

**17th Voorburg Group Meeting on Services Statistics
23-27 September 2002 - Nantes, France**

I. Producer Price Index

Chair : Irwin Gerduk (BLS, United States)

Session 1: Principal Papers

1. - *A Price Index for Advertising Services, Benoit Buisson, Insee, France*
2. - *Price Index for Freight Transportation by Road, Nick Palmer, ONS, United Kingdom*
3. - *Price Indexes for Engineering Services, Alisa Rosenbaum, BLS, USA*
4. - *North American Product Classification System: Concepts and Process of Identifying Service Products, Michael Mohr and Anne Russell, Census Bureau, USA*

Three principal papers on advertising services, road freight, and engineering services were presented. Each of the papers fully documented the business model, regulatory environment, pricing methodology, and time series results in these areas for the most frequently encountered scenario. In addition, documentation on surveying activities conducted by other countries was presented in appendices to these papers. Differences in other countries experiences may represent differences in the business model, government regulation, or different pricing methodologies employed. Readers of these papers are presented with the full context for each country to assist in determining which country's approach is most applicable given significant differences across countries. These papers are subject to some further edits and then will go up on the official Voorburg website shortly.

Session 2: Mini Presentations on Producer Prices

Papers were presented in the following areas:

1. - *Computer Services – Australia, France, Sweden, United Kingdom, USA, OECD*
2. - *Employment Services – United Kingdom, USA*
3. - *Insurance Services – Japan, USA*
4. - *Financial Services (FISIM) – Australia, United Kingdom, USA*

The mini presentation session is designed to introduce a new industrial area for discussion of different countries surveying activities, approaches, and problems. The forum is structured to help determine whether sufficient work activity has occurred to warrant making a principal paper authorship assignment for the next Voorburg conference. The major objectives are to determine if sufficient work has been done in surveying this industry, what the most representative approach in fact is given differences among countries in business models and government regulation, and to determine which country is best suited to undertake authorship of the principal paper.

The computer services session generated a very great deal of interest. It was determined that the real problems lay with surveying software development. Australia was embarking on an interesting approach involving custom software development. The US was doing interesting work in the area of prepackaged software. The other industries, such as data processing and repair services, were viewed as quite straightforward. Discussions in the three other areas were quite interesting. Insurance services is the most likely candidate for principal paper authorship after computer services. Work in financial services is not yet far enough along, and differences in regulatory models in employment services suggest the need for greater participation from more countries before principal paper assignments can be made.

Session 3: Quality Adjustment and Fitness for Use

1. - *Quality Adjustment in Service Industry Producer Price Indexes*, Richard McKenzie, ABS, Australia
2. - *The Results of Quality Adjustment of the Corporate Service Price Index in 2001 and Future Implications for Handling Service Prices*, Hiroshi Ugai and Yoshihide Ichikawa, Bank of Japan, Japan
3. - *Fitness of Use Criteria for Price Index Deflators in National Income Accounting, A Case Study: Mutual Stock Fund Management*, Michael Holdway, BLS, USA

The first two papers raised the issue of the appropriateness of applying the producer cost quality adjustment model to service sector industries. Difficulties in operationalizing this concept were discussed at length. It was widely recognized that this was an issue of the highest importance and must remain a major focus of the PPI price practitioners in the Voorburg Group. A commitment was made to continue tackling this issue and to share the results of any initiatives among all participants. This would remain a major focus of the Voorburg Group. The third paper on fitness for use generated a great deal of interest as it raised the issue of how users of PPI published indexes, such as national income accountants, should be advised of the fitness for use of the index. This involves the notion of having the price practitioner provide users with some form of standardized criteria summarizing index quality. Many problems with such a system were discussed.

Finally, William Cave of OECD presented a paper summarizing all PPI service sector pricing activity internationally. The paper was warmly received and once again hailed as an important source of research information for countries interested in service sector price surveying activity.

II. Statistics on the Information Society

Chair : Lea Parjo (Statistics Finland)

The session was divided into three parts:

- model questionnaires for households/individuals and enterprises
- classification and definition issues and
- openings towards the knowledge-based society.

Following 13 presentations were given:

1. *The EU surveys on ICT usage of households* Richard Deiss. Eurostat
2. *Measurement of information technology use by households and individuals. Proposal for a model questionnaire* Sheridan Roberts, Liz Finlay. Australian Bureau of Statistics (presented by Dirk Pilat, OECD)
3. *The EU surveys on ICT usage of enterprises* Richard Deiss. Eurostat
4. *OECD work on ICT and business performance – the role of data linking* Dirk Pilat. OECD
5. *Japanese ICT Statistics and New JSIC with the Information and Communications Division* Hiroyuki Kitada, Ministry of Public Management, Home Affairs, Posts and Telecommunications
6. *Enterprise surveys, "business to government" activities* Leopoldo Nascia, ISTAT
7. *Towards an Information Society Aggregate in ISIC 2007* Marc Aufrant, Jean-Marie Nivlet. Direction du Développement des Médias
8. *2007 revision process of the activity classifications: Some proposals for a superstructure (the ICT related activities, the rest was discussed during the Classifications session)* Émile Bruneau, Michel Lacroix. INSEE
9. *A proposed definition of ICT manufacturing goods* OECD/ Secretariat of the Working Party on Indicators for the Information Society (presented by Dirk Pilat, OECD)
10. *R&D and innovation surveys in service sectors; current experience, conceptual and practical problems and future prospects.* Mikael Åkerblom. OECD
11. *Innovations in the service sector, concepts and measurement* Nathalie Missègue, Christine Costes. INSEE
12. *Monitoring Competence in Enterprises - preliminary experiences from a pilot study.* Samuli Rikama. Statistics Finland (presented by Lea Parjo)

13. *Qualifications of ICT sector personnel and ICT educated persons in the labour market – new research opportunities due to the register based statistical system. Pekka Myrskylä, Lea Parjo, Markku Virtaharju. Statistics Finland*

At the beginning of the session, Andries Kuipers highlighted outcomes from the IAOS meeting in August 2002 with the theme New Economy. As a general comment, IAOS meeting participants expressed a view according to which experts should now forget about the word "new economy" and its underlying concept. The bulk of their discussion was the monitoring of ICT development and its impacts, that is: how to improve statistical description on these issues by means of new questions introduced in existing surveys. The macro-economic approach with improvements in the System of National Accounts, especially measurement of service sector and software is needed, but at the same time micro-economic analysis is needed. It was asked to measure the impacts of ICT development, e.g. impacts on productivity. As a conclusion, the technology-based description of society should be opened towards a broader concept of knowledge-based society. These themes were on the agenda of the Voorburg meeting as well.

Model questionnaires

Use of ICT by households and individuals

After the presentations of the OECD and Eurostat model questionnaires on how to monitor ICT use by households and individuals, participants showed some concern to differences in these approaches. The OECD model questionnaire is on its way to final agreement and its current status is a kind of a common harmonised and international agreement of questionnaires and indicators derived therefrom. It will work as a recommendation, with no obligatory commitment from the OECD or any other countries that may follow the recommendation. Though the OECD model questionnaire is the standing point for Eurostat as well, the European Commission and especially eEurope2005 initiative have some influence on the content of the EU questionnaire. The Group discussed the reference period, which varies from one month to one year as well as the list of purchased goods and services, which should be included and how they should be structured. At least EU member countries would also need instructions for routing and filtering. It was pointed out that eEurope2005 activities have been revised from eEurope2002 and probably a new revision is foreseen in the future as well. It was also pointed out that the OECD model questionnaire left some items and modules open for further elaboration to be implemented in the first revision.

Use of ICT by enterprises

The experiences in EU-member countries for surveying enterprises were discussed after the Eurostat presentation. Eurostat had noticed some problems with questions related to purchases and EDI, e.g. the amount of money was not reported. Also the breakdown for sales to own country/EU-countries/other countries had been problematic. It was pointed out that the terminology for e-business processes is poor, e.g. B2B is difficult to define in exact terms. There have been problems with the unit, be it establishment, enterprise or group of enterprises. Enterprise as a unit may give answers that refer to the whole group instead of the particular enterprise due to centralised activities within the group. It was also asked if some questions are better suited to other existing questionnaires (in Europe: Structural Business Statistics). Eurostat had reduced the number of activities but the breakdown of activities was not regarded as too detailed as different activities use the Internet for different purposes. It was agreed, however, that detailed classification of activities will lead to large sample sizes. The idea has been raised, that, after a general common survey, specific surveys could be conducted on sectors having shown particular use of ICT. The question was again raised, how to weight the results, according to the number of enterprises, number of employees or the value of turnover.

Two presentations were given on national experiences in surveying enterprises. Japanese ICT statistics are produced partly by adding new questions to existing surveys and partly by carrying out independent surveys. The Italian experience pointed out some problems in

enterprise surveys, especially targeted to small and medium sized enterprises. Lack of agreed definitions is evident and the financial sector needs special treatment in surveys. ISTAT has also added eGovernment related questions to the enterprise survey.

OECD has started a project on ICT and business performance. Experts from several countries agreed to examine the impact of ICT on productivity and business performance, using firm-level data. With firm-level data linking it is expected to better understand the drivers of economic performance. The work should also allow some feed-back on statistics, e.g. the relevance and applicability of surveys on ICT usage by businesses and surveys of electronic commerce.

Classifications

During the Classifications part of the session, the main issue was the future revision of information society related topics in ISIC. Niels Langkjaer from Eurostat acted as the leading discussant. Both the North American Classification systems and the Japanese Classification system introduced an information sector. The OECD recommendation defines the ICT sector and discussions about the content sector have been going on for several years.

The Group discussed the basic reasons for the NAICS information sector. The economy today is service-driven. The ICT sector definition by the OECD does not include all the features necessary for defining activities elementary to the Information Society, namely those related to content. There was a consensus that some kind of development work is necessary, be it either:

- a) To gather all the activities needed under the same heading at the upper level of the classification including : ICT manufacturing + ICT services (telecommunications and computer services) + content or
- b) To take the NAICS approach, which does not include ICT manufacturing but takes infrastructure and content under its heading.

The French paper *Towards an Information Society aggregate in ISIC 2007* also compared different approaches to cover the Information Society/Economy. There are many common elements in the existing classifications and only some minor deviations, e.g. how to deal with software or libraries. It was considered important to achieve a harmonised classification.

The need for the Information sector in classifications was clearly expressed, but how to define it was still under discussion. Also discussed was whether the Information sector would be identifiable from building blocks and not one single level industry. In particular, participants acknowledged any information sector (whatever defined) should clearly distinguish an ICT service subsector and a content subsector; reflecting the fundamental difference between an ICT service activity and a content activity. We could also have alternative aggregations for different purposes. Nevertheless, the fact that, for describing the information society, the distinction between goods and services is less relevant than the distinction between ICT goods and content must question the building of general classifications.

It was agreed that there is a need for better identification of new products when revising the product classifications. Some countries expressed having defined for national purposes a list of ICT products, that may not be the same in each country. In order to allow comparisons an international consensus is needed. The ISIC and CPC revisions are still quite distant from implementation into existing statistical systems. The Group found it important to find a quick and practical solution for the next 5 years.

Towards the knowledge-based society

OECD provided a paper which discussed problems and future prospects for conducting R&D and innovation surveys in the service sectors and how these could be more closely related to the ongoing development of surveys on the use of ICT and E-commerce applications in enterprises.

The French paper concentrated on innovations in services. The INSEE launched a specific inquiry on the retail trade and some services in order to look at the innovation process in a different way.

The main problems relate to the concept 'innovation', which especially for the service sectors possibly should not be regarded as technological innovation only. An innovation may be e.g. a new business concept, but it is not necessarily or at all related to ICT. It was asked if business performance innovations would be worth an entire session during the future meetings of the Group. It was also discussed if a new framework for statistics around knowledge should be developed as some industries are working with knowledge more than the others. A set of classifications should probably be revised, e.g. field of science and ISCED-classifications.

Human capital has become more and more important when examining the society – be it economic actors, like enterprises or social interaction. Statistics Finland conducted a 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. During the discussion it was mentioned that Switzerland, Canada and UK have also worked on the issue.

Another Finnish paper dealt with register-based statistical systems. The paper provided some examples of how register-based statistical systems can be used to monitor ICT sector employees and ICT educated persons on the labour market. Longitudinal data files make it possible to study how graduated cohorts are entering the labour force. It also allows us to monitor changes in the personnel within an industry and how the mobility of the highly educated population, job changes of employed persons and other employee mobility follow economic fluctuations and which employee characteristics (industry of workplace, education, age, gender) are linked with the rate of mobility.

At the end of the session the future of this sub-group was discussed, and which topics the participants find important for possible future presentations and discussion during the meeting. It was regarded as important to monitor the Information Society from different angles and with different topics. Naturally, classifications remain a priority for the next several years. It was also asked if a framework should be developed for Information / Knowledge based Society statistics, meaning e.g. to monitor how knowledge or ICT related surveys and questionnaires fit to the picture. However, the Group should concentrate on knowledge based services activities, remembering the measurement and classification of intangibles. It was proposed that data linking for examining the impacts of ICT should be on the agenda for the next year. It was also mentioned that outsourcing and subcontracting as consequences of ICT development are problematic and countries need experiences from other countries on these issues. Human capital was mentioned as an interesting topic related also to mobility and skills. As the main purpose of the Group was considered to be a place to exchange views, it was also asked, if the Group should give some guidelines or manuals for non-participating countries for their future tasks. For the field of Information Society Statistics Eurostat is working with a manual and it was not regarded as a good proposal for the Group. OECD is working with new modules for ICT usage surveys and the Group will offer the OECD/WPIIS a forum for additional discussions between the traditional spring meetings.

III. Turnover of Detailed Products

Chair : Martin Brand (ONS, United Kingdom)

1. *Measuring Detailed Sales of Service in the United States, Anne S. Russell, US Census Bureau*
2. *ABS Service Industry Surveys: collecting data on income for detailed products, Graham Boxsell, Richard McKenzie, ABS, Australia*

3. *Pilot Surveys on Business Services Enterprises - Data Collection on Products and Clients - First experiences by Denmark, Finland and Sweden, Birgitte Lundstrom, Statistics Denmark, Samuli Rikama, Statistics Finland, Cecilia Hertzman, Statistics Sweden*
4. *Development Project on Business Services, Pekka Alajääskö, Eurostat*
5. *Analysis of Business Surveys Data for a new Estimation Methodology of National Accounts Transports Margins, Monica Montella, Augusto Puggioni, Giuseppe Sacco, ISTAT, Italy*

Martin Brand introduced the topic by pointing to the lack of balance between statistics on product turnover for manufacturing and those for services. Whilst this topic was new to this year's Voorburg meeting, in fact the history of this issue dates back to the start of the Voorburg Group and "model surveys" were designed e.g. for computer services in 1992. Indeed the three topics prices, turnover by product and classifications formed an interlinked triangle.

Reasons for measuring turnover of detailed products include the following:

- Demand from policy makers,
- Interest from businesses (market share of own business),
- Support of trade statistics,
- Demand from National Accounts, especially at an aggregated level,
- Provision of weights for services PPI's.

Anne Russell (US, Census Bureau) presented *Measuring Detailed Sales of Service in the United States*. Through their ongoing annual survey program, the US collects about 300 different detailed sales of service categories. This number increases to 2,700 categories once every 5 years as part of the economic census. In the ensuing discussion, Bill Cave (OECD) asked whether producers are requested to give detailed turnover of products outside of their core-business (e.g. engineers' turnover from non-engineering-products). This is the case, but only products where turnover has significant size. Roslyn Swick (US, BLS) explained how useful these data are to her as a user. Martin Brand wondered whether there are attempts to link these data in the US with other variables like employment. This was not the case. He also asked who users are and what they think of the quality. National Accountants use the data at a detailed level. The respondents to the survey look at their market share.

Richard McKenzie (Australian Bureau of Statistics) presented *ABS Service Industry Surveys: collecting data on income for detailed products*. This survey asks for less detail than the US survey; starting point are four-digit ANZSIC and CPC codes. Pekka Alajääskö (Eurostat) remarked that the statistics are in some senses built in the reverse order from standard: first a PPI is established, then the weights are sought. Paul Johannis (Statistics Canada) asked whether there is a comparison over industries before it's sent to the I/O tables of National Accounts. This is not really the case. Information was requested regarding response: this is generally around 90%. Martin Brand asked whether ABS' structural statistics including total turnover, employment etc. are less frequent than yearly. The structural statistics are yearly but questions on product turnover are added in a rolling program.

There were then 2 linked presentations regarding the Eurostat coordinated surveys into certain areas in business services:

Pekka Alajääskö presented *Development Project on Business Services*. In the discussion, Paul Johannis asked whether CPA or CPC is the basis for the product list. CPA is, but with alterations. Bill Cave wondered whether these data could be useful to the services PPI work of Gunther Schäfer (Eurostat). Gunnel Bengtsson (Statistics Sweden) commented on the conflict between aiming to minimize respondent burden and setting up these new surveys.

Cecilia Hertzman presented *Pilot Surveys on Business Services Enterprises - Data Collection on Products and Clients*. Paul Johannis said it was quite surprising that it can be easier to answer a questionnaire with more detail than one with less. It is most important to use the terminology of the respondents, detail level is secondary. Anne Russell remarked that the number of engineering products in the US survey will increase from 10 to 78 in 2002. Many expect that each respondent will need to respond to only a handful of specialised categories

and as a result respondent burden will not increase dramatically. Furthermore, collection of client data (sales to business, government, households etc) has not been very successful in the US. Gunnel Bengtsson said that turnover by product is easier than by client. Jozef Auer (Statistics Austria) asked whether there were special problems with surveying 'free professionals' (lawyers, accountants etc.). This was not the case, surveying restaurants was even harder.

Fabrice Lenseigne (INSEE) was then invited to speak as a discussant. He named another use of these statistics: to help build better classifications. He urged for better contact between classification experts and statisticians from PPI and structural business statistics. Product classification is a better area for cooperation than activities classification. An extra problem might be the fast evolving boundaries between product lines. The vehicle for the survey in France was the Annual Business Survey.

In response to his questions, the following remarks were made:

- GDP needs are the reason for the high frequency of the survey in the US (Anne Russell).
- The US prioritises by selecting sectors where the least is known first (John Murphy, US, Census Bureau).
- The ABS asks for expenditure by product (input instead of output) for non-market activities. This is a way to track where money goes to (Richard McKenzie).

Martin Brand said there is a methodological debate about whether reclassification of businesses should be based on sample survey results or on censuses only. There is a similar debate in Sweden (Gunnel Bengtsson). There is reporting back to the business register from survey results in the ABS, but this does not lead to definitive updates (Richard McKenzie).

Nick Palmer (UK, ONS) described the UK's one-off survey on turnover by product in 2000, to 5000 businesses. This was purely as support for the CSPI (i.e. to derive weights), restricted to products sold to business and government. It included 47 sectors. New 'sub products' in the CSPI were defined as a result of the survey. There were misclassifications which were reported to the business register. The results will be used for top-level weighting in the CSPI as well as for use as sample frame for extending the CSPI sample.

Paul Johanis remarked that product turnover surveys are especially important as a complement if tax data are a main source as these lack product (or activity) income. Gunnel Bengtsson said adding these surveys to the structural business statistics should be attempted. It was noted that there is for the time being no balance in product turnover data between manufacturing and services because users do not want to give up the present detail in manufacturing statistics.

Martin Brand concluded with two questions. Do we want to continue this topic in the Voorburg work programme? What output could we produce? Bill Cave foresaw interesting statistics emerging, especially as an extension to trade statistics. He agreed that the topics PPI, classifications and product turnover are strongly connected. It was agreed by the meeting that there was continuing interest in this topic and that Pekka Alajääskö will carry out an inventory (in co-operation with Martin Brand and along the same lines as Bill Cave's PPI survey) to find what countries presently do in surveying turnover by (detailed) product. This will include EU-countries. It should try to cover non-EU-countries alike as far as possible (to facilitate this, co-operation from Voorburg members is needed). The chair suggested that longer term a guide to running surveys in this area might be a possible output, but we would return to this discussion at Voorburg 2003.

At the end of the session, Monica Montella presented *Analysis of Business Surveys Data for a new Estimation Methodology of National Accounts Transports Margins*, which provided a user perspective for this sort of statistical information.

IV. Classifications

Chair : Paul Johanis (Statistics Canada)

1. *Emerging issues - CPC 2007 Revision, Karen Cassamajor, United Nations Statistics Division*
2. *Operation 2007 - the Process, Niels Langkjaer-Ohlenschlaeger, Eurostat*
3. *Measuring International Trade in Services and New Demands on the Family of Classifications, Bill Cave, OECD*
4. *Development of the service industrial classification of China, Ye Shifang, NBS of China*
5. *2007 revision process of the activity classifications : some proposals for a superstructure, Emile Bruneau, Michel Lacroix, INSEE, France*
6. *Changes to Industrial Classifications (Operation 2007) - some observations based on UK experience, Willie Lester, U.K.*
7. *Developing a Demand-based Aggregation Structure for the North American Product Classification System, Paul Johannis, Statistics Canada*
8. *An Approach for Identifying and Defining Intellectual Property (IP) and Related Products in Product Classification Systems, Michael F. Mohr, John B. Murphy, United States*

The topic of classification was discussed in every session of this Voorburg meeting and significant conclusions were reached in sessions other than this one. In the Prices session, it was underlined that the work process for developing industrial products price indices and product classifications is much the same and that there existed many opportunities for collaboration and information sharing between price practitioners and classification builders. The need to integrate or better relate the product classifications used for production statistics and price statistics was highlighted.

In the session on information society, broad agreement was reached on the outline of the Information sector. The manufacturing, services and content components of the sector were discussed in NAICS, NACE and ISIC terms and opportunities for a unified approach were identified. In general, there is consensus on the need for additional detail in manufacturing for the manufacture of information technology products and the addition of services for infrastructure and content in a new Information sector. In this respect, some small adjustments to the Information sector that was proposed in the NAICS-NACE convergence scenario would seem to satisfy the needs of most participants. The difference between telecommunications services and content industries is the main point to be addressed in this respect.

It was also noted in this session that a framework was required to address the concept of "knowledge based economy", in which the centrality of knowledge is recognized. This would serve to integrate diverse topics such as knowledge creation through research and development and innovation, the use and exploitation of knowledge in economic activity, and its social and economic outcomes.

In the classification session itself, presentations were given on activity classification (NatSIC – China; Operation 2007 – Europe; ISIC revision – France, UN) and on product classification (treatment of intellectual property; trade in services; aggregation structure for NAPCS). In addition, a presentation on JSIC – Japan was given in the Information society session and one on NAPCS – US in the Prices session. Together, these provided participants the most up to date status on the developments in the field of activity and product classification as it relates to services and identified some of the important issues being addressed. What emerged was a picture of increasing convergence in activity classification between NAICS, NACE, ISIC, JSIC, NatSIC and ANZSIC, with the common identification of the same or similar broad aggregates for the information sector and other service-producing activities. There are, however, a number of outstanding issues: the link between activity and product; whether the classification is designed for classifying activities or classifying units ; the distinction between broadcasting and content production, among others. Finally, there seems to be broad agreement on the priority to be accorded to environmental and tourism activities in the next revision of these classifications, all slated for 2007 or before.

In the product dimension, the treatment of intellectual property in product classifications and the classification needs of the trade in services agenda were re-enforced. As regards the latter, the relationship between the CPC and the Extended Balance of Payments classification

needs to be addressed, in the context of the broader issue of the relationship between the CPC and a number of other product classifications. In addition, the need to develop an overall framework to deal with production services (outsourcing) both within and across national borders, in activity and product terms, as well as from the point of view of national accounting was identified. Finally, the need in the short term to develop an acceptable list of ICT products was stressed

It was agreed in conclusion that the session on classifications had been very useful to participants and that the topic of classification would be given more prominence at the next meeting.

V. Strategy for the future

Chair : Peter Bøegh Nielsen (Statistics Denmark)

Functioning of the Voorburg Group

Peter Bøegh Nielsen recalled that since 1998, the Voorburg Group has decided to work according to a 3-years rolling program focusing on core issues. The VG insists on joint papers presentations, which is a way to emphasise on common work in-between meetings. It pays attention to work with other international bodies in order to avoid duplicate work. The doors have been open to new participants : new countries have joined within the last five years : China, Hungary, Fiji Islands, Greece, Portugal, Spain. Finally, the VG has experienced new ways of organising sessions, with session leaders responsible for their own session, and since this year with two parallel sessions running for one day and a half.

The core issues defined for the current 3-years program are classifications, producer price indices and information society. Ad hoc issues were turnover by products, short-term statistics and non-profit institutions.

The UN Statistics Division, reflecting the deliberations of the United Nations Statistical Commission pointed out that topics have expanded over time: hence the ongoing process no longer reflects the mandate initially given to the Group. Peter Bøegh Nielsen recalled that the subject of information society has been introduced in order to have, in addition to the OECD WPIIS, a second annual meeting on this topic.

The VG was also asked to define its strategy concerning non-participating countries, and especially developing countries.

On this point, it was obviously agreed to open the doors but without altering the nature of the meetings, which are much more working groups, requiring active participation, than conferences. Nevertheless, the concern expressed by the UN delegate could be dealt with through some tools:

- the organisation of regional meetings;
- possible involvement of countries that had not previously participated, in the preparation of specific sessions;
- better visibility and accessibility of the output. For this last point, a proposition was made to improve the VG website to allow people to get the proper information easily. Statistics Canada will undertake actions to improve the functionality, and different countries could be in charge of defining the content for specific topics;
- the development of a strategy for services sector statistics, to provide guidelines for country implementation.

One could also think of conferences which could be held perhaps every five years or others to be held in between regular VG meetings, which would be open to a wider participation.

Definition of strategies for services statistics

1. *Short-term Statistics on Services in the European Union - Proposals to improve the availability of infra-annual data for the eurozone and the EU, Gunter Schäfer (Eurostat), Stefano Nardelli (European Central Bank)*
2. *Statistics on the services sector - elements for a strategy, Peter Bøegh Nielsen (Statistics Denmark)*

This point was introduced by the presentation of the two papers. The first one is a proposal to improve the availability of infra-annual data for the European Union on the field of services. The second consists in the strategic paper for services prepared by Statistik Denmark. In the discussion, some countries agreed on the fact that developing services statistics needs to put negative priorities in other fields.

Bureau and next meeting

Albert Meguerditchian (Statistics Canada) and Patrice Roussel (INSEE, France) leave the bureau. They will be replaced by Magali Demotes-Mainard (INSEE, France) and a member of Statistics Canada. As Peter Bøegh Nielsen has been named as chairman of the OECD WPIIS, he will leave the chair of the Voorburg Group, and Magali Demotes-Mainard will take this function.

The next meeting will be held in Tokyo from 6 to 10 October.

The planned sessions are the following:

Monday:

- plenary session (1/4 day): introduction and countries progress reports (session leader: Magali Demotes-Mainard)
- parallel sessions (3/4 day): Producer prices (session leader: Irwin Gerduk) / Information society (session leader: Lea Parjo)

Tuesday:

- parallel sessions (3/4 day): Producer prices (session leader: Irwin Gerduk) / Classifications (session leader: Paul Johanis)
- plenary session (1/4 day): turnover by product (session leader: Martin Brand)

Thursday:

- plenary session: Classifications (session leader: Paul Johanis)

Friday morning:

- plenary session (1/4 day): strategy for service statistics (session leader: Peter Boegh Nielsen)
- plenary session (1/4 day): future (session: Magali Demotes-Mainard)