# From

# the French structural business survey

## to

## CPC-V1

*by*

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*Summary*

Is it possible for the product classification used in the French structural business survey to fit CPC-V1 (version 1)? Generally, yes. When it is not feasible at a subclass level, it is most often practicable at an upper level. Nevertheless, some relevant problems appear when comparing the classifications : above all, in engineering services (even if they are comparable at a class level), telecommunications, and, partly, computer services. The case of audio-visual services needs a complementary study. The main difficulties are encountered mostly in TIC activities. This observation is particularly worrying, as it is precisely a field where precise and comparable information is necessary.

Other warning signals come, in the structural survey, from the relative share of turnover classified in « other » categories, and the occurrence of products declared in plain language. The two signals may point out at the same zones, like telecommunications for instance. But other blurred zones appear as well : sewage services, inspection and testing services, advise and support services,...

## *Contents*

## *1. The French structural business survey on services industries and its product classification*

The Annual Business Survey is part of the national statistical programme, and is mandatory. It is collected on lodging, food and beverage services, real estate activities, business services, sewage, refuse disposal and sanitation, audio-visual activities, and personal services. The survey consists in a census with a general questionnaire on the firms that employed 30 employees and more, or collected a greater turnover than 30 million French francs ; smaller firms are surveyed thanks to a sample with a simplified questionnaire. This sample is stratified by main activity, number of employees, and local area of the head of the firm. The sampling rates vary greatly with the activity. The average sampling rate is about 11%.

The questionnaires collect the following information : the main activity of the firm ; the legal form ; the duration of the accounting period ; the last accounts completed ; the turnover ; the total exports, among which the exports towards EU countries ; the breakdown of total turnover by products ; the total purchases of goods and services ; the purchases of goods and services for resale in the same condition as received ; the purchases of goods and services used in production ; the purchases of goods ; purchases of raw materials and other sub-supplies ; the total number of people employed end of December 1995 ; the breakdown of employees according to full time and part time ; the tangible investments made in 1995. The general questionnaire asks for more information : the change in stocks of goods and services for resale in the same condition as received ; the change in stocks of raw materials and other sub-supplies ; the total personnel costs ; the wages and salaries ; the expenditures for social security.

The interesting part of the questionnaire for the scope of the present paper is precisely the breakdown of total turnover by products. It firstly aims to obtain a detailed information on firms output, as no other output survey exists in services industries, but only in manufacturing industries. The output is understood as turnover, but also stocked or capitalised output, when it exists (for instance in audio-visual or engineering activities).

Special questions in the questionnaire, out of the breakdown of total turnover by products part, pinpoint those stocked or capitalised output. The detailed list of products also allows to classify firms according to a main detailed activity, more detailed than in the NAF classes, according to the same calculation principles. This information is especially appreciated by data users, who are generally interested in information about very precise activities.

The list of products printed on the questionnaire is adapted to the main activity of the firm, as it is classified in the business register SIRENE, which is the sample basis of all business surveys in France. In services industries, 42 different types of lists are actually available. So, in every questionnaire, the firm will find a list of detailed products corresponding to its main activity and to the most frequent secondary activities in its area, as they were observed in preceding surveys.

The basis of the list is CPF, the French classification of products, which is identical to the European classification CPA. In the survey, CPF products are often split into several detailed products which are more easily identified by the firms, and so are easier to collect. Generally, those products are close to the items thoroughly described in the CPF notes. In principle, CPF classification can therefore always be found again by aggregation of surveys products. Some exceptions do exist, due to special adaptations, as it will appear further in this paper.

One frequent exception comes from the fact that it is sometimes difficult to obtain in the survey a complete breakdown of the total turnover. For the firms which are unable to split off their turnover into very precise products. the questionnaire presents an «other » item, which is generally at a class level. Generally, the « other » item doesn't represent a big share of total turnover and consequently it can be redistributed amongst the detailed list of products by the survey statisticians. In some classes, however, the « other » item represent a significant part of total turnover. It is certainly an indication on the way how the classification is understood by firms and consequently how adapted it is to the firm reality. These significant « other » subclasses will be pointed out later.

The product survey classification is flexible : each year, the survey list of products is adapted, by taking into account new products frequently stated in plain language at the end of the list. This possibility is indeed added to the list for firms who couldn't find adapted product in the list for a part of their output. Those statements are properly re-coded during the data editing phase of the survey. Another way of adapting the list is consulting occupational organisations or specialists , for instance in areas where new products are known to appear or when those organisations are not satisfied with the existing list. Such a consultation is in progress at present with engineering organisations and with telecommunication and computing specialists (to define products for Internet access providers and call centres activities). The problem of defining the link between those new products and the pre-existing CPF is not always easily solved. The creation of a specific line for new products authorise nevertheless different posterior aggregations.

The relationship between CPC-V1 and the survey classification is as shown below : the line from CPF/CPA to the survey classification is quite direct. But CPF/CPA refers to the previous version of CPC (the provisional one). Meanwhile, CPC has matured and ended in CPC-V1. Some discrepancies result from this parallel evolution. In some cases, the existence of a detailed survey classification can solve those inconsistencies. The present paper aims to show how far (or how near) is the French structural survey on services industries from providing production or turnover data for the CPC-V1 list of products in the same field.

| CPC provisional | | CPC-V1 |
|---|---|---|

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┌─────────────────────┐
│ CPA/CPF             │          ?
└─────────────────────┘

┌─────────────────────┐
│ Survey product      │
│ classification      │
└─────────────────────┘
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The comparison between CPC-V1 and survey classification was not made directly. It made use of the conversion tables from CPCP to CPC-V1, from CPCP to CPA/CPF and from CPF to survey classification, which can cause some additional difficulties.

## 2. How far from the CPC-V1 ?

### 2.1. Inventory

CPF and CPC-V1 are compatible in **lodging, food and beverage serving services** (CPC-V1 63). The **CPC-V1 subclasses of the division 63** correspond one-to-one to CPF subclasses. As the structural survey classification is a splitting up of CPF subclasses, it is possible to implement detailed CPC-V1 information for the surveyed sectors. In 1999, the NAF class corresponding to CPC-V1 6319 « other lodging services » has been surveyed for the first time. It was not the case previously, according to the high proportion of non profit-making organisations in these fields.

As far as transport services are concerned, the services industries structural survey only covers NAF 633Z (**travel agencies services**). Most of the other transport classes are surveyed by the Transport department, and are not in the scope of the present paper. Both the product classification in the survey and the CPF subclasses allow a complete information on CPC-V1 group 678. The survey distinguish 6 different products for travel agencies services, two for tour operators services, and the other subclasses correspond one-to-one.

The services industries structural survey doesn't cover national **postal administration services (CPC-V1 68)**, but only private postal services. The two related products, when aggregated, correspond to CPC-V1 subclass 68120.

In **real estate activities** (CPC-V1 72), CPF is more or less compatible with CPC-V1, although more detailed. For instance, it separates property development from transactions strictly speaking. Property development consists in collecting together financial, juridical and technical means to build and send buildings. Firms involved don't always own by themselves the resulting buildings, they are often subcontractors. We can assume that property development actually belongs to trade services in CPC-V1. Consequently, the 72121 subclass of CPC-V1 is the aggregation of two CPF subclasses (property development of residential buildings and sales of residential buildings on own account) ; the 72122 is the aggregation of 2 CPF subclasses (property development of non-residential buildings and sales of non-residential buildings on own account). For land sales on a fee or contract basis, CPF distinguishes building lands from other types, which obviously correspond to distinct markets.

The detailed products of structural survey should allow consequently a complete information on CPC-V1 subgroups. Actually, it isn't completely possible to reconstitute production data in CPC-V1 terms with the survey detailed classification, for it includes an extra product which was frequently quoted in plain language by the firms : «assistance as regards real estates without transaction (evaluation, advice) ». It would be necessary to precise where to include it.

The survey classification, for practical reasons of easiness of data collection, is otherwise much more detailed than CPF. For instance, it separates renovation from new

construction. Moreover, it isolates in separate « products », in every subclass, capitalised output on the one hand, and profit-sharing on the other hand : otherwise, they could be forgotten in the measurement of production. Consequently, the list of product in the survey is quite numerous :

6 for 72121 subclass (2 CPF subclasses),

16 for 72122 (3 CPF subclasses),

3 for 72211,

4 for 72212,

2 for 72221,

5 for 72222 (1 CPF subclass each),

5 for 72230 (2 CPF subclasses).

Except very special cases, CPF and CPC-V1 are mainly compatible **in leasing or rental services without operator** (CPC-V1 72). Yet some useful extra distinctions made in the survey classification, as well as the incompatible cases, should be considered.

For leasing or rental services concerning cars and light vans, which correspond to a unique product in CPF and CPC-V1, the survey classification distinguishes two products, depending **on whether the contract is made for a short period or not**. It's a useful distinction, because the two products correspond to very different markets, the second one being chiefly destined to enterprises and the first one to households. For instance, producer prices observation now being implemented in France will be made separately for the two types of leasing. The same distinction is made in the survey classification for the goods transport motor vehicles. For cars and light vans, long and short duration shares of turnover are equivalent. For good transport of motor vehicles, long duration turnover is more than twice the short duration one.

In CPF Leasing or rental services concerning **telecommunications equipment** are not put apart from leasing or rental services of other machinery and equipment. They are separate in CPC-V1 as in the survey classification. So CPC-V1 data are available in this case. In fact, five different products are added in the survey classification for CPC-V1 73129 (« Leasing or rental services concerning other machinery and equipment without operator n.e.c. ») : warehouse equipment, audio-visual and cinematographic equipment, show machinery, stands and exhibitions equipment, control and measure machinery, scientific equipment and machinery.

In CPC-V1, leasing or rental services concerning **household linen** are separate from textiles, clothing and footwear. The distinction is not made in CPF, where linen, clothing,... are mixed in a « other consumption goods » category. Once again, the classification survey is nearer from CPC-V1 than CPF. But the closeness is not perfect : the distinction is drawn between, on the one hand, linen including occupational clothing and, on the other hand, clothing, footwear, stage costumes, jewels,... Moreover, the survey classification separates linen (and occupational clothing) with and without **maintenance contract**. Nothing about an inclusion of maintenance contract, situated near the border between linen renting and laundry, is specified in the notes of CPC-V1, nor CPF. It could be suitable to do it.

Concerning **pleasure and leisure equipment**, which represent only one subclass in CPF and CPC-V1, the survey distinguishes leasing and renting of pleasure boats and planes from sports, camping and other leisure equipment. CPF (and the survey) also point out leasing or renting of musical instruments.

**Professional, scientific and technical services** (CPC-V1 82) is a field where institutional differences are crucial to interpret classifications. Yet on **legal services**

classifications CPF and CPC-V1 are quite comparable. Once again, details in the survey classification bring it closer to CPC-V1 than CPF is.

Sometimes CPF is more detailed than CPC-V1 : it separates services dealing with patents, trademark, copyright and intellectual property from preparation, drafting and certification of other legal documents (as wills or marriage contracts) , which seems a good idea. The survey classification goes further, as it separates the last category according the different types of documents. Another example of supplementary detail in CPF is the case of services porvided by representatives of the law. In this case too, the survey goes further by pointing out, among them, the commissions perceived by auctioneers.

Sometimes it's the reverse : insolvency and receivership services are isolated in CPC-V1 and not in CPF. But in this very case, the survey classification, by itemising the CPF, isolates a product compatible with this specific subclass.

One subclass is nevertheless missing from survey classifications : the CPC-V1 82191 « **arbitration and conciliation services**». It seems to remain the only noteworthy discrepancy in legal services. Actually, this product is included, in CPF, in management consulting services and not in legal services. But the survey classification mixed it with « other management services », and so it cannot be isolated.

Professional regulations considerably vary between countries as far as **accountancy services** are concerned. In this field, all details of CPC-V1 cannot be obtained from CPF, nor survey classification. Three CPC-V1 subclasses (corporate tax planning and consulting services, corporate tax preparation and review services, individual tax preparation and planning services) are mixed in only one CPF and survey subclass, so as only aggregate output data will be available. Another exception to the compatibility between the survey classification and CPF can be found here : a survey product called « financial auditing, consultancy and accounting analysis » cannot be attached to a unique CPF, nor CPC-V1, product. Probably this inconsistency will be solved in later surveys, by splitting off the product in two parts. Nevertheless, the share of turnover relative to these products is relatively low (about 3% of the group 82).

The survey classification and CPC-V1 are perfectly compatible for **management consulting services**, even if the survey splits 83111 (general management consulting services) between two products, one of them dealing with **information and documentation consulting**, which represents a developing occupation, according to the professional organisations. The three classifications are one-to-one identical for **business consulting services**.

 « **Other management services, except construction project management** » (CPC-V1 83190) represents probably a kind of record in this review : no less than 21 products of the classification survey for the splitting of this subclass ! Actually, the breakdown of only one CPF subclass groups 19 of them *(« administration d'entreprises »).* This product means :« direction, supervision and representation servi ces linked to the ownership or control of nominal capital ». This service provision, as it is described in CPF, corresponds to the result of a holding company or a group head. In the French structural survey, those firms receive a special questionnaire where the different services that can be provided to subsidiary companies are listed : direction functions, but also different services which can be grouped in the head of a group : consulting services, computing services, legal services, accounting services,... As far as activity classifications are concerned, this product corresponds to a special NACE class (74.15), but it is mixed in ISIC with management consulting services (class 74.14). The discrepancy between the classifications is somewhat problematic, as this category seems increasing its population the business register. One of the two remaining products included in the subclass is directly in the scope of 83190 : project management services, except construction. The other one is arbitration and conciliation services which has been mentioned previously.

In **the special case of computer and engineering services**, the attempt of linking CPA/CPF to CPC turns to a hard challenge. From the Provisional CPC to CPC V1, the former « computer and related services » were split off between computer consultancy services (group 83), data processing services (group 85) and maintenance and repair services (group 87). In CPA/CPF, they remained in only one group (72) as they were in CPCP.

In the survey classification, 22 lines of products are distinguished. All of them cannot always be allocated to only one CPC-V1 subclass. For instance, the amounts of sales and installing of equipment of a turnkey computer project should be separated between hardware consultancy services and installation services of office and computing machinery (86540). On the other hand, CPC-V1 83160 subclass (system maintenance services) doesn't seem to be linked to a detailed product of the survey, nor to a CPF product. Probably can it be somewhere in hardware consulting products...

Actually, the real problem in computer services is not the link between the different classifications, but the **difficulty of using it in practice** : instability of activity, difficulty to find an suitable activity or product code when computer services undergo permanent changes in techniques and content, problems with the classification of integrated computer services,...

As far as **engineering services** are concerned, CPC-V1 details each type of services offered by type of project. That last dimension was not present in the CPC-P, and of course cannot be found out in the CPF. Consequently, 8 survey products on 16 dealing with engineering should be split off in two to six (!) parts to adapt to CPC-V1. Clearly speaking, **it is quite impossible to reconstruct CPC-V1 classification from CPF or survey classification**. In this case, the choice made by CPC-V1 corresponds to the requests of French professional organisations. Actually, they are unsatisfied with CPF, because they precisely want to re-build with survey data the amounts of turnover by types of projects in the exact list of the CPC projects : buildings, engineering works, industrial plants and processes. The structural survey team is now working with those organisations to precise the survey classification in that sense. Consequently, the classification for engineering in the next surveys will probably be closer of the CPC than it is nowadays.

Another gap between the classifications is due to the notion of « **environmental consulting services** » (CPC-V1 83131), which is absent from CPF and survey classification. Incidentally, that notion crosses the idea of classifying engineering services according to the type of project : when a consultant works on the environmental aspects of an industrial plant, is it an environmental consulting service or a project management service concerning the construction of an industrial plant ? The answer is not instantaneous, as no note explains more on this product in the CPC V1 publication. The present working group with professional organisations in France hasn't till now considered that creating such a product line would be coherent. Nevertheless, a survey on activities dealing with environment has just taken place in France. The activities surveyed were in majority situated in manufacturing industries, but some services industries, including engineering, were concerned. The future results of the survey will inform us about the detailed environmental products of engineering firms.

**Architectural services** were less concerned by the criteria of « type of project ». So the difficulties are less important in this activity. Nevertheless, it appears to be practically easier in the survey to question about turnover for some integrated services, including pre-design, design and project management for a special type of buildings (for instance new detached houses, major renovation,...). In those cases, it is impossible to separate the turnover information between architectural advisory and pre-design services (83221), architectural design and contract administration services (83212), or even engineering services for other projects during the construction and installation phase (83359).

**Speciality design services** (group 834) can be found in the « other business services » in CPF. The distinction between interior design and other speciality design services is unknown in CPF. The survey classification distinguishes two products whose position in CPC is not so clear : « design, visual identity » and « window dresser services ». It seems

that they could make together the « other specialty » subclass. The other CPC-V1 product, « interior design services » could be found in a survey product dealing with architectural services : « interior decorating or designing project »... It's another case where the details existing in the survey classification, provided that the classifications interpretation is exact, could reconcile CPC-V1 and CPF.

**Scientific and other technical services** (group 835) are perfectly comparable in the different classifications. Perhaps is it noteworthy that in **technical testing and analysis services** classification, the survey uses extra lines of product for services destined to verify the conformity to official standards for products or systems, or for construction or public works.

In **advertising services** (CPC-V1 836), the CPC-V1 and CPF classifications are identical, including 3 subclasses. The survey is much more detailed, with 23 products. For instance, purchase or sale of advertising space or time is split by type of medium. Nearly ten products detail the « other advertising services » category : direct marketing operations, or call centres services are particularly pinpointed so as mailings, or representative in pharmaceutical products activities. As in most of the classes, and to be more realistic, integrated activities were added in the survey classification, as « generalist advertising agencies activities », which are not specified in official classifications. Those turnovers will have to be split off between the two other products.

In the same way, for **market research and public opinion polling services** (CPC-V1 837), CPF distinguishes market research from opinion polling, since the survey is much more detailed : besides market research, it isolates media research and planning and sociological and economic studies.

**Photographic services** are a little more detailed in CPF than in CPC-V1, and a little more detailed even in the survey, but no peculiar difficulty has to be noticed**. Other professional, scientific and technical services** n.e.c. (group 839) in CPC-V1 don't present either real problems, as the classifications are comparable.

CPC-V1 841 (**telecommunication services**) are obviously another area of activities where the coherence of the two classifications is not found. The main criterion of classification in CPC-V1 is technical : it distinguishes wired, wireless and satellite telecommunications. On-line access services are added to this set of techniques quite strangely, for they could perfectly be split between the three preceding categories : after all, on-line access can be obtained by wired, wireless or satellite means... Actually, each one of the three groups of techniques are used to provide the same services : television, radio, voice, data, text, sound... and internet access.

The CPF logic is mostly based on the type of service, not on the technique used. To my point of view, both criterion are interesting, but the CPF major criterion is much more useful for economic analysis : measuring the market of the mobile phone versus the wired phone is a much more frequent question than measuring wired communications, whatever they are (phone, cable television,...) versus wireless. In this field, the survey classification doesn't help much, as in many products, wired and satellite, or wireless and satellite telecommunications are mixed for the same services. So it is not possible to rebuild CPC-V1 from the survey classification either. About 90% of the branch turnover is concerned.

**News agency services** (CPC-V1 844) raise a question due to different classifying criteria in CPC-V1 and CPF : in CPF, there is only one product for news agencies. In CPC-V1, their services are split off in accordance with the media they are intended to : newspapers and periodicals on one hand, audio-visual media on the other hand. The survey classification distinguishes different categories of services, but the media is a minor criteria and isn't always precise. For instance, are listed services rendered by independent journalists, press photographer services, « hot »/« cold »news agencies services... Nevertheless, most of the survey products can be allocated to one of the CPC-V1 product without big hesitation.

**Employment agency services and supply of personnel services** (CPC-V1 group 851) aren't either a perfect case. There is indeed no important differences between CPC-V1 and CPF in that area. The problem comes from the survey classification and institutional specificity in France.

First of all, in principle, the national employment agency (ANPE) is a state monopoly for placing applicants in employment. Only « head-hunters » (executive search services) and consulting for selecting applicants can belong to market activities. Consequently, the 85112 subclass doesn't belong to market services, and isn't in the domain of structural survey, except for the consulting part, which is anecdotal.

Secondly, it appeared very difficult for the suppliers of personnel to give in the survey a breakdown of supplied persons by qualification or type of jobs, as it is detailed as well in CPC-V1 as in CPF classifications. According to the principles of realism, the survey classification gave up in asking this precision. So, only the 8512 class is available, even if some administrative data files could be used to find a criterion of splitting it.

**Investigation and security services** (CPC-V1 group 852) are compatible with survey classification and CPF. The survey classification gives extra details some of the products of CPC/CPF according to the type of customers or places where the service is provided (industrial or commercial building, theatres,...).

It is the same for **cleaning services** (CPC-V1 group 853), where the survey distinguishes 16 detailed products (instead of 4 for CPC-V1), for instance accessible windows from others, different places for general or specialised cleaning,... and for **packaging services** (group 854) : 6 products in the survey incorporating into the only product in CPC-V1.

Some of **other support services** ,(CPC-V1 group 859), as trade fair and exhibition organisation services are fairly detailed in the survey classification. These activities don't create particular problems to redefine CPC-V1 subclasses. Data processing services are classified with computer services in NACE and survey classifications, but can be grouped to the CPC-V1 85960 subclass.

It is generally the same case **for sewage and refuse disposal, sanitation and other environmental protection services** (CPC-V1 94). A difficulty leads in the product titled « runway services (including sweeping and snow removal services) » which has to be split between CPC-V1 94310 (sweeping and snow removal services) and 94390 (other sanitation services) products. Hazardous waste collection services (oil spill fighting, CPC-V1 94221) isn't clearly included in the survey data collection and any product to classify in other environmental protection services (CPC-V1 94900) doesn't seem to be possible to find : corresponding subclasses could consequently remain empty in a transcoding operation.

As far as **audio-visual and related services** (CPC-V1 961) are concerned, the comparability with CPC-V1 needs often an expert evaluation. The case of those services is specific in the survey, as the new version of the questionnaire was designed in 1996 to encompass a specific survey, which was previously done by a specialised office in charge of audio-visual services for the prime minister services. The questionnaire is consequently more detailed : some specific questions were added, and the results are specifically analysed by specialists who are also partners for data collection. In that case, those partners were closely associated to the definition of a very detailed product classification for audio-visual services, very useful in order to analyse production and distribution channels. For instance, no less than 29 lines of products correspond to CPC-V1 96121 (Motion picture, video tape and television programme production services). A comparable number of products are available for each CPC product.

This is not a problem while an aggregation is possible without any doubt. For some items, unfortunately, the CPC-V1 correspondence is not evident : for instance, are auditorium services for movies to be classified in sound recording services or in audio post-production

services ? Are picture and sound post production services for television, movies or video tapes, related to audio post-production services, or film and video post-production services, or both ? What about dubbing and subtitling ? What about « auxiliary production services (casting, choosing settings,...) » ?

It is not easy to find suitable CPC-V1 subclasses for **washing, cleaning and dyeing services**. In those cases, the survey classification is neither fully adapted to CPF, not to CPC... The main issue is how cleaning can be put apart from pressing services and coin-operated laundry services from dry cleaning services, when they are self-services.

Lastly, in **beauty and physical well-being services**, the only difficulty is the mixing in the survey of body care with physical well-being services, which prevent from reproducing separately the 97230 and 97290 subclasses of CPC-V1, and the absence of escort services in the survey classification as in CPF... Quite the opposite, the survey classification distinguishes 14 different services in the « other miscellaneous services » subclass, from animals grooming to public washroom services, undergoing marriage agencies or astrological services...

Table 1. Comparability between CPC-V1 subclasses and survey classification

| CPC-V1 | Product | Correspondence with survey classification | Problem encountered | Estimated % of turnover concerned |
|---|---|---|---|---|
| 63 | Lodging, food and beverage serving services | Total | - | - |
| 678 | Travel agencies services | Total | - | - |
| 64, 65, 66, Other 67 | Transport | Not covered | | |
| 6811 | Postal services | Not covered | - | - |
| 6812 | Courier services | Total | - | - |
| 69 | Electricity, gas and water distribution | Not covered | | |
| 71 | Financial intermediation, insurance and auxiliary services | Not covered | | |
| 72 | Real estate activities | Almost total (total at 3 digits level) | Assistance without transaction | <1% |
| 73 | Leasing or rental services without operator | Partial (total at 3 digits level) | Household linen, clothing and footwear, furniture... | 9% |
| 81 | Research and development services | Not covered | | |
| 821 | Legal services | Almost total | Arbitration and conciliation | ? |
| 822 | Accounting services | Almost total | tax planning and preparation | 8% (3% of 82) |
| 831 | consulting and management services | Total | - | - |
| 832 | Architectural services | Partial | integrated services | 43% |
| 833 | Engineering services | Partial (almost total at 3 digits level) | detail by type of project | 48% |
| 834 | Specialty design | Total | - | - |
| 835 | Scientific and other technical services | Partial | « other » category | |

| | | | | |
|---|---|---|---|---|
| 836 | Advertising services | Almost total | integrated activities | |
| 837 | Market research and public opinion polling services | Total | - | - |
| 838 | Photographic services | Total | - | - |
| 839 | Other professional, scientific and technical services | Total | - | - |
| 841 | Telecommunication services | Partial (total at 3 digits level) | Conceptual | 90% |
| 842 | On line access | Does not exist in CPF, included in 841? | | ? |
| 844 | News agencies services | Partial | Media of destination | 6% |
| 843 | On-line information provision services | Partial ? | Doubt on the inclusion of provision of information on web sites | ? |
| 85111 | Executive search services | | | |
| 85112 | Employment agency | Not covered (non market) | | |
| 8512 | Supply of personal services | Partial (total at 4 digits) | Detail by qualification | 100% |
| 852 | investigation and security services | Total | - | - |
| 853 | Cleaning services | Total | - | - |
| 854 | Packaging services | Total | - | - |
| 859 | Other support services | Total | - | - |
| 86 | Production services | Not covered | | |
| 87 | Maintenance and repair services | Not covered | | |
| 91 | Public administration | Not covered | | |
| 92 | Education services | Not covered | | |
| 93 | Health and social services | Not covered | | |
| 94 | sewage and refuse disposal, sanitation | Partial | Runaway services, environmental services | ? |
| 95 | Services of membership associations | Not covered | | |
| 961 | Audio-visual and related services | Needs an expert evaluation | | |
| other 96 | recreational, cultural and sporting services | Not covered | | |
| 971 | Washing, cleaning and dyeing services | Partial | Self services | |
| 972 | Beauty and physical well being services | Partial | Body core/well being, escort services | ? |
| 973 | Funeral, cremation and undertaking services | Total | - | - |
| 979 | Other miscellaneous services n.e.c. | Total | - | - |

### 2.2. When the survey tells more about classifications

### 2.2.1. The « other » products as a symptom of problems in the classifications

The official classifications (CPC and CPF) contain often «other » subclasses. We saw previously that it appeared useful to create such categories for almost every group of

products in the survey questionnaire. Whether existing or not in official classifications, an important « other » item, in terms of share of the total turnover of the class, for instance, leads to a suspicion of inadequacy of existing classifications to the firms' reality.

The most important « other » subclass in the survey classification is « **other technical inspection and testing and analysis services** ». It corresponds partly to CPC-V1 83564 (for the technical inspection services of vehicles except automobiles) and CPC-V1 83569 (the « other » product of CPC). It represents almost 40 % of the total turnover of technical testing and analysis except automobile... The first thing to do should be to create in the survey a special line of product for the equivalent of the 83564 subclass. If the « other » line remains important after that, it seems to me that the subclasses of 8356 should be reconsidered. The case is made worse by the existence of another « other » line is « **other testing and analysis services** », which corresponds to the rest of CPC-V1 83569 subclass and represents about 12 % more of the branch turnover. In all, this part of the classification appears completely unsatisfactory.

The second « other » suspect subclass is the « **other business services** », which represents almost a quarter of the NAF 74.8K total turnover and 16 % of the total turnover of NACE 74.8. As this activity is already to a « other » group, the situation is understandable. But it could be an indication of missing classes in business services.

Almost as important is the category « **other revenue of radio programmes production** ». In this case, it indicates a pure survey classification problem, as no « other » subclass exists in CPC-V1 or CPF for radio programmes. This point will be examined with specialists of the activity.

Some « other » subclasses represent more than 5% of their class total turnover : other sewage activities, other secretariat, duplicating and translation services, other waste treatment services, other photographic services, other special waste treatment and disposal, other management consulting, other mobile phone services, other architectural services, other research services,... That list reveals blurred zones of the survey classification : sewage activities, advise services, support services which should be studied.

### 2.2.2. When the firms give up in their attempt to use the ready made classifications

Another indication given by the survey leads in the plain language declarations of product, when firms give up to classify themselves in defined product lines. Some of them, when they are frequent, can bring interesting questions.

For instance, a lot of « unknown » products in beverage services deals with public telephone revenue, which is a very frequent auxiliary activity. It is the same for taxi commissions or cleaning and pressing in hotels. Here special lines can be added in the convenient questionnaires to assist the firm answer.

Telecommunication is a field around which numerous difficulties are found by the enterprises. Some of them show suspicion on the concept of main activity. Problems of the same kind had be noticed when undertaking the pilot European survey on telecommunications in 1998 : firms installing telecommunications equipment are sometimes classified in telecommunications instead of construction. Some of the detailed products reveal the arrival of new services, as those rendered in call centres and for which doesn't exist any CPF product : telephonic duty, tele-receptionist services,... Advice services in telecommunications are sometimes declared also.

In computer services the problematic of new services is also present. Here appear internet access and services providers, hotlines, and even (once)... computer equipment tatooing !

In architectural services, appear frequently a revenue from expert evaluations, for insurance companies for instance, and from time to time products linked to participation to architecture competitions. These revenue from expert evaluation for insurance companies are also found in other activities, as technical inspection and engineering services.

In engineering services, the list reveals very precise wording for technical missions. It reinforces the idea that adding a criterion of type of project, as in the CPC-V1, would help firms to classify themselves. As « other » products are frequent in other technical inspection and testing and analysis services, it is interesting to search if something appears clearly in the list of products detailed in plain language for concerned firms. Actually, the situation is more or less comparable to the engineering one : the firms detail very precisely the type of project (for instance « non destructive testing of metals »). Frequently, those products are finally coded as « other technical inspection and testing and analysis ». Perhaps the problem here doesn't take place only in classification, which is still organised by main technical areas, although those areas would be profitably clarified. It seems also necessary to give information and instructions to improve the way those products are coded during the data editing phase of the survey, in a field where technical knowledge is sometimes necessary to understand better firms wording.

In the area of personnal supply, model agencies often prefer to declare by themselves specifically, rather than using pre-determined general items, and intermediate associations, which intend to help unemployed people to reintegrate the labour market by employing them, often do by personal services tasks. The difficulty leads here in the boundary between supply of personal (which is the aim of those associations) and type of services offered in concrete terms. Supply of personal services is actually a cross cutting issue, as they are frequently declared in all business services when they aren't considered by firms as belonging to the service itself.

About support services, appear from time to time telephone answering services, which are not precisely detailed in CPF. It raises the more general problem of identifying call centres activities and classifying them in the activity they are mainly intended for. .

For all those cases, coding solutions have to be found when carrying out the survey to classify them in a CPF subclass. This operation isn't always evident, as every person involved in data editing has to be skilled enough to avoid misclassifications. Adapting regularly the survey list of product to frequently declared products is a way of removing obstacles for the firms. In the long term, this process can help to adapt official classifications.

### 3. Conclusions

This inventory allows us to give a general diagnosis about the possibility of implementing a CPC-V1 breakdown of turnover in services industries in France. This implementation appears generally possible. When it is not feasible at a subclass level, it is most often practicable at an upper level. Nevertheless, some important problems appear when comparing the classifications : it is above all the case in engineering  services (even if they are comparable at a class level), tele communications, and a part of computer services. The case of audio-visual services needs a complementary study. The domains where the main difficulties are encountered happen to belong mostly to TIC activities ; this observation is particularly worrying, as TIC activities are precisely a domain where precise and comparable information is necessary.

Other indicators of difficulties concerning products classifications are given by the relative amount of « other » products and occurrence of products declared in plain language. Sometimes the same zones of classifications are pointed out by these indicators. it is the

case for telecommunications. But other blurred zones appear also : sewage services, inspection and testing services, advise and support services,...

Some of them will be explored in other sessions in the present conference. No doubt that it will be necessary to go on examining these activities from a product classification point of view.