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AGENDA FOR 1999 MEETING**

A Discussion Paper on the Future Role of the Voorburg Group

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Abstract

This paper has been prepared to generate discussion on the future role of the Voorburg Group. In preparing the paper it is recognised that the Voorburg Group has made valuable contributions in the past particularly in respect of the development of the Central Product Classification (CPC), the international standard commodity/product classification for services. However, having achieved that objective the question now is whether there is a sufficient agenda to justify the continuation of the Voorburg Group meetings in its current form.

Introduction

This paper has been prepared to generate discussion on the future role of the Voorburg Group. In preparing the paper it is recognised that the Voorburg Group has made valuable contributions in the past particularly in respect of the development of the Central Product Classification (CPC), the international standard commodity/product classification for services. However, having achieved that objective the question now is whether there is a sufficient agenda to justify the continuation of the Voorburg Group meetings in its current form.

2 The paper also presents some alternative scenarios for consideration.

Background

3 As noted in the Introduction to the Papers and Final Report of the Eleventh Voorburg Group Meeting the Voorburg Group (VG) was established in 1986 after an initiative by Statistics Canada and the United Nations Statistical Office. It was the first of the so called 'City Groups' and was established in recognition that service statistics were less developed than statistics in other economic fields, although services contributed over half of the Gross Domestic Product in many countries.

4 Since 1986 the VG has met every year, generally for 5 days, to discuss matters relating to the services sector. Topics have included:

- product classification for services, for which the Voorburg Group has had major carriage;
- the development of model surveys for different industries in the services sector;
- international trade in services;
- producer price indexes for services.

5 The achievements of the VG have been significant, the most notable being the development of the Central Product Classification (CPC) for services. It has also provided a very valuable forum for the discussion and exchange of ideas and experiences in responding to the ever increasing demands for service statistics. These discussions have been wide ranging, at times at the broad strategic level such as the strategic responses of different agencies to the demands for information about services, while at other times it has covered the experiences of different agencies in data collections from specific industries.

The current situation

6 With the passage of time and the increasing focus of statistical agencies on service statistics the role of the VG appears to be changing. Specifically:

- the first draft of the CPC has been finalised and is now largely the responsibility of another Group,
- developments in international trade in services are largely the responsibility of the Inter-Agency Task Force on Service Statistics,

- many countries now have strategies in place to address the need for service statistics and have considerable experience in data collections from the services sector,
- there is an increasing number of fora at which services are discussed, and
- associated with the expansion in service statistics programs there is an increasing specialisation of statisticians in particular areas of expertise.

7 Currently there would appear to be two outstanding 'critical' issues in respect of services. These are ICT statistics and producer price indexes.

8 In respect of the first of these, while it is a major focus of this meeting, there already exists, as evidenced by the paper prepared by the OECD for Session 3, an existing suitable forum ie the OECD's Statistical Panel which has prime carriage for the development of frameworks, standards and definitions. While no doubt there is, and will be, benefit in providing a forum for discussing the experiences of and strategies adopted by agencies in responding to the rapidly

and may provide an opportunity for 2 levels of attendees - active participants and observers. As such the VG would expand its 'circle of influence' in terms of awareness of the issues and best practice being adopted. In the event that a specific critical issue was identified for resolution by the VG or the UN Statistical Commission, it is recommended that such issues be referred to a sub group of volunteer countries, akin to the CPC sub group, for resolution. The sub group would be responsible for establishing a work program and the timeframe for delivery of solutions. The sub group might then report back to the VG.

13 In the intervening years, because this topic has never received sufficient focus, it might be valuable to convene meetings under the auspices of the VG to provide a forum for the discussion of PPIs for services with a view to developing some international standards and/or possibly a 'best practice manual'. A meeting of this nature would benefit from the attendance of the relevant experts in the field.

Discussion points

14 Participants at the VG meeting may wish to discuss:

- (a) Whether annual meetings of 4-5 days duration continue to be required?
- (b) The alternate proposal put forward in this paper for general meetings of the VG at 2-3 yearly intervals.
- (c) The proposal for the formation of sub groups to address 'critical issues' identified by the VG or the UN Statistical Commission.
- (d) The possibility of convening the next VG to specifically discuss PPIs for services with the view to developing a best practice manual.