of the statistical agencies of Canada, the European Union and the United States.

A taskforce consisting of experts from the participating parties have drawn up a list of changes to NACE and NAICS which may improve the convergence.

The solutions proposed have been chosen so that they minimize the impacts on either classification but maximize comparability between them, but also would be an improvement of both present classifications.

The list of proposed changes is now the subject of consultation involving both NSI's and private data users and providers; The Eurostat web-site http://europa.eu.int/comm/eurostat/ramon/op_2007/op_2007.html contains the necessary documents.