STATISTICAL PROBLEMS IN CASE STUDIES ON COMMERCIAL SERVICES IN THE NETHERLANDS

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Introduction

The Dutch Ministry of Economic Affairs stands for the consolidation and strengthening of an internationally competitive market sector. In drafting its policy, the Ministry keeps a close watch on European and world-wide economic developments. A permanent outward-looking approach is necessary because the Netherlands has an open market economy.

Especially because of this open economy, internationalisation is a phenomenon which the market sector is subjected to: more and more Dutch enterprises export their goods and services or set up business in other countries. On the other hand more and more foreign enterprises enter the Dutch market.

In this field our Ministry needs to have a view on the international competitive position of Dutch enterprises. Therefore we need statistical information. The aim of our studies is to explore strengths, weaknesses, challenges and threats of the economy in general and of certain sectors in particular. With that information one could define the economic policy for the next few years. However, the information of Eurostat about the commercial services is insufficient or not up to date. The main problem is that information of different countries is not available for the same year and is too aggregated. We will describe the problem in the following three cases.

1. International Comparison of Service Industries (survey by EIM Small Business Research and Consultancy)

This survey analysed the Dutch service industry as a whole vis a vis the same industries in some European countries. Labour productivity, investment, wages and labour costs were compared. In the second stage the analysis was focused on financial and engineering services.

Although the comparison of the service industry as a whole was interesting, problems occuring with the availability of data weakened the conclusions. For a few countries some data were not available at all, for others only partially. At sectoral level (financial and engineering services) Eurostat material about labour productivity, investment quote and labour quote still contains gaps.
The problem is that in some countries the collection of statistical information is not well developed. Furthermore, still existing differences in definitions between countries make international comparisons difficult. According to the EIM these problems will be solved in the (near) future.

2. Benchmark Publishing

This survey made a comparison of the publishing sector in a number of European countries (UK, Germany, Belgium and Denmark), the United States and Japan. The variables compared were value added, number of employees, productivity, income, costs and expenses for innovation. The main problem was that there was hardly any information of the publishing sector at all; most information was about publishing and printing together. The most recent information in a lot of countries was about the year 1991.

Moreover, different countries had a variety of definitions of the publishing sector; in some countries even the booksellers were included. Information about new developments such as multi media was not available.

3. Benchmark Service Sectors

This benchmark concerned a number of internationally oriented services sectors. The first step was an analysis of the whole Dutch service industry on a 3-digit level. This was carried out by comparing macro-economic variables as value added, growth, imports and exports (international character of the business) and volume with the same variables in the benchmark countries.

The second step was the selection of 4 sub-sectors in terms of industry attractiveness and relative performance of Dutch sub-sectors on macro-economic benchmarks. The 4 sub-sectors who performed well but nonetheless can strengthen their performances (possibly by policy measures) are: software services, engineering services, road transport and wholesale. Key-factors for success were detected for these sub-sectors, followed by an analysis which determined the scores of different countries on these factors.

As in case 2 statistical information necessary for the benchmark could often not be obtained from official sources. Especially direct foreign investments figures where not available on a 3-digit level, whilst this type of investment is a very important way of internationalisation in service sectors. This situation forced the consultancy firm to make extensive revisions of available statistical information before the benchmark could be carried out in a more or less proper way.