Recommendations of the VG Task Force on Services Pricing/Quality Adjustment, Output Measures, and Classification

presented by

Mark E. Wallace
Chief, Service Sector Statistics Division
U.S. Census Bureau
mark.e.wallace@census.gov

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Background

• The United Nations Statistical Commission (UNSC) has confirmed the Voorburg Group’s (VG's) mandate to establish internationally comparable concepts and methods for measuring the service sector in constant prices

• VG’s scope covers work on service sector classifications, input and output measures, and prices, including:
  – Coordinating, reviewing, and disseminating the work of national statistical offices and regional efforts that have developed concepts, methods, and best practices
  – Maintaining and adjusting concepts, methods, and best practices
  – Transferring knowledge on concepts, methods, and best practices

• VG meetings should collectively address classifications, output, and prices (no longer have separate tracks for classifications, output, and prices) -- ‘sector papers’ to be co-authored by prices and outputs experts
New Strategy Agreed Upon at VG 2005 Meeting in Helsinki:

- Emphasize parallel development of output measures, price indices, and classifications

- Produce concrete, coordinated, measurable, and easy-to-publicize deliverables (with more emphasis on “outputs with timetable”)
What was Assigned at VG 2005
(on September 30, 2005 in Helsinki)

By December 2005

• Develop a structured content development framework collectively addressing classifications, outputs, and prices

• Identify sectors/industries for “mini-presentations” (separately done on prices and turnover) and for “sector papers” (covering prices, outputs, and classification)

Task Force Members

Mark Wallace (coordinator)  Kuniko Moriya
Irwin Gerduk  Seppo Varjonen
Aurel Kenessey de Kenese  Pam Davies
Benoit Buisson  Richard McKenzie
Benjamin Camus  Roslyn Swick
Task Force Deliverables
What was Done by December 2005:

- A content development framework (CDF) was finished (there will be a separate presentation later this morning) which outlined what was to be included in mini-presentations and sector papers.

- We decided that one important part of the CDF was to reach agreement on pricing method terminologies (or equivalent terminologies in the manner of a thesaurus) and that this thesaurus would be a reference for use in preparing mini-presentations and sector papers (this afternoon will be devoted to two sessions on the thesaurus).

- We asked for a volunteer to lead the preparation of a paper on common terminologies for prices, to be done by March 2006 (Aurel Kenessey de Kenese graciously volunteered for the assignment to develop the thesaurus).
Task Force Deliverables
What was Done by December 2005 (continued):

The CDF included several separate deliverables, defining a framework for core activities of the VG

- The body of the CDF specified a structured approach for developing mini-presentations and sector papers for use in future VG meetings

- Attachment A contained an inventory of 108 ISIC industries in the Service Sector, along with previous VG presentation work done (on PPI) for them

- Attachment B contained an outline of suggested headings to be covered in the mini-presentations and sector papers, along with guidelines for discussant remarks and facilitated group discussion

- Attachment C suggested ISIC industries on which the VG would call for 1) mini-presentations for the VG 2006 meeting, 2) sector papers for the VG 2007 meeting, 3) mini-presentations for the VG 2007-2009 meetings, and 4) sector papers for the VG 2008-2009 meetings (these were based on an informal poll of selected VG participants)
Task Force Deliverables

What was Done by December 2005 (continued):

- Attachment D included sample suggested agendas proposed for the VG 2006 and VG 2007 (and later) meetings (used primarily in setting this year’s agenda)

- Attachment E included a proposed PPI Quality Assessment Tool (which could accompany selected PPI mini-presentations)
**Task Force Deliverables**

**What was Done by December 2005 (continued):**

**Summary**

- The VG task force with the delivery of the CDF and its many components on December 22, 2005, met its deliverable date.

- It assigned the preparation of a thesaurus and noted that this thesaurus would be presented on Monday afternoon of the VG 2006 meeting.

- The sector papers will constitute a major deliverable from the VG to participating countries over time.

- Much work was done between the VG 2005 and VG 2006 meetings and we hope this will set the stage for productive future meetings.