

Progress report of Statistics Finland

1999-2001 Voorburg program

Ad hoc issues

Definition and measurement of the ICT and content activities

Measurement e-commerce in enterprises

Statistics Finland launched in January 2002 the fourth survey on the use of ICT in enterprises with a special focus on the use of the Internet and electronic commerce. The current approach follows closely the Eurostat pilot survey (which in turn follows the guidelines developed in the Nordic approach starting 1998 in Denmark and Finland) with some additional questions based on national interests. The questionnaire was sent to 5,000 enterprises with the number of employees more than 5. The report for 2001 will be published in October 2002.

Since the year 2000 the survey has been part of regular program in Statistics Finland, i.e. it will be conducted in January-February year 2003.

Measurement of the use of the Internet among individuals and consumer e-commerce

Additional questions on electronic consumer commerce, the use of mail-order houses and telephone selling as well as mobile telephones had been tested in November 2000 annexed to the regular Consumer Survey. In May and November 2001 only some modifications were introduced. In spring 2002 Statistics Finland participated the Eurostat pilot survey on the Internet and e-commerce in households/individuals, the regular survey included also additional questions from the Eurostat questionnaire about the use of a computer and the Internet. The next round in November 2002 will be a short one. The plan for 2003 is to conduct such a survey twice a year; in spring according to the Eurostat model and in autumn a shorter set of questions.

The third round of surveys in the project Finns and the future Information Society will start in September 2002. The previous surveys were conducted in 1996 and 1999. The aim of these studies is to examine how Finns face and adopt new ways of interacting.

International trade and services

Statistics Finland has collected data for International Trade in Services since statistical year 1999. The first publication included the description of the methods used at Statistics Finland to compile statistics on International Trade in Services.

The sampling frame included 13,123 enterprises that judging by their size and industry might be engaged in the export and/or import of services. The sampling frame was divided into three parts: definite cases, SMEs and small companies. The first category comprised those enterprises that had reported foreign trade in services in 1999, were listed in the Foreign Affiliates Trade Statistics, had foreign subsidiaries or employed more than 100 personnel. On these criteria the total number of enterprises in this category was 1,538, which were all included in the final sample of the survey. In the two other categories of SMEs and small companies, random sampling was used to draw some 10% from each group into the final sample.

The questionnaire for data collection in 1999 was designed on the basis of the corresponding forms used in Canada, Britain and Australia, all countries with extensive experience in compiling statistics on foreign trade in services and in collecting the necessary data direct from enterprises. The Canadian model was best suited to the Finnish tradition of data collection. The form was a cross-tabulation design, with different types of services listed in rows on the left and target countries presented in columns. In 2000 form comprised 19 service categories and 22 countries. Nonetheless there is, according to becoming regulation on BOP, an obvious need to have a more detailed classification for services and for countries. As it is today, the form mainly inquires information for individual OECD countries, while all other countries are bundled together under the 'rest of the world'. The instructions presented in the form are for the main part drawn from the IMF's balance of payments manual or from the manual for statistics on foreign trade in services. The method is still under development.

2002-2004 Voorburg program

PPI for services

Statistics Finland started to develop PPI for Services in the end of 1999. Since then, the project has proceeded according to plans despite of limited resources. At present, three persons are working in the project.

Since last year's Voorburg group meeting in Örebro, Statistics Finland has made some progress in the area of PPI for Services. We have started data collection in the following service industries:

Postal and Courier Services (ISIC rev. 3: 641)
 Legal Services (7411)
 Advertising services (743)
 Hotel accommodation (551)

So far, there are no publications on any service industry. Our goal is to publish the first results of pilot industries during 2003.

In 2003, we will continue to widen the coverage of the index by starting the price collection in following service industries:

Car and machinery rental services (71)
 Market research services (7413)
 Labour recruitment services (7491)
 Industrial cleaning (7493)

During 2003, we will also study the possibility to produce PPIs for Services by combining CPI and PPI price collection procedures in relevant service industries. Price collection of PPI for hotel accommodation services is already performed by CPI price collectors.

Information society statistics

Telecommunications statistics

Ministry of Transport and Communications has ordered the compiling of the yearly telecommunications statistics publication in 2001 and 2002. The publication describing the infrastructure for fixed and mobile communications, the market structure etc was published in August 2002 by the Ministry of Transport and Communications. For 2003 there is a plan for outsourcing the development and compiling telecommunications statistics permanently to Statistics Finland.

On the Road to the Finnish Information Society III

The third volume on the publication was published in October 2001, describing the change towards the information Society using different statistical indicators i.e. infrastructure, employment in the ICT sector and the Information sector, foreign trade, education, use of PC and the Internet etc...

The Information society statistics web pages under the address http://tilastokeskus.fi/tk/yr/tietoyhteiskunta/index_en.html were introduced in August 2001 and have been updated on a regular basis.

Information Society in the Nordic Countries

Statistics Finland co-ordinates the Nordic publication project, which will publish the common Nordic report on the Information Society in the Nordic countries with a special focus on digital divide in autumn 2002. National reports have been already available, the common publication will concentrate on similarities and differences on the Nordic level.

NESIS and KISA

Statistics Finland is a partner in a EU-project NESIS (New Economy Statistical Information System). Some of the topics in the project relate also to services statistics, e.g. a study how to define enterprises in the new economy, the way to conduct the statistical analysis and the kinds of indicators that might be relevant. In the new economy tangibles and intangibles (products and services) are more and more intervened. NESIS also attempts to propose new ways to discern product/services dichotomy (if it is a dichotomy?) besides the 'old' sectoral classification. Another working package in the NESIS project works with a new module for the questionnaire 'ICT in enterprises' containing questions of impacts of ICT on business processes. The NESIS project is supposed to be finalised by the end of 2004.

There has been interest to involve Statistics Finland in the project KISA (Knowledge-intensive Service Activities in Innovation Systems) by the OECD. The sub-project should monitor the demand for services together with innovation activity. So far no final decision for participating the project has been expressed as discussions with Eurostat about a pilot project which would work on the same topic are still going on.

Ad hoc issues

Sales by service products (measurement of turnover of detailed products)

In the area of *Business Services*, Statistics Finland has been involved in Eurostat development project. The main focus is to develop data collection on products and clients in selected business services activities. In spring this year a rather extensive survey covering computer services, advertising, technical services etc. was launched and the results and experiences will be reported later this year.

During 2002 Statistics Finland carried out a small scale pilot study on monitoring competence in enterprises. The survey was launched in order to study whether data about enterprises' competence resources management could be generated with a relatively simple questionnaire. The main aim was to test the feasibility of the adopted approach and to provide ideas of how statistics and potential indicators relating to human capital could be developed.

In the area of *Distributive Trade Statistics* Statistics Finland started a project to produce trade statistics by products in 2001. The guidelines for these statistics are

defined in the SBS-regulation Series 3D and 3F (Structural Business Statistics). According to the regulation, the first results were hoped to have for statistical years 1997 (for nace class 52 retail trade), 1998 (for nace class 51 wholesale trade) and 2000 (for nace class 50 motor trade). Finland did not have possibilities to launch data collections for years 1997 and 1998, but we aimed to have first results for year 2000 for motor trade. The project will be continued by producing statistics for retail trade in 2002 and wholesale trade in 2003.

A pilot survey was conducted a year ago in September 2001. The pilot study covered nace activities 50,51 and 52 (motor trade, wholesale trade and retail trade) because it was planned to test the questionnaires also in retail and wholesale trade activities. The data collection covered 200 enterprises in motor trade, 20 enterprises in wholesale trade and 20 enterprises in retail trade. Answering the questionnaires was not obligatory and thus the response rates were very modest. It was not received any answers for retail or wholesale trade. As the aim was to have information for motor trade, more work was used to persuade these enterprises to answer. After few reminding the response rate was 36%.

Although the response activity was modest, these results were used to estimate the breakdown of turnover by products for motor trade. These results were sent to Eurostat in due date.

Short term indicators

Statistics Finland produces currently following short-term business indicators in the field of services (excluding specific transport and tourism statistics):

- Monthly indexes: turnover (delay 52 days in trade and 82 days in other services), and wages and salaries (delay 55 days)
- Quarterly: indexes of turnover, and of wages and salaries, and value of inventories in trade (delay 50 days).

Turnover indexes cover private sector activities except for finance and education. Indexes of wages and salaries cover all industries (also public sector). The monthly turnover in trade has been published since 1985 and other monthly indicators since 1999. The production of quarterly indexes started in the beginning of this year (series are supplied to national accounts and not published as such). For the quarterly turnover index, an enterprise-specific estimation method for the last month is used.

New monthly indicators are being developed for number of persons employed (based on business statistics), enterprise births and deaths, profitability and competitive position (i.e. structural changes within branches). Other development work include participation in the country-stratified European sample for retail trade index, data collection from enterprises via internet, changing of base year of indexes to year 2000 and implementation of NACE 2002. In the near future, improvement of timeliness of monthly turnover indexes (other services than trade) will possibly be carried out.