PROGRESS REPORT FROM JAPAN

19th Voorburg Group Meeting on Services Statistics

Statistical Standards Department, Statistics Bureau
Ministry of Internal Affairs and Communications, Japan

1. Classification of service activities and products

   <Main achievements, 2003-2004>

- Studies relating to the revision of standard statistical classifications require that Cabinet Office and ministries concerned, in concert, properly understand and analyze trends in a wide range of fields. Therefore, the Expert Group on Statistical Classification as a mechanism for joint studies by the Cabinet Office and ministries was established in December 2003 and it reviewed its various issues.

   * Until January 2001, the Statistical Classification Working Group under Statistics Council had been established for overall review of statistical classifications.

- The Expert Group on Statistical Classification should study the following items.

   (1) Matters concerning studies of drafts for revising standard industrial classification

   (2) Matters concerning the organization of proposed revisions to standard occupational classification and standard commodity classification

   (3) Matters concerning other statistical classifications

   (4) Matters concerning investigations and research into statistical classifications

   (5) Matters concerning liaison and coordination in the governmental sector concerning statistical classifications

   (6) Matters concerning defining and classifying of IT related industries and products

- With regard to the definition and classification of IT-related industries and products, in the Expert Group meeting, studies shall be set up in fiscal 2004 to grasp their actual conditions on a global basis. We are now considering methods and procedures of the studies with private institutions.

- The eleventh revision of the Japan Standard Industrial Classification (JSIC) was implemented in March 2002. After that, we continue studying to update the list of examples of activities in cooperation with officials in ministries concerned. The list of examples which had been so far discussed was already published in September 2003.

- The Correspondence table of JSIC (11th revision) and ISIC (3.1 revision) will be issued in due course.

   <Main issues and challenges>

- With regard to proposed schedule of the revisions on classifications and reviews of various items on the classifications, we start preparatory works for their revisions in the Expert Group meetings.

- With regard to the definition and classification of IT-related industries and products, the studies

shall be set up in fiscal 2004 to grasp their actual conditions on a global basis.

2. Information Society Statistics

<Main achievements, 2003-2004>
- In order to grasp the actual state of using IT in schools, the Ministry of Education, Culture, Sports, Science and Technology collected statistical data under the existing statistical survey on the Information Education in 2004.
- In order to grasp 'investments and assets on software' and 'IT-related capital investment and depreciation', the Ministry of Economy, Trade and Industries (METI) collected data under the Actual Survey on Information Processing in collaboration with the Cabinet Office in 2003.
- With regard to how to evaluate acquisition amount of intangible assets, the Cabinet Office research and study the state of handling these matters in various countries through attending the international meetings.
- Considering the survey results on 'The Survey on Intellectual Property-Related Activities' conducted in 2002, the METI reviewed the survey through adding new survey items to grasp the number of legal proceedings by the areas of the US, European and Asian region.

<Main issues and challenges>
- With regard to the actual condition of the Information Education, the Education Ministry shall review the survey items to reflect the changing condition of the IT-using in the IT-development.
- With regard to the Actual Survey on Information Processing, the METI shall develop the survey method considering the analysis in the Cabinet Office.
- With regard to how to evaluate acquisition amount of intangible assets, the Cabinet Office shall continue studying the international discussions and movements.
- With regard to the Survey on Intellectual Property-Related Activities, the METI shall seek to strengthen the survey depending on the results of the survey carried out in fiscal 2003 and 2004. It is also expected that the ministry would carry out the useful survey to grasp indispensable information on their activities of the business enterprises.

3. Statistics on non-profit institutions

<Main achievements, 2003-2004>
- On the occasion of the 2004 Established and Enterprises Census, the Statistics Bureau added information of the name list for the 'Survey on the Private Non-profit Institutions' into the name list of the said Census in order to develop and strengthen information of population on private non-profit institutions.

<Main issues and challenges>
- With regard to how to grasp actual conditions of establishment, such as SOHO (Small Office Home Office, known as a household of home-based worker), the Statistics Bureau will investigate and study the positive utilization of administrative records.

4. Statistics on services

<Main achievements, 2003-2004>

-   With regard to the services field (including public services field), under the collaboration of the Cabinet Office and ministries concerned, the Statistics Bureau prepared survey maps or outlook, which serve as a overall views of the state of statistical development by industry and item of survey. The survey maps are posted on our Website (Japanese only).
-   With regard to the Current Survey of Selected Service Industries, the METI has added the information on the supplementary tutorial schools since January 2004.
-   In the 2004 Basic Survey on the Service Industries, service industries such as real estate lessors and managers, eating and drinking places and travel agency have been newly covered to strengthen and improve the survey.

<Main issues and challenges>

-   The statistical maps shall continuously be expanded for the coverage of all industrial fields.
-   The Current Survey of Selected Service Industries shall be considered to expand for the coverage in it carried out in after 2006
-   In order to help improve the accuracy of the GDP (quarterly basis estimation), the development of the supply-side basic statistics on the service fields shall be promoted.

5. Short term indicators (Development of statistical systems from the standpoint of the System of National Accounts (SNA))

<Main achievements, 2003-2004>

-   Taking a SNA-related statistical systems into consideration, in pursuing the systematic development of statistics, the Expert Group on SNA-related Statistical Systems was established in March 2003 in order to examine and coordinate between governmental departments. In the first meeting held in June 2004, the Group discussed various issues within the existing systems.
-   Some specific issues to be considered are following matters focusing on the statistical surveys used for SNA.(*)
    (1) Matters related to the development progress of basic statistics, with regard to production, expenditure and distribution in the SNA.
    (2) Matters related to the development progress of the deflator-related basic statistics.
    (3) Matters related to the review of GDP-related statistics.
        * The Cabinet Office started the deliberation to review the estimation methodology of SNA in the Committee on the System of National Account in June 2004.

<Main issues and challenges>

-   The Group shall review and examine the various issues discussed and proposed in the first meeting.

<Future topics which are of interest to the Voorburg Group for inclusion in the next program, covering years 2005-2007>

Measurement of services and its impact on other industries (ex. manufacturing industry)

For example, the use of worker dispatching services in manufacturing industries has been growing. However, in the industrial classification, establishments to which dispatched workers belong are classified in service sector. Therefore, it would cause some problems in statistics which shows that the workers for services increase, while the workers for manufacturing decrease, even if there are no changes in the size of activities in manufacturing.

This issue may lead us to the necessity for the measurement of the service activities involved in other industries.